

CHAPTER 871. POWERBALL

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 - G. Chapter 871. PowerBall—Version in effect on January 19, 2014, incorporating changes from October 1, 2013; January 15, 2012; May 28, 2011; January 4, 2009; August 28, 2005; and October 6, 2002.
 - H. Chapter 871. PowerBall—Version in effect on October 4, 2015, incorporating changes from January 19, 2014; October 1, 2013; January 15, 2012; May 28, 2011; January 4, 2009; August 28, 2005; and October 6, 2002.
 - I. Chapter 871. PowerBall—Version in effect on April 9, 2020, incorporating changes from October 4, 2015; January 19, 2014; October 1, 2013; January 15, 2012; May 28, 2011; January 4, 2009; August 28, 2005; and October 6, 2002.
 - J. Chapter 871. PowerBall—Version in effect on August 22, 2021, incorporating changes from April 9, 2020; October 4, 2015; January 19, 2014; October 1, 2013; January 15, 2012; May 28, 2011; January 4, 2009; August 28, 2005; and October 6, 2002.

Authority

The provisions of this Chapter 871 issued under section 303 of the State Lottery Law (72 P.S. § 3761-303), unless otherwise noted.

Source

The provisions of this Chapter 871 adopted June 7, 2002, effective June 8, 2002, 32 Pa.B. 2758, unless otherwise noted.

Cross References

This chapter cited in 61 Pa. Code § 876.2 (relating to definitions).

§ 871.1. Creation.

Under the act and this part, there is created a numbers game, called Powerball, which will commence at the discretion of the Secretary, and will continue until the Secretary publicly announces a suspension or termination date.

§ 871.2. Game description and purpose.

(a) Powerball is a five out of 49 plus one out of 42 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash basis.

(b) The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 49, and matching the separately drawn Powerball number, or a designated combination thereof, within a single play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted twice a week or as publicly announced by the Secretary.

(c) The object of the game is for a player to select, in a single play on a ticket, five numbers and the Powerball number that match the numbers and the Powerball number drawn for the game in which the ticket is participating. Correctly matching the six winning numbers consisting of the five numbers drawn plus the Powerball number drawn, and meeting other validation criteria, entitles the ticket holder to the grand prize identified in § 871.8 (relating to expected prize payout percentages).

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.3. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Apparent winning ticket—A ticket which has not been validated by the Lottery.

Basic play—Each set of six numbers consisting of five numbers from 1 through 49 and the Powerball number on a ticket purchased without the selec-

tion of any promotion, representing a single entry for a Powerball drawing and designated by a letter from A to E on a Powerball ticket.

Cash election—A method of payment that the player selects, within 60 days of the date the Lottery determines the player is entitled to the Powerball grand prize, to receive a parimutuel share of the prize money allocated to the grand prize category as a one-time, lump-sum cash payment rather than as an annuity.

Drawing—The process of selecting winning numbers that determines the winners for each prize category of the game.

First set numbers—The first group of numbers, from 1 through 49, appearing in the top grid of a Powerball game panel.

Grand prize winnings pool—An amount constituting 29.1942% of gross sales from all participating states for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Gross sales—The total amount of sales from all participating states for a particular Powerball game drawing for the purpose of determining the grand prize winnings pool and the set prize winnings pool in that drawing.

MUSL—The Multi-State Lottery Association.

MUSL Board—The governing body of the MUSL which is comprised of the chief executive officer of each party lottery.

MUSL Powerball Product Group—The group of lotteries that have joined together to offer the Powerball lottery game under the terms of the MUSL agreement and MUSL Powerball Product Group rules.

On-line retailer—A person who is properly licensed and authorized by the Lottery to sell Powerball tickets.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 49 squares, each numbered 1 through 49 and the lower grids (second set numbers) contain 42 squares, each numbered 1 through 42. Each panel is lettered either A, B, C, D or E, and when used to purchase a ticket, corresponds to the numbers selected and printed on the ticket adjacent to that letter.

Party lottery—A State lottery or lottery of a political subdivision or entity which has joined the MUSL and, in the context of the Powerball Group Rules, which has joined in selling the Powerball game.

Powerball bet slip—A card having five game panels labeled A through E, used by a player to select numbers to play the game.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 42, appearing in the lower grid of a Powerball game panel.

Promotion—A method used by the Lottery to aid in the sale of its products; for example, an option a player may exercise by purchase to increase the prize paid on a winning ticket or to increase the chance of winning a prize.

Quick pick—The random selection by the Lottery's computer system of five numbers from 1 through 49 and a Powerball number from 1 through 42 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 42, appearing in the lower grid of a Powerball game panel.

Set prize tiers—All prizes except the grand prize that are advertised to be paid by a single lump-sum payment and, except in instances outlined in this chapter, will be equal to the prize amount established by the MUSL Board for the prize level.

Set prize winnings pool—An amount constituting 20.8058% of gross sales for the current drawing and any monies carried forward from previous draws.

Terminal—A device which is authorized by the Lottery to function in an on-line, interactive mode with the Lottery's computer system, for the purpose of issuing lottery tickets and entering, receiving and processing lottery transactions, including making purchases, validating tickets and transmitting reports.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 49 and a single selected Powerball number from 1 through 42 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player.

Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 49, and the Powerball number from 1 through 42, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

Winnings pool—Constitutes 50% of each prize drawing period gross sales. A portion of the pool is contributed to the grand prize winnings pool. The remainder constitutes the set prize winnings pool. Moneys carried forward from previous draws are combined with the pool as directed in the MUSL rules.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.4. Ticket sales retailers.

(a) Powerball game ticket sales may only be made through licensed on-line retailers the Director will appoint and contract with as provided in § 815.42 (relating to ticket sales agents).

(b) The Lottery may terminate sales by a retailer without prior notice to the retailer if the retailer becomes delinquent in payment of proceeds due the Lottery, fails to handle Lottery funds in the prescribed manner, if the retailer breaches the contract or an addendum thereof, this part or procedures established governing the sale of tickets or if the Lottery deems it to be in the best interest of the Commonwealth.

§ 871.5. Ticket price.

A Powerball ticket shall cost \$1 per play. The power play option may be exercised, at the discretion of the player, for an additional \$1 per play.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.6. Powerball bet slip and ticket characteristics and restrictions.

(a) For each basic play the player shall select, or request quick pick selection by the computer, five numbers and a single Powerball number, in one or more of the game panels on a Powerball bet slip. Powerball bet slips shall be available at no cost to the player. The minimum entry is \$1. For \$1, play game A; for \$2, play games A and B; for \$3, play games A, B and C; for \$4, play games A, B, C and D; for \$5, play games A, B, C, D and E. Players are also given the option to select a promotion verbally or on the bet slip at the time of purchase for an additional \$1 for each play. Game panels shall be played in alphabetical order in accordance with the instructions printed on the Powerball bet slip. A Powerball bet slip has no pecuniary or prize value and does not constitute evidence of the purchase of a ticket or the numbers selected.

(b) To purchase a ticket, players shall, in addition to the purchase price, submit a completed Powerball bet slip, or request number selections either by quick pick or manual terminal entry to an on-line retailer to have a ticket issued. The ticket shall contain five selected numbers and a single selected Powerball number

for each play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. This ticket shall be the only valid receipt for claiming a prize. The ticket shall only be valid for the drawing date or dates printed on the ticket. Retailers are not permitted to allow the attachment of any remote devices to a lottery terminal to enter plays except as otherwise provided in the MUSL rules.

(c) If Powerball bet slips are unavailable, number selections may be given to an on-line retailer in groups of five number selections and one Powerball number selection per game section for each \$1 wagered as a basic play. The retailer shall manually enter the selections into the computer terminal.

(d) A Powerball ticket may not be canceled or voided once printed by the Lottery terminal, even if the ticket is printed in error.

(e) It shall be the sole responsibility of the player to verify the accuracy of the game play or plays and other data printed on the ticket. The placing of plays is done at the player's own risk through the on-line retailer who is acting on behalf of the player in entering the play or plays.

(f) A player may select numbers for up to 26 drawings, specifically the next drawing and the 25 subsequent drawings.

(g) A ticket may not be issued for a drawing after the specified sales cut-off time prior to the drawing, as announced by the Secretary or a designee.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.7. Time, place and manner of conducting drawing.

(a) *Time of drawing.* A Powerball drawing will be held twice a week or as publicly announced by the Secretary.

(b) *Place of drawing.* A Powerball drawing will be conducted in a location selected by the MUSL in West Des Moines, Iowa, or other location selected by the MUSL for promotional or other reasons.

(c) *Manner of conducting drawings.* The MUSL will draw at random five numbers from a set of balls numbered 1 through 49 and one Powerball number from a set of balls numbered 1 through 42 with the aid of mechanical drawing equipment. All drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.8. Expected prize payout percentages.

(a) Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	58.3884%
Five first set numbers	Second Prize*	\$100,000	10.2386%
Four first set numbers and the Powerball number	Third Prize*	\$5,000	2.747%
Four first set numbers	Fourth Prize*	\$100	2.2524%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	2.3624%
Three first set numbers	Sixth Prize*	\$7	6.7800%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	2.3152%
One first set number and the Powerball number	Eighth Prize*	\$4	6.7800%
The Powerball number	Ninth Prize*	\$3	8.1360%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(b) Prize money allocated to the grand prize category will be paid on a parimutuel basis, divided equally by the number of plays determined by the MUSL to be the winners of the grand prize.

(c) The number of plays determined by the MUSL to be winners of the second through ninth prize categories will be paid as set cash prizes, except as provided in paragraphs (1) and (2).

(1) If the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 20.8058% of gross sales, the amount needed to fund the set prizes shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$25,000,000 per Powerball drawing.

(2) If the sources set forth in paragraph (1) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing, the highest set prize shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining set prizes, the next highest set prize shall become a parimutuel prize. If necessary, and under the same test conditions set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimu-

tuel prizes, the money available from the funding sources listed in paragraph (1) shall be divided among the winning plays in proportion to their respective prize percentages.

(3) If all, or any portion of the set prize pool is not awarded in the current Powerball drawing, that portion of the set prize pool shall be carried forward to subsequent Powerball drawings.

Cross References

This section cited in 61 Pa. Code § 871.2 (relating to game description and purpose); 61 Pa. Code § 871.10 (relating to funding of guaranteed prizes); 61 Pa. Code § 871.20 (relating to power play promotion); and 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.9. Powerball prize payments.

(a) Individual ticket prize payments will be paid entirely in cash with the exception of the grand prize category.

(b) A grand prize shall be paid by an annuity except that a player may elect to receive the grand prize in a single cash payment provided the cash election is made by the player within 60 days of the date the Lottery determines that a grand prize winning ticket has been sold and that a player is entitled to the prize.

(1) An election to receive the grand prize by annuity or cash made by the player after the player becomes entitled to the prize is final and cannot be revoked, withdrawn or otherwise changed.

(2) Shares of the grand prize shall be determined by dividing the cash available in the grand prize pool equally among all winners of the grand prize. A winner who elected cash payment shall be paid the share in a single cash payment.

(3) The annuitized prize shall be determined by multiplying a winner's share of the grand prize by the MUSL annuity factor.

(c) The MUSL annuity factor is determined by the best total securities price obtained through a competitive bid of qualified, preapproved brokers made after it is determined that the prize is to be paid as an annuity prize or after the expiration of 60 days of the date that the player becomes entitled to the prize.

(d) Neither the MUSL nor the Lottery shall be responsible or liable for changes in the advertised or estimated annuity prize from the time the drawing occurs and the date that the player makes the election regarding method of prize payment.

(e) All annuitized prizes shall be paid in 25 annual payments with the initial payment being made in cash, to be followed by 24 equal payments funded by the annuity. The initial payment of an annuitized prize may be made by the Lottery upon validation of the winning ticket.

(f) If the individual shares of the cash held to fund an annuity is less than \$250,000, the MUSL Powerball Product Group, in its sole discretion, may elect to pay the winners their share of the cash held in the grand prize pool as a lump sum.

(g) If more than one winning ticket for the grand prize is determined, upon meeting the requirements of §§ 871.12 and 871.13 (relating to ticket validation requirements; and procedures for claiming and payment of Powerball prizes), each is entitled to a prorated payment share of the total grand prize category.

(h) A winning Powerball play is entitled only to the highest prize won by those numbers.

(i) The number of prize categories, the allocation of prize money among the prize categories and the annuity term may be changed at the discretion of the MUSL and the change will be announced by public notice. These changes will only apply prospectively to Powerball drawings as of the date specified in the public notice.

(j) Retailer incentive and marketing promotion programs, including the use of funded free tickets, may be implemented at the discretion of the Secretary. Funds for the programs, if needed, will be drawn from the Lottery fund.

(k) If the grand prize is not won in a drawing, the prize money allocated for the grand prize shall roll over and be added to the grand prize pool for the following drawing.

(l) Prize claims shall be submitted within 1 year of the drawing date.

(m) Annuitized payment of the grand prize or a share of the grand prize may be rounded to facilitate the purchase of an appropriate funding mechanism. Breakage on an annuitized grand prize win shall be added to the first cash payment to the winner or winners. Prizes other than the grand prize, which under this chapter may become single-payment, parimutuel prizes, may be rounded down so that prizes can be paid in multiples of whole dollars. Breakage resulting from rounding these prizes shall be carried forward to the prize pool for the next drawing.

Cross References

This section cited in 61 Pa. Code § 871.13 (relating to procedures for claiming and payment of Powerball prizes); and 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.10. Funding of guaranteed prizes.

The MUSL Powerball Product Group may offer guaranteed minimum grand prize amounts or minimum increases in the grand prize amount between drawings or make other changes in the allocation of prize money where the MUSL Powerball Product Group finds that it would be in the best interest of the game. If a minimum grand prize amount or a minimum increase in the grand prize amount between drawings is offered by the Product Group, the grand prize shares shall be determined as follows:

(1) If there are multiple grand prize winners during a single drawing, each selecting the annuitized option prize, then a winner's share of the guaranteed annuitized grand prize shall be determined by dividing the guaranteed annuitized grand prize by the number of winners.

(2) If there are multiple grand prize winners during a single drawing and at least one of the grand prize winners has elected the annuitized option prize, the best bid submitted by the MUSL's preapproved qualified brokers shall determine the cash pool needed to fund the guaranteed annuitized grand prize.

(3) If no winner of the grand prize during a single drawing has elected the annuitized option prize, the amount of cash in the grand prize pool shall be an amount equal to the guaranteed annuitized amount divided by the average annuity factor of the most recent three best quotes provided by the MUSL's preapproved qualified brokers submitting quotes.

(4) Quotes will not be used which are more than 2 weeks old, and if less than three quotes are submitted, the MUSL shall use the average of all quotes submitted.

(5) Changes in the allocation of prize money shall be designed to retain approximately the same prize allocation percentages, over a year's time, as set forth in § 871.8 (relating to expected prize payout percentages). Minimum guaranteed prizes or increases may be waived if the alternate funding mechanism as set forth in § 871.8 becomes necessary.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.11. Ticket responsibility.

(a) A ticket is a bearer document deemed to be owned by the person holding the ticket, except that if a signature is contained on the ticket, the person so named will, for all purposes, be considered the owner of the ticket.

(b) The Commonwealth will not be responsible for lost or stolen tickets.

(c) The purchaser of the ticket has the sole responsibility for checking the accuracy and condition of the data printed on the ticket.

(d) The Commonwealth will not be responsible for tickets redeemed in error.

§ 871.12. Ticket validation requirements.

(a) *Valid tickets.* To be a valid ticket, the following conditions shall be met:

(1) The ticket validation number shall be present in its entirety and shall correspond, using the computer validation file, to the selected numbers printed on the ticket for the date printed on the ticket.

(2) The ticket shall be intact.

(3) The ticket may not be mutilated, altered, reconstituted or tampered with.

(4) The ticket may not be counterfeit or an exact duplicate of a winning ticket.

(5) The ticket shall have been issued by the Lottery through a licensed on-line retailer.

- (6) The ticket may not have been stolen.
 - (7) The ticket shall be validated in accordance with § 871.13 (relating to procedures for claiming and payment of Powerball prizes).
 - (8) The player-selected or computer-selected numbers on the ticket shall be in individual groups of five first set numbers and one second set number each associated with a single letter, A, B, C, D or E. The numbers and the associated letter shall constitute a single play.
 - (9) The ticket data shall have been recorded on the Lottery's central computer system prior to the drawing and the ticket data shall match this computer record in every respect.
 - (10) The player-selected or computer-selected numbers, promotion selection, if applicable, the validation number data and the drawing date of an apparent winning ticket shall appear on the official file of the winning tickets; and a ticket with that exact data may not have been previously paid.
 - (11) The ticket may not be misregistered, defectively printed or printed or produced in error.
 - (12) The ticket shall pass other confidential security checks of the Lottery.
 - (13) By submitting a ticket for validation, the player agrees to abide by this chapter.
 - (14) There may not be another violation of this part in relation to the ticket.
- (b) *Invalid or defective tickets—disputes.* A ticket not passing the validation checks in subsection (a) will be considered invalid and will not be paid.
- (1) In cases of doubt, the determination of the Secretary is final and binding. The Secretary may replace an invalid ticket with a ticket of equivalent sale price from a current Lottery game.
 - (2) If a defective ticket is purchased or if the Secretary determines to adjust an error, the sole and exclusive remedy will be the replacement of the defective or erroneous ticket with a ticket of equivalent sale price from a current Lottery game.
 - (3) If a ticket is not paid by the Lottery and a dispute occurs as to whether the ticket is a winning ticket, the Lottery may replace the ticket as provided in paragraph (2). This is the sole and exclusive remedy of the holder of the ticket.

Cross References

This section cited in 61 Pa. Code § 871.9 (relating to Powerball prize payments); 61 Pa. Code § 871.13 (relating to procedures for claiming and payment of Powerball prizes); and 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.13. Procedures for claiming and payment of Powerball prizes.

(a) Pennsylvania Powerball prizes shall be claimed only through a licensed on-line Pennsylvania Lottery retailer beginning on the day following the drawing. The Lottery is not authorized to accept claims or pay prizes for Powerball tickets purchased in other jurisdictions.

(b) An on-line retailer is authorized and required to make payment of a prize of \$2,500 or less on an individual Powerball winning ticket, if the ticket is presented within a designated time period as announced by the Secretary and if the retailer has sufficient funds available for payment.

(c) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing combined prizes of \$2,500 or less will be paid by participating on-line retailers as provided in subsection (b), if the ticket validation requirements in § 871.12 (relating to ticket validation requirements) have been met, a proper validation pay ticket has been issued by the retailer's computer terminal and other retailer procedures have been met.

(d) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing combined prizes in excess of \$2,500, with the exception of the grand prize category, shall first validate the apparent winning ticket at the participating Pennsylvania Lottery on-line retailer to receive a validation receipt, complete a claim form and display appropriate identification and then surrender the winning ticket and the original claim form to the retailer for transmittal to Lottery Headquarters for payment under Chapter 811 (relating to prizes).

(e) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing a grand prize category prize shall present, in person, the apparent winning ticket to the Pennsylvania Lottery Headquarters for validation under Chapter 811.

(f) In the event of the death of a Powerball grand prize winner and upon petition of the estate of the prize winner, the MUSL Powerball Product Group may accelerate payment of all remaining proceeds from the winning ticket to the estate of the winner by transferring to the estate the securities or cash, or both, being held to satisfy the prize requirements, or paying the estate the present value of the remaining payments of the winner's prize. The valuation of the securities and determination of the present value of the accelerated lottery payments shall be at the sole discretion of the MUSL Powerball Group. The payment of a set prize to a person who dies before receiving any or all of a particular prize and to a person under 18 years of age will be paid under §§ 811.16 and 811.27 (relating to prizes payable after death of prize winner; and payment of prizes to persons under 18 years of age).

(g) The Commonwealth will be discharged of liability after payment of prizes as provided in § 811.26 (relating to discharge of State liability upon payment).

(h) The Lottery may delay payment of the prize pending a final determination by the Secretary if a dispute occurs, or it appears likely that a dispute may occur, regarding the prize; if there is any question regarding the identity of the claimant; if there is any question regarding the validity of the ticket presented for payment; or if the claim is subject to any setoff for delinquent debts owed by the claimant under Pennsylvania statute. The Lottery may delay payment of a grand prize pending a claimant election of payment method as provided under

§ 871.9(b) (relating to Powerball prize payments). The Lottery may delay payment of a grand prize for up to 15 days as permitted by the MUSL rules.

Cross References

This section cited in 61 Pa. Code § 871.9 (relating to Powerball prize payments); 61 Pa. Code § 871.12 (relating to ticket validation requirements); and 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.14. Parimutuel prize pool.

(a) The prize pool for all prize categories shall consist of 50% of each drawing period's sales after the prize reserve accounts are funded to the amounts set by the MUSL Powerball Product Group. Any amount remaining in the prize pool at the end of the game shall be carried forward to a replacement game or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(b) An amount equal to up to 2% of a party lottery's sales shall be deducted from a party lottery's grand prize pool and placed in trust in one or more prize reserve accounts until the party lottery's share of the prize reserve accounts reaches the amounts designated by the MUSL Powerball Product Group. Once the party lottery's share of the prize reserve accounts exceeds the designated amounts, the excess shall become part of the grand prize pool. The MUSL Powerball Product Group, with the approval of the Finance and Audit Committee, may establish a maximum balance for the prize reserve accounts. The shares of a party lottery may be adjusted with refunds to the party lottery from the prize reserve accounts 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 MUSL Powerball Product Group in accordance with State law.

(c) If the prize pool for a drawing is not sufficient to fund an announced minimum grand prize, the prize pool will be increased as necessary in accordance with MUSL rules.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.15. Unclaimed prize money.

Prize money on a winning Powerball play may be retained by the Secretary for payment to the person entitled to it. If within 1 year of the drawing date on the ticket, no claim is made on a winning play, as determined by the Secretary, the right to claim prize money terminates. For set prizes, the prize money will be paid into the State Lottery Fund and used for purposes otherwise provided for by statute. Unclaimed grand prize funds will be distributed among all MUSL Lotteries in proportion to each lottery's sales for the grand prize drawing.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.16. Withholding.

Federal withholding taxes will be withheld by the Lottery for the prize payments in amounts required in accordance with applicable provisions of law.

§ 871.17. Purchase and prize restrictions.

(a) A Powerball ticket may not be purchased in this Commonwealth by, and a prize will not be paid to, an officer or employee of the Pennsylvania Lottery or any of the Lottery's professional services contractors or subcontractors who are involved in the operation of the on-line lottery games system or its associated drawings, or to a spouse, child, brother, sister or parent residing in the same household as these individuals.

(b) In addition to the individuals identified in subsection (a), the following persons are not eligible to purchase a Powerball ticket and are ineligible to be paid a prize for a Powerball ticket:

(1) An employee, officer or director of the MUSL.

(2) A person under contract with the MUSL to conduct a financial or security audit of the MUSL.

(3) An employee, partner, shareholder or owner of an independent accounting firm under contract with the MUSL to observe drawings and site operations.

(4) A relative living in the same household of a person described in paragraph (1), (2) or (3).

(c) Except as provided in subsection (b), the individuals identified in subsection (a) are not prohibited from purchasing a ticket or winning a prize from a MUSL member lottery other than the Pennsylvania Lottery.

(d) A Lottery retailer authorized to sell lottery tickets for on-line games, or an employee of a retailer may not request, demand or accept gratuities or additional compensation from any person, or agent thereof, in exchange for the purchase of Powerball lottery tickets. A retailer authorized to sell lottery tickets for on-line games shall make Powerball lottery tickets available for sale to the public during the hours that sale of Powerball tickets are authorized to be sold and that business is open to the public. A retailer may only sell Powerball lottery tickets on the premises described in the retailer's contract, except as specially authorized in writing by the Director. No transaction, or any part thereof, of Powerball lottery tickets may be made at the general corporate office of a retailer unless that office is open to the public and has contracted with the Lottery as a separate Lottery retailer. A Lottery retailer authorized to sell lottery tickets for on-line games may not enter into any special agreement with a person, group of persons or agent thereof, for the purchase of over \$500 of Powerball lottery tickets for any one drawing. A retailer shall immediately report to the Lottery an attempt made by a person, or group of persons or an agent thereof, to purchase more than 50% of the number combinations for Powerball for any one drawing. A retailer shall obtain the name and address of any person purchasing more than \$5,000 in Powerball lottery tickets for any one drawing and report the information to the Lot-

tery before the sale. A person may not purchase a ticket or combination of tickets and a lottery retailer may not directly or knowingly sell a ticket or combination of tickets to any person which would guarantee the purchaser a grand prize win.

§ 871.18. Governing law.

(a) In purchasing a ticket, the purchaser agrees to comply with and abide by applicable laws, this part, instructions, conditions, final decisions of the Secretary and procedures established by the Director or by the MUSL for the conduct of Powerball.

(b) Decisions made by the Secretary or the MUSL, including the declaration of prizes and the payment thereof or interpretation of this part are final and binding on players and persons making a claim in respect thereof.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.19. Probability of winning.

The probability of winning is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:80,089,128
Five first set numbers	Second Prize	1:1,953,393.3659
Four first set numbers and the Powerball number	Third Prize	1:364,041.4909
Four first set numbers	Fourth Prize	1:8,879.0608
Three first set numbers and the Powerball number	Fifth Prize	1:8,466.0812
Three first set numbers	Sixth Prize	1:206.4898
Two first set numbers and the Powerball number	Seventh Prize	1:604.7201
One first set number and the Powerball number	Eighth Prize	1:117.9942
The Powerball number	Ninth Prize	1:73.7464

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.20. Power play promotion.

(a) The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension

or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option for the chance to multiply set prizes won as a result of a Powerball drawing by a number ranging from 1 to 5. The Powerball grand prize will not be eligible for multiplication under the power play promotion.

(b) At the time of purchasing a Powerball ticket from an on-line Lottery retailer, a player may choose the power play option for one additional \$1 per play for each play on the Powerball ticket. If a player chooses the power play promotion feature for any play on a ticket, every play on that ticket must participate in the promotion.

(c) At the time of each Powerball drawing, the MUSL shall conduct a power play drawing under the supervision of security and an independent auditor which shall result in the selection of the power play number from among the following series of numbers: 1, 1, 2, 2, 3, 3, 4, 4, 5, 5, 5 and 5.

(d) Powerball tickets that contain the power play option and one or more plays eligible for Powerball set prizes (but not the grand prize) identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize calculated by multiplying each Powerball set prize by the power play number.

(e) The prize pool for power play set prizes shall consist of up to 48.5% of power play sales after Powerball prize reserve accounts are funded to the amounts set by the MUSL. The prize pool percentage allocated to power play set prizes shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the set prizes for the current power play drawing.

(f) An additional 1.5% of power play sales may be collected and placed in prize reserve accounts until the prize reserve accounts meet the amounts designated by the MUSL. Any amount remaining in prize reserve accounts at the end of the power play promotion shall be carried forward to a replacement prize reserve account or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(g) If, with respect to a single Powerball drawing and associated power play drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes multiplied by the power play number exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to the set prizes and carried forward from previous Powerball drawings and power play drawings, if any.

(2) An amount from the Powerball set prize reserve account, if available, not to exceed \$25,000,000 per drawing.

(h) If the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing and

associated power play drawing, the highest set prize, including the multiplied set prize, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the multiplied set prize, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(i) Power play set prizes which become parimutuel may be rounded down so that they can be paid in multiples of whole dollars. Funds remaining after rounding shall be carried forward to the prize pool for the next power play drawing.

(j) Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize Amount</i>	<i>Powerball Play Multiplier and Set Prize Amount</i>				
		<i>5</i>	<i>4</i>	<i>3</i>	<i>2</i>	<i>1</i>
Second Prize	\$100,000	\$500,000	\$400,000	\$300,000	\$200,000	\$100,000
Third Prize	\$5,000	\$25,000	\$20,000	\$15,000	\$10,000	\$5,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200	\$100
Fifth Prize	\$100	\$500	\$400	\$300	\$200	\$100
Sixth Prize	\$7	\$35	\$28	\$21	\$14	\$7
Seventh Prize	\$7	\$35	\$28	\$21	\$14	\$7
Eighth Prize	\$4	\$20	\$16	\$12	\$8	\$4
Ninth Prize	\$3	\$15	\$12	\$9	\$6	\$3

(k) When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play set prizes shall be a multiple of the new Powerball set prize amount.

(l) The odds of various power play numbers being selected in a power play drawing are:

<i>Power Play Multiplier</i>	<i>Odds</i>
One	1:6
Two	1:6
Three	1:6
Four	1:6
Five	1:3

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.21. Future changes to Powerball.

(a) The MUSL reserves the right to modify the Powerball game in order to address changes in player participation or population of member states. If the MUSL decides to make a change, it will be publicly announced by the Secretary at least 30 days before the change takes effect.

(b) The Secretary will publish notice of the change in the *Pennsylvania Bulletin* and the change will be codified in § 871.22 (relating to changes to Powerball).

Authority

The provisions of this § 871.21 amended under section 303 of the State Lottery Law (72 P.S. § 3761-303).

Source

The provisions of this § 871.21 amended November 8, 2002, effective November 9, 2002, 32 Pa.B. 5516. Immediately preceding text appears at serial page (290163).

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.22. Changes to Powerball.

Any change to the Powerball regulations, announced by the Secretary by way of a notice published in the *Pennsylvania Bulletin*, will be codified as a new paragraph in this section.

(1) *Changes effective for Powerball tickets sold on or after October 6, 2002:*

(i) *Section 871.2(a) and (b) (relating to game description and purpose); § 871.3 (relating to definitions) definition of “basic play,” “first set numbers,” “panel or game panel,” “quick pick,” “ticket” and “winning numbers;” § 871.7(c) (relating to time, place and manner of conducting drawing).* Powerball is a five out of 53 plus one out of 42 on-line game. The first set of numbers are selected from 1 through 53.

(ii) *Section 871.9(e) (relating to Powerball prize payments).* All annuitized prizes shall be paid in 30 annual payments with the initial payment being made in cash, to be followed by 29 equal annual payments funded by the annuity. The initial payment of an annuitized prize may be made by the Lottery upon validation of the winning ticket.

(iii) *Section 871.15 (relating to unclaimed prize money).* Unclaimed grand prize and new bonus prize funds will be distributed among all MUSL Lotteries in proportion to each lottery’s sales for the grand prize drawing.

(iv) *Section 871.19 (relating to probability of winning).* The probability of winning is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:120,526,770
Five first set numbers	Second Prize	1:2,939,677.317073
Four first set numbers and the Powerball number	Third Prize	1:502,194.875000
Four first set numbers	Fourth Prize	1:12,248.655488
Three first set numbers and the Powerball number	Fifth Prize	1:10,684.997340
Three first set numbers	Sixth Prize	1:260.609691
Two first set numbers and the Powerball number	Seventh Prize	1:696.847653
One first set number and the Powerball number	Eighth Prize	1:123.884027
The Powerball number	Ninth Prize	1:70.388652

(v) *Section 871.20(a), (c), (j) and (l) (relating to power play promotion)*. A player may purchase the power play option for the chance to multiply set prizes won as a result of the Powerball drawing by a number ranging from 2 to 5. The power play number will be selected from among the following series of numbers: 2, 2, 2, 3, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5, 5, 5 and 5. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize Amount</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
		<i>5</i>	<i>4</i>	<i>3</i>	<i>2</i>
Second Prize	\$100,000	\$500,000	\$400,000	\$300,000	\$200,000
Third Prize	\$5,000	\$25,000	\$20,000	\$15,000	\$10,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

The odds of various power play numbers being selected in a power play drawing are:

<i>Power Play Multiplier</i>	<i>Odds</i>
2	1:5
3	1:5
4	1:5
5	1:2.5

(vi) *New bonus prize.*

(A) When the Powerball jackpot is projected to reach a new high annuitized level, the amount of the jackpot prize will be limited, by rule, to increases for each draw of no more than \$25 million (annuitized). The prize money collected in excess of the advertised jackpot amount, if any, will be placed into a bonus prize pool and will accumulate until there is a grand prize winner. When there is a grand prize winner, the bonus prize pool will be divided equally among all winners of the second prize. This bonus prize will be paid in one cash lump sum. If there are no second prize winners, the prize pool shall be divided equally among the winners in the next lower prize tier with winners.

(B) There may be times when the second prize will be increased from its current set amount of \$100,000 to a higher amount. In those cases, the second prize may be increased to \$1 million or more. The actual amount of the prize will depend upon the cash available in the new bonus prize pool and the number of prize winners as set forth in clause (A). The trigger jackpot level will naturally increase over time as the new high annuitized jackpot amount continues to climb.

(C) The new bonus prize is in addition to any power play prizes that may be won. The new bonus prize is awarded independent of the power play option, and is not multiplied by the power play multiplier. A bonus prize winner who also played the power play option will win the original set prize amounts; the amount paid under the power play multiplier option; and the new bonus prize (if effective).

(2) *Changes effective for Powerball tickets sold on or after August 28, 2005:*

(i) *Section 871.2(a) and (b); § 871.3 definition of “basic play,” “first set numbers,” “panel or game,” “quick pick,” “ticket” and “winning number”;* § 871.7(c). Powerball is a five out of 55 plus one out of 42 on-line game. The first set of numbers are selected from 1 through 55.

(ii) *Section 871.9(e).* Annuitized prizes shall be paid in 30 graduated payments, an initial followed by 29 annual graduated payments increasing each year at a rate determined by the MUSL Powerball Product Group. This rate, once determined, will not change over the life of the payments. The 30 payments will equal 100% of the annuitized prize. Prize payments may be rounded down to the nearest \$1,000.

For example:

If the MUSL Powerball Product Group arrived at a 4% rate of increase for a \$30 million annuitized jackpot the payment schedule would be as follows:

<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
1	\$535,000	1.78300991336613%
2	\$556,000	1.85433030990078%
3	\$578,000	1.92850352229681%
4	\$601,000	2.00564366318868%
5	\$626,000	2.08586940971623%
6	\$651,000	2.16930418610488%
7	\$677,000	2.25607635354907%
8	\$704,000	2.34631940769104%
9	\$732,000	2.44017218399868%
10	\$761,000	2.53777907135862%
11	\$792,000	2.63929023421297%
12	\$823,000	2.74486184358149%
13	\$856,000	2.85465631732475%
14	\$891,000	2.96884257001774%
15	\$926,000	3.08759627281845%
16	\$963,000	3.21110012373119%
17	\$1,002,000	3.33954412868043%
18	\$1,042,000	3.47312589382765%
19	\$1,084,000	3.61205092958076%
20	\$1,127,000	3.75653296676399%
21	\$1,172,000	3.90679428543455%
22	\$1,219,000	4.06306605685193%
23	\$1,268,000	4.22558869912601%
24	\$1,319,000	4.39461224709105%
25	\$1,371,000	4.57039673697469%
26	\$1,426,000	4.75321260645368%
27	\$1,483,000	4.94334111071182%
28	\$1,543,000	5.14107475514030%
29	\$1,604,000	5.34671774534591%
30	<u>\$1,668,000</u>	5.56058645515974%
Payment Total	<u>\$30,000,000</u>	

(iii) *Section 871.8(a) (relating to expected prize payout percentages).*
Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	60.5770%
Five first set numbers	Second Prize*	\$200,000	11.2246%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	3.4222%
Four first set numbers	Fourth Prize*	\$100	1.4030%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	1.6768%
Three first set numbers	Sixth Prize*	\$7	4.8126%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	1.8780%
One first set number and the Powerball number	Eighth Prize*	\$4	6.3050%
The Powerball number	Ninth Prize*	\$3	8.7008%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(iv) *Section 871.19.* The probability of winning is as follows:

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winnings per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:146,107,962
Five first set numbers	Second Prize	1:3,563,608.8293
Four first set numbers and the Powerball number	Third Prize	1:584,431.8480
Four first set numbers	Fourth Prize	1:14,254.4353
Three first set numbers and the Powerball number	Fifth Prize	1:11,927.1806
Three first set numbers	Sixth Prize	1:290.9068
Two first set numbers and the Powerball number	Seventh Prize	1:745.4488

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winnings per Play</i>
One first set number and the Powerball number	Eighth Prize	1:126.8849
The Powerball number	Ninth Prize	1:68.9592

(v) *Section 871.20(a), (c), (j) and (l).* A player may purchase the power play option for the chance to multiply set prizes won as a result of the Powerball drawing by a number ranging from 2 to 5. The power play number will be selected from among the following series of numbers: 2, 2, 2, 2, 3, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5 and 5. Except as otherwise provided, power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize Amount</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
		5	4	3	2
Second Prize	\$200,000	\$1,000,000	\$800,000	\$600,000	\$400,000
Third Prize	\$ 10,000	\$ 50,000	\$ 40,000	\$ 30,000	\$ 20,000
Fourth Prize	\$ 100	\$ 500	\$ 400	\$ 300	\$ 200
Fifth Prize	\$ 100	\$ 500	\$ 400	\$ 300	\$ 200
Sixth Prize	\$ 7	\$ 35	\$ 28	\$ 21	\$ 14
Seventh Prize	\$ 7	\$ 35	\$ 28	\$ 21	\$ 14
Eighth Prize	\$ 4	\$ 20	\$ 16	\$ 12	\$ 8
Ninth Prize	\$ 3	\$ 15	\$ 12	\$ 9	\$ 6

The odds of various power play numbers being selected in a power play drawing are:

<i>Power Play Multiplier</i>	<i>Odds</i>
2	1:4
3	1:4
4	1:4
5	1:4

(3) *Changes effective for Powerball tickets sold on or after January 4, 2009:*

(i) *Section 871.2(a) (relating to game description and purpose).* Powerball is a five out of 59 plus one out of 39 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash basis.

(ii) *Section 871.2(b).* The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 59, and matching the separately drawn Powerball number, or a designated combination thereof, within a single play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted twice a week or as publicly announced by the Secretary.

(iii) *Section 871.3 (relating to definitions).*

Basic play—Each set of six numbers consisting of five numbers from 1 through 59 and the Powerball number on a ticket purchased without the selection of any promotion, representing a single entry for a Powerball drawing and designated by a letter from A to E on a Powerball ticket.

First set numbers—The first group of numbers, from 1 through 59, appearing in the top grid of a Powerball game panel.

Grand prize winnings pool—An amount constituting 32.5288% of gross sales from all participating States for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 59 squares, each numbered 1 through 59 and the lower grids (second set numbers) contain 39 squares, each numbered 1 through 39. Each panel is lettered either A, B, C, D or E, and when used to purchase a ticket, corresponds to the numbers selected and printed on the ticket adjacent to that letter.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 39, appearing in the lower grid of a Powerball game panel.

Quick pick—The random selection by the Lottery's computer system of five numbers from 1 through 59 and a Powerball number from 1 through 39 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 39, appearing in the lower grid of a Powerball game panel.

Set prize winnings pool—An amount constituting 17.4712% of gross sales for the current drawing and any moneys carried forward from previous draws.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 59 and a single selected Powerball number from 1 through 39 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 59, and the Powerball number from 1 through 39, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

(Editor's Note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.)

(iv) *Section 871.7(c) (relating to time, place and manner of conducting drawing)*. Manner of conducting drawing. The MUSL will draw at random five numbers from a set of balls numbered 1 through 59 and one Powerball number from a set of balls numbered 1 through 39 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

(v) *Section 871.8(a) (relating to expected prize payout percentages)*. Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	65.0576%
Five first set numbers	Second Prize*	\$200,000	7.7850%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	2.7656%
Four first set numbers	Fourth Prize*	\$100	1.0510%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	1.4658%
Three first set numbers	Sixth Prize*	\$7	3.8990%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	1.7786%
One first set number and the Powerball number	Eighth Prize*	\$4	6.4790%
The Powerball number	Ninth Prize*	\$3	9.7184%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(vi) *Section 871.8(c)(1) (relating to expected prize payout percentages).* If the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 17.4712% of gross sales, the amount needed to fund the set prizes shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$25,000,000 per Powerball drawing.

(vii) *Section 871.19 (relating to probability of winning).* The probability of winning is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:195,249,054
Five first set numbers	Second Prize	1:5,138,133
Four first set numbers and the Powerball number	Third Prize	1:723,144.6444
Four first set numbers	Fourth Prize	1:19,030.1222
Three first set numbers and the Powerball number	Fifth Prize	1:13,644.2386
Three first set numbers	Sixth Prize	1:359.0589
Two first set numbers and the Powerball number	Seventh Prize	1:787.1676
One first set number and the Powerball number	Eighth Prize	1:123.4773
The Powerball number	Ninth Prize	1:61.7386

(viii) *Section 871.20(a) (relating to power play promotion).* The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option for the chance to multiply set prizes won as a result of a Powerball drawing by a number ranging from 2 to 5. The Powerball grand prize will not be eligible for multiplication under the power play promotion. The Secretary will on occasion announce, as a special promotion, a multiplier of 10.

(ix) *Section 871.20(c).* At the time of each Powerball drawing, the MUSL shall conduct a power play drawing, with the aid of mechanical drawing equipment or any other selection methodology as authorized by the Secretary, under the supervision of security and an independent auditor

which shall result in the selection of the power play number from among the following series of numbers: 2, 2, 2, 2, 3, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5 and 5.

(x) *Section 871.20(d)*. Powerball tickets that contain the power play option and one or more plays eligible for Powerball set prizes (but not the grand prize) identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize calculated by multiplying each Powerball set prize by the power play number. The second prize category power play multiplier will be fixed at a minimum of 5.

(xi) *Section 871.20(j)*. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

Prize Level	Powerball Set Prize Amount				
	5	4	3	2	
Second Prize	\$200,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

(4) *Changes effective for Powerball tickets sold on or after May 28, 2011:*

(i) *Section 871.20(a)* (relating to power play promotion). The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option for the chance to multiply or increase the third through the ninth category set prizes won as a result of a Powerball drawing by a number ranging from 2 to 5. The Powerball grand prize, the second category prize and the Match 5 Bonus prizes will not be eligible for multiplication under the power play promotion. The Secretary will on occasion announce, as a special promotion, multipliers greater than 5 or a greater second category prize amount. The second category prize shall be \$1,000,000 unless a higher promotional dollar amount is announced by the Secretary.

(ii) *Section 871.20(d)*. Powerball tickets that contain the power play option and one or more plays eligible for Powerball third through ninth category prizes identified in § 871.8(a) (relating to expected prize payout per-

centages) shall be entitled to a total set prize calculated by multiplying each Powerball third through ninth category prize by the power play number. Powerball tickets that contain the power play option and one or more plays eligible for a Powerball second category prize shall be entitled to a prize of \$1,000,000 unless a higher limited promotional dollar amount is announced by the Secretary.

(iii) *Section 871.20(g)*. If, with respect to a single Powerball drawing and associated power play drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

- (1) The amount allocated to the set prizes and carried forward from previous Powerball drawings and power play drawings, if any.
- (2) An amount from the Powerball set prize reserve account, if available, not to exceed \$25,000,000 per drawing.

(iv) *Section 871.20(h)*. If the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing and associated power play drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(v) *Section 871.20(j)*. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments. Power play prizes for the third through the ninth category prizes shall be determined by multiplying the Powerball set prize by the number selected in the power play drawing. The power play prize for the second category prize level shall be paid \$1,000,000. Power play prize levels shall be paid as follows:

Prize Level	Powerball Set Prize Amount	Regardless of Power Play Number Selected:			
		5X	4X	3X	2X
Second Prize	\$200,000	\$1,000,000			
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

(vi) *Section 871.20(k)*. When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play prizes for the third through the ninth category prizes shall be a multiple of the new Powerball set prize amount and the power play prize for the second category prize shall be reduced as announced by the MUSL Powerball Product Group.

(5) *Changes effective for Powerball tickets sold on or after January 15, 2012:*

(i) *Section 871.2(a) (relating to game description and purpose)*. Powerball is a five out of 59 plus one out of 35 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash basis.

(ii) *Section 871.3 (relating to definitions)*.

Grand prize winnings pool—An amount constituting 31.9756% of gross sales from all participating states for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 59 squares, each numbered 1 through 59 and the lower grids (second set numbers) contain 35 squares, each numbered 1 through 35. Each panel is lettered either A, B, C, D or E.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 35, appearing in the lower grid of a Powerball game panel.

Quick pick—The random selection by the Lottery's computer system of five numbers from 1 through 59 and a Powerball number from 1 through 35 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 35, appearing in the lower grid of a Powerball game panel.

Set prize winnings pool—An amount constituting 18.0244% of gross sales for the current drawing and any monies carried forward from previous draws.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 59 and a single selected Powerball number from 1 through 35 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 59, and the Powerball number from 1 through 35, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

(Editor's Note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.)

(iii) *Section 871.5 (relating to ticket price)*. A Powerball ticket shall cost \$2 per play. The power play option may be exercised, at the discretion of the player, for an additional \$1 per play.

(iv) *Section 871.6(a) (relating to Powerball bet slip and ticket characteristics and restrictions)*. For each basic play the player shall select, or request quick pick selection by the computer, five numbers and a single Powerball number, in one or more of the game panels on a Powerball bet slip. Powerball bet slips shall be available at no cost to the player. The minimum entry is \$2. For \$2, play one game; for \$4, play two games; for \$6, play three games; for \$8, play four games; for \$10, play five games. Players are also given the option to select a promotion verbally or on the bet slip at the time of purchase for an additional \$1 for each play. Game panels shall be played in alphabetical order in accordance with the instructions printed on the Powerball bet slip. A Powerball bet slip has no pecuniary or prize value and does not constitute evidence of the purchase of a ticket or the numbers selected.

(v) *Section 871.6(b)*. To purchase a ticket, players shall, in addition to the purchase price, submit a completed Powerball bet slip, or request number selections either by quick pick or manual terminal entry to an on-line retailer to have a ticket issued. To purchase a ticket at a Lottery self-service

terminal that dispenses terminal-based Lottery tickets, the player shall designate the drawing date or dates for which the ticket is entered, number selections and may exercise the power play promotion for an additional \$1 per play. The player may use a bet slip or the Quick Pick option at a Lottery self-service terminal that dispenses terminal-based Lottery tickets. The ticket shall contain five selected numbers and a single selected Powerball number for each play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. This ticket shall be the only valid receipt for claiming a prize. The ticket shall only be valid for the drawing date or dates printed on the ticket. Retailers are not permitted to allow the attachment of any remote devices to a lottery terminal to enter plays except as otherwise provided in the MUSL rules.

(vi) *Section 871.6(c)*. If Powerball bet slips are unavailable, number selections may be given to an on-line retailer in groups of five number selections and one Powerball number selection per game section for each \$2 wagered as a basic play. The player may exercise the power play promotion for an additional \$1 per play. The retailer shall manually enter the selections into the computer terminal.

(vii) *Section 871.7(b) (relating to time, place and manner of conducting drawing)*. Place of drawing. A Powerball drawing will be conducted in a location selected by the MUSL.

(viii) *Section 871.7(c)*. Manner of conducting drawing. The MUSL will draw at random five numbers from a set of balls numbered 1 through 59 and one Powerball number from a set of balls numbered 1 through 35 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

(iv) *Section 871.8(a) (relating to expected prize payout percentages)*. Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	63.9511%
Five first set numbers	Second Prize*	\$1,000,000	19.4038%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	1.5409%
Four first set numbers	Fourth Prize*	\$100	.5239%

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Three first set numbers and the Powerball number	Fifth Prize*	\$100	.8167%
Three first set numbers	Sixth Prize*	\$7	1.9437%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	.9909%
One first set number and the Powerball number	Eighth Prize*	\$4	3.6097%
The Powerball number	Ninth Prize*	\$4	7.2194%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(x) *Section 871.8(c)(1)*. If the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 18.0244% of gross sales, the amount needed to fund the set prizes shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$40,000,000 per Powerball drawing.

(xi) *Section 871.15 (relating to unclaimed prize money)*. Prize money on a winning Powerball play may be retained by the Secretary for payment to the person entitled to it. If within 1 year of the drawing date on the ticket, no claim is made on a winning play, as determined by the Secretary, the right to claim prize money terminates. For set prizes, the prize money will be paid into the State Lottery Fund and used for purposes otherwise provided for by statute. Unclaimed grand prize funds will be distributed among all MUSL Lotteries in proportion to each lottery's sales for the grand prize drawing.

(xii) *Section 871.19 (relating to probability of winning)*. The probability of winning is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:175,223,510
Five first set numbers	Second Prize	1:5,153,632.6471

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Four first set numbers and the Powerball number	Third Prize	1:648,975.9630
Four first set numbers	Fourth Prize	1:19,087.5283
Three first set numbers and the Powerball number	Fifth Prize	1:12,244.8295
Three first set numbers	Sixth Prize	1:360.1420
Two first set numbers and the Powerball number	Seventh Prize	1:706.4325
One first set number and the Powerball number	Eighth Prize	1:110.8129
The Powerball number	Ninth Prize	1:55.4065

(xiii) *Section 871.20(a) (relating to power play promotion)*. The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option to increase set prizes won as a result of a Powerball drawing. The Powerball grand prize will not be eligible for an increase under the power play promotion. The Secretary will on occasion announce, as a special promotion, higher promotional prize amounts to be won with the power play promotion.

(xiv) *Section 871.20(c)* is deleted in its entirety.

(xv) *Section 871.20(d)*. Powerball tickets that contain the power play option and one or more plays eligible for Powerball second through ninth category prizes identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize identified in § 871.20(j) (relating to power play promotion), unless a higher limited promotional prize amount is announced by the Secretary.

(xvi) *Section 871.20(e)*. The prize pool for power play set prizes shall consist of up to 49.96% of power play sales after Powerball prize reserve accounts are funded to the amounts set by the MUSL. The prize pool percentage allocated to power play set prizes shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the set prizes for the current power play drawing.

(xvii) *Section 871.20(f)*. An additional 0.04% of power play sales may be collected and placed in prize reserve accounts until the prize reserve accounts meet the amounts designated by the MUSL. Any amount remaining in prize reserve accounts at the end of the power play promotion shall be carried forward to a replacement prize reserve account or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(xviii) *Section 871.20(g)*. If, with respect to a single Powerball drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to the set prizes and carried forward from previous Powerball drawings, if any.

(2) An amount from the Powerball set prize reserve account, if available, not to exceed \$40,000,000 per drawing.

(xix) *Section 871.20(h)*. If the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(xx) *Section 871.20(j)*. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments. Power play prize levels shall be paid as follows:

<i>Prize Level</i>	<i>Power Play Set Prize Amount</i>
Second Prize	\$2,000,000
Third Prize	\$40,000
Fourth Prize	\$200
Fifth Prize	\$200
Sixth Prize	\$14
Seventh Prize	\$14
Eighth Prize	\$12
Ninth Prize	\$12

(xxi) *Section 871.20(k)*. When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play prizes for the second through the ninth category prizes shall be reduced as announced by the MUSL Powerball Product Group.

(xxii) *Section 871.20(l)* is deleted in its entirety.

(xxiii) *Section 871.22(1)(vi)* (relating to changes to Powerball) is deleted in its entirety.

(6) *Changes effective for Powerball tickets sold on or after October 1, 2013:*

(i) *Section 871.3 (relating to definitions)*.

Licensee Lottery—A State lottery or lottery of a political subdivision or entity which is not a Party Lottery but has agreed to comply with all applicable MUSL and MUSL Powerball Product Group requirements and has been authorized by the MUSL and by the MUSL Powerball Product Group to sell the Powerball game.

MUSL Finance and Audit Committee—The committee established by the Multi-State Lottery Association which, among other things, establishes the reserve accounts balances.

(Editor's Note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.)

(ii) *Section 871.8(c) (relating to expected prize payout percentages)*. The number of plays determined by the MUSL to be winners of the second through ninth prize categories will be paid as set cash prizes, except as provided in paragraphs (1) through (4).

(1) Except as otherwise provided in section 871.8(c)(4), if the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 18.0244% of gross sales, the amount needed to fund the set prizes, including Power play prizes, shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$40,000,000 per Powerball drawing.

(2) Except as otherwise provided in section 871.8(c)(4), if the sources set forth in paragraph (1) are depleted and there still are not sufficient funds to pay the set prizes, including Power play prizes, for a particular Powerball drawing, the highest set prize shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining set prizes, the next highest set prize shall become a parimutuel prize. If necessary, and under the same test conditions set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel.

(3) Except for winning prizes sold by the California Lottery, if all, or any portion of the set prize pool is not awarded in the current Powerball drawing, that portion of the set prize pool shall be carried forward to subsequent Powerball drawings.

(4) By agreement with the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

(iii) *Section 871.14(b) (relating to pari-mutuel prize pool).* An amount equal to up to 5% of a party lottery's sales shall be deducted from a party lottery's grand prize pool and placed in trust in one or more prize pool accounts and prize reserve accounts until the prize pool accounts and party lottery's share of the prize reserve accounts reaches the amounts designated by the MUSL Powerball Product Group. The MUSL Powerball Product Group has established the following prize reserve accounts for the Powerball game: the Prize Reserve Account, which is used to guarantee the payment of valid, but unanticipated, Grand Prize claims that may result from a system error or other reason; and the Set Prize Reserve Account, which is used to fund deficiencies in low-tier prize payments, subject to the limitations of these rules. The MUSL Powerball Product Group has established the following prize pool accounts for the Powerball game; the Grand Prize pool, which is used to fund the immediate Grand Prize, the Set-Aside Account, which is used to guarantee payment of the minimum or starting Grand Prize; the Power play pool account, which is described in § 871.20 (relating to power play promotion) of these rules; and the Low-Tier Prize Pool Account, which holds the temporary balances that may result from having fewer than expected winners in the low-tier prize categories. The source of the Low-Tier Prize Pool is the Party Lottery's weekly prize contributions less actual set prize liability. Once the prize pool accounts and the party lottery's share of the prize reserve accounts exceeds the designated amounts, the excess shall become part of the grand prize pool. The MUSL Powerball Product Group, with the approval of the Finance and Audit Committee, may establish a maximum balance for the prize pool accounts and prize reserve accounts. The MUSL Powerball Product Group may determine to expend all or a portion of the funds in the prize pool accounts, except the Grand Prize pool account, and the prize reserve accounts for the purpose of indemnifying the Party Lotteries and Licensee Lotteries in the payment of prizes to be made by the participating lotteries, subject to the approval of the MUSL Board and for the payment of prizes or special prizes in the game, subject to the approval of the MUSL Finance and Audit Committee. The prize reserve shares of a party lottery may be adjusted with refunds to the party lottery from the prize reserve accounts as may be needed to maintain the approved

maximum balance and shares of the party lotteries. Any amount remaining in the prize pool accounts or prize reserve accounts 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 members of the MUSL Powerball Product Group in accordance with State law.

(iv) *Section 871.20(e) (relating to power play promotion)*. The Power play prize pool for power play set prizes shall consist of up to 49.96% of power play sales. The Power play prize pool shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the power play prizes for the current power play drawing and held in the Power Play Pool Account.

(v) *Section 871.20(f) (relating to power play promotion)*. An additional 0.04% of power play sales may be collected and placed in the power play pool account, for the purpose of paying Power Play prizes. Any amount remaining in the power play pool account at the end of the power play promotion shall be returned to all lotteries participating in the account after the end of all claim periods of all selling lotteries, carried forward to a replacement game, or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(vi) *Section 871.20(g) (relating to power play promotion)*. Except as otherwise provided in section 871.20(m), if, with respect to a single Powerball drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

- (1) The amount allocated to the set prizes and carried forward from previous Powerball drawings, if any.
- (2) The amount allocated to the Powerball Set-Prize Reserve Account, if available in the account, not to exceed forty million dollars (\$40,000,000.00) per drawing.

(vii) *Section 871.20(h) (relating to power play promotion)*. Except as otherwise provided in section 871.20(m), if the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes, including the power play prizes, for a particular Powerball drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set

prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(viii) *Section 871.20(m) (relating to power play promotion)*. By agreement with the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts, including the power play prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the pari-mutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

(7) *Changes effective for Powerball tickets sold on or after January 19, 2014:*

(i) *Section 871.8(c)(4) (relating to expected prize payout percentages)*. By agreement between the Party Lotteries and the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

(ii) *Section 871.9(n) (relating to Powerball prize payments)*. The Pennsylvania Lottery may conduct promotional drawings associated with the Powerball game. Powerball game tickets will be imprinted with a unique code to be used by players to enter the promotional drawings. The promotional drawings may be held independently of or in conjunction with the regular Powerball drawings. The Secretary will announce the existence of the promotional drawings. Winners of promotional drawings will be randomly selected from the group of qualified entries. A description of the available prize(s) and the specific rules and other information necessary for the conduct of the promotional drawings will be posted to the Lottery's publicly accessible website. A copy of the same will also be kept on file with the Lottery and will be available upon request.

(iii) *Section 871.20(c) (relating to power play promotion)*. The MUSL shall conduct a power play drawing and will announce results during each of the regular Powerball drawings held during the power play promotion. During each power play drawing a single number (2, 3, 4 or 5) shall be randomly drawn.

(iv) *Section 871.20(e) (relating to power play promotion)*. The power play prize pool for power play set prizes shall consist of up to 49.36% of power play sales. The power play prize pool shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the power play prizes for the current power play drawing and held in the Power Play Pool Account.

(v) *Section 871.20(f) (relating to power play promotion)*. An additional 0.64% of power play sales may be collected and placed in the power play pool account, for the purpose of paying power play prizes. Any amount

remaining in the power play pool account at the end of the power play promotion shall be returned to all lotteries participating in the account after the end of all claim periods of all selling lotteries, carried forward to a replacement game, or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(vi) *Section 871.20(j) (relating to power play promotion)*. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize</i>				
	<i>Amount</i>	<i>Regardless of Power Play Number Selected</i>			
Second Prize	\$1,000,000	\$2,000,000			
			5X	4X	3X
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$4	\$20	\$16	\$12	\$8

(vii) *Section 871.20 (l) (relating to power play promotion)*. The odds of the various power play numbers being selected in a power play drawing are:

<i>Power Play Multiplier</i>	<i>Odds</i>
2	1:2
3	1:3.33
4	1:10
5	1:10

(viii) *Section 871.20 (m) (relating to power play promotion)*. By agreement between the Party Lotteries and the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts, including the power play prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

(8) *Changes effective for Powerball tickets sold on or after October 4, 2015:*

(i) *Section 871.2(a) (relating to game description and purpose).* Powerball is a five out of 69 plus one out of 26 terminal-based lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash, single payment basis.

(ii) *Section 871.2(b) (relating to game description and purpose).* The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 69, and matching the separately drawn Powerball number, or a designated combination thereof, within a single play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted twice a week or as publicly announced by the Secretary.

(iii) *Section 871.3 (relating to definitions).*

Advertised Grand Prize—The estimated annuitized Grand Prize amount as determined by the MUSL Central Office by use of the MUSL Annuity Factor and communicated through the Selling Lotteries prior to the Grand Prize drawing. The Advertised Grand Prize is not a guaranteed prize amount and the actual Grand Prize may vary from the advertised amount, except in circumstances where there is a guaranteed Grand Prize amount as described in § 871.10 (relating to funding of guaranteed prizes).

Basic Play—Each set of six numbers consisting of five numbers from 1 through 69 and the Powerball number on a ticket purchased without the selection of any promotion, representing a single entry for a Powerball drawing and designated by a letter from A to E on a Powerball ticket.

First set numbers—The first group of numbers from 1 through 69, appearing in the top grid of a Powerball game panel.

MUSL Annuity Factor—The annuity factor as determined by the MUSL central office through a method approved by the MUSL Finance and Audit Committee and which is used as described in these rules.

Panel or game panel—One of five areas on the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 69 squares, each numbered 1 through 69, and the lower grids (second set numbers) contain 26 squares, each numbered 1 through 26. Each panel is lettered either A, B, C, D or E.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 26, appearing in the lower grid of a Powerball game panel.

Quick Pick—The random selection by the Lottery's computer system of five numbers from 1 through 69 and a Powerball number from 1 through 26 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 26, appearing in the lower grid of a Powerball game panel.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 69 and a single selected Powerball number from 1 through 26 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to ten on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 69, and the Powerball number from 1 through 26, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

(*Editor's Note:* This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.)

(iv) *Section 871.7(c) (relating to time, place and manner of conducting drawings).* The MUSL will draw at random five numbers from a set of balls numbered 1 through 69 and one Powerball number from a set of balls numbered 1 through 26 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

(v) *Section 871.8(a) (relating to expected prize payout percentages).* Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	68.0131%
Five first set numbers	Second Prize*	\$1,000,000	8.5558%
Four first set numbers and the Powerball number	Third Prize*	\$50,000	5.4757%
Four first set numbers	Fourth Prize*	\$100	.2738%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	.6899%
Three first set numbers	Sixth Prize*	\$7	1.2074%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	.9981%

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
One first set number and the Powerball number	Eighth Prize*	\$4	4.3489%
None of the first set and the Powerball number	Ninth Prize*	\$4	10.4373%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(vi) *Section 871.8(c)(1)(iii) (relating to expected prize payout percentages)*. Any other amounts as agreed to by the MUSL Powerball Product Group in their sole discretion.

(vii) *Section 871.9(c) (relating to Powerball prize payments)*. The MUSL Annuity Factor is determined through a process as approved by the MUSL Finance and Audit Committee.

(viii) *Section 871.10 (relating to funding of guaranteed prizes)*. The MUSL Powerball Product Group may offer guaranteed minimum grand prize amounts or minimum increases in the grand prize amount between drawings or make other changes in the allocation of prize money where the MUSL Powerball Product Group finds that it would be in the best interest of the game. If a minimum grand prize amount or a minimum increase in the grand prize amount between drawings is offered by the Product Group, the grand prize shares shall be determined as follows:

(1) If there are multiple grand prize winners during a single drawing, each selecting the annuitized option prize, then a winner's share of the guaranteed annuitized grand prize shall be determined by dividing the guaranteed annuitized grand prize by the number of winners.

(2) If there are multiple grand prize winners during a single drawing and at least one of the grand prize winners has elected the annuitized option prize, the best bid submitted by the MUSL's preapproved qualified brokers shall determine the cash pool needed to fund the guaranteed annuitized grand prize.

(3) If no winner of the grand prize during a single drawing has elected the annuitized grand prize, the amount of cash in the grand prize pool shall be an amount equal to the guaranteed annuitized amount divided by the MUSL Annuity Factor.

(4) Section 871.10(4) is deleted in its entirety.

(5) Changes in the allocation of prize money shall be designed to retain approximately the same prize allocation percentages, over a year's time, as set for in § 871.8 (relating to expected prize payout percentages). Minimum guar-

anteed prizes or increases may be waived if the alternate funding mechanism as set for in § 871.8 becomes necessary.

(6) Approval of the MUSL Powerball Product Group is required to change the guaranteed minimum Grand Prize amounts or minimum increases in the Grand Prize amount. Any reduction in the minimum increases to the Grand Prize amount shall not become effective until after a Grand Prize win following the action taken by the MUSL Powerball Product Group.

(ix) *Section 871.14(b) (relating to parimutuel prize pool)*. An amount equal to up to 5% of a party lottery's sales shall be deducted from a party lottery's grand prize pool and placed in trust in one or more prize pool accounts and prize reserve accounts until the prize pool accounts and party lottery's share of the prize reserve accounts reaches the amounts designated by the MUSL Powerball Product Group. The MUSL Powerball Product Group has established the following prize reserve accounts for the Powerball game: the Prize Reserve Account, which is used to guarantee the payment of valid, but unanticipated, Grand Prize claims that may result from a system error or other reason; and the Set Prize Reserve Account, which is used to fund deficiencies in the low-tier prize payments, subject to the limitations of these rules. The MUSL Powerball Product Group has established the following prize pool accounts for the Powerball game: the Grand Prize pool, which is used to fund the immediate Grand Prize; the Powerball Set Prize Pool, which is used to fund the Powerball Set Prize payments; and the Powerball Set-Aside Account, which is used to guarantee payments of the minimum or starting Grand Prize. The Power Play Prize Pool and Power Play Pool Account are described in § 871.20 (relating to power play promotion) of these rules. The Set Prize Pool Account holds the temporary balances that may result from having fewer than expected winners in the Powerball Set Prize (aka low-tier prize) categories. The source of the Set Prize Pool is the Party Lottery's weekly prize contributions less actual Powerball Set Prize liability. Once the prize pool accounts and the party lottery's share of the prize reserve accounts exceeds the designated amounts, the excess shall become part of the grand prize pool. The MUSL Powerball Product Group, with the approval of the Finance and Audit Committee, may establish a maximum balance for the prize pool accounts and prize reserve accounts. The MUSL Powerball Product Group may determine to expend all or a portion of the funds in the prize pool accounts, except the Grand Prize pool account, and the prize reserve accounts for the purpose of indemnifying the Party Lotteries and Licensee Lotteries in the payment of prizes to be made by the Selling Lotteries, subject to the approval of the MUSL Board and for the payment of prizes or special prizes in the game, subject to the approval of the MUSL Finance and Audit Committee. The prize reserve shares of a party lottery may be adjusted with refunds to the party lottery from the prize reserve accounts as may be needed to maintain the approved maximum bal-

ance and shares of the party lotteries. A Party Lottery may contribute to its share of prize reserve accounts over time, but in the event of a draw down from the reserve account, a Party Lottery is responsible for its full percentage share of the account, whether or not it has been paid in full. Any amount remaining in the prize pool accounts or prize reserve accounts 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 members of the MUSL Powerball Product Group in accordance with State law.

(x) *Section 871.19 (relating to probability of winning). The probability of winning is as follows:*

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:292,201,338
Five first set numbers	Second Prize	1:11,688,053.52
Four first set numbers and the Powerball number	Third Prize	1:913,129.1813
Four first set numbers	Fourth Prize	1:36,525.1673
Three first set numbers and the Powerball number	Fifth Prize	1:14,494.1140
Three first set numbers	Sixth Prize	1:579.7646
Two first set numbers and the Powerball number	Seventh Prize	1:701.3281
One first set number and the Powerball number	Eighth Prize	1:91.9775
None of the first set and the Powerball number	Ninth Prize	1:38.3239

(xi) *Section 871.20(c) (relating to power play promotion).* The MUSL shall conduct a power play drawing and will announce results during each of the regular Powerball drawings held during the power play promotion. During each power play drawing a single number (2, 3, 4, 5 or 10) shall be randomly drawn. The 10X multiplier will be available for drawings in which the initially advertised annuitized Grand Prize amount is \$150,000,000 or less. The MUSL Powerball Product Group may elect to run limited promotions that modify the multiplier features.

(xii) *Section 871.20(e) (relating to power play promotion).* In drawings where the 10X multiplier is available, the expected power play prize pool for power play set prizes shall consist of up to 49.969% of each drawing period's power play sales. In drawings where the 10X multiplier is not available, the expected power play prize pool for power play set prizes shall consist of up to 45.934% of each drawing period's sales. The prize payout percentage per draw may vary. The power play prize pool shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the power play prizes for the current power play drawing and held in the Power Play Pool Account.

(xiii) *Section 871.20(f) (relating to power play promotion).* In drawings where the 10X multiplier is available, an additional 0.31% of power play sales may be collected and placed in the Power Play Pool Account, for the purposes of paying power play prizes. In drawings where the 10X multiplier is not available 4.066% of power play sales may be collected and placed in the Power Play Pool Account, for the purposes of paying power play prizes. Any amount remaining in the Power Play Pool Account at the end of the power play promotion shall be returned to all lotteries participating in the account after the end of all claim periods of all selling lotteries, carried forward to a replacement game, or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(xiv) *Section 871.20(g)(3) (relating to power play promotion).* Other amounts as agreed to by the MUSL Powerball Product Group in their sole discretion.

(xv) *Section 871.20(j) (relating to power play promotion).* Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

Prize Level	Powerball Set	Regardless of Power Play Number Selected				
	Prize Amount	\$2,000,000				
		10X	5X	4X	3X	2X
Second Prize	\$1,000,000					
Third Prize	\$50,000	\$500,000	\$250,000	\$200,000	\$150,000	\$100,000
Fourth Prize	\$100	\$1,000	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$1,000	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$70	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$70	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$40	\$20	\$16	\$12	\$8
Ninth Prize	\$4	\$40	\$20	\$16	\$12	\$8

(xvi) *Section 871.20(l) (relating to power play promotion).* The probability of the various power play numbers being selected in a power play drawing.

(1) The probability of the various power play numbers being selected in a power play drawing when the 10X multiplier is available is:

Power Play Multiplier	Probability of Prize Increase
2	1:1.791666
3	1:3.30769
4	1:14.33333
5	1:21.5
10	1:43

(2) The probability of the various power play numbers being selected in a power play drawing when the 10X multiplier is not available is:

<i>Power Play Multiplier</i>	<i>Probability of Prize Increase</i>
2	1:1.75
3	1:3.23076
4	1:14
5	1:21
10	1:0

(9) *Changes effective for Powerball tickets sold on or after April 9, 2020:*

(i) Section 871.10 (relating to funding of guaranteed prizes). The MUSL Powerball Product Group may offer guaranteed minimum grand prize amounts or minimum increases in the grand prize amount between drawings or make other changes in the allocation of prize money where the MUSL Powerball Product Group finds that it would be in the best interest of the game. If a minimum grand prize amount or a minimum increase in the grand prize amount between drawings is offered by the Product Group, the grand prize shares shall be determined as follows:

(1) If there are multiple grand prize winners during a single drawing, each selecting the annuitized option prize, then a winner's share of the guaranteed annuitized grand prize shall be determined by dividing the guaranteed annuitized grand prize by the number of winners.

(2) If there are multiple grand prize winners during a single drawing and at least one of the grand prize winners has elected the annuitized option prize, the best bid submitted by the MUSL's preapproved qualified brokers shall determine the cash pool needed to fund the guaranteed annuitized grand prize.

(3) If no winner of the grand prize during a single drawing has elected the annuitized grand prize, the amount of cash in the grand prize pool shall be an amount equal to the guaranteed annuitized amount divided by the MUSL Annuity Factor.

(4) Section 871.10(4) is deleted in its entirety.

(5) Changes in the allocation of prize money shall be designed to retain approximately the same prize allocation percentages, over a year's time, as set forth in § 871.8 (relating to expected prize payout percentages). Minimum guaranteed prizes or increases may be waived if the alternate funding mechanism as set forth in § 871.8 becomes necessary.

(6) Approval of the Group is required to change the guaranteed minimum Grand Prize amounts or minimum increases in the Grand Prize amount. The Group may increase, decrease or eliminate the guaranteed minimum Grand Prize amount or any announced minimum Grand Prize increases effective at any time following the next drawing following the action taken by the Group.

(10) *Changes effective for Powerball tickets sold on or after August 22, 2021:*

(i) *Section 871.2(a) (relating to game description and purpose).* Powerball is a five out of 69 plus one out of 26 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash, single payment basis.

(ii) *Section 871.2(b).* The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 69, and matching the separately drawn Powerball number, or a designated combination thereof, within a single play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted three times a week or as publicly announced by the Secretary.

(iii) *Section 871.3 (relating to definitions).*

Advertised Grand Prize—The estimated annuitized Grand Prize amount as determined by the MUSL Central Office by use of the MUSL Annuity Factor and communicated through the Selling Lotteries prior to the Powerball Grand Prize Drawing. The Advertised Grand Prize is not a guaranteed prize amount and the actual Powerball Grand Prize may vary from the advertised amount, except in circumstances where there is a guaranteed Powerball Grand Prize amount as described in § 871.10 (related to funding of guaranteed prizes).

Agent—A person or entity authorized by a Selling Lottery to sell lottery Plays.

Cash election—A method of payment that the player selects, within 60 days of the date the Lottery determines the player is entitled to the Powerball grand prize, to receive a parimutuel share of the prize money allocated to the grand prize category as a one-time, lump-sum cash payment rather than as an annuity.

Drawing—The formal draw event for randomly selecting the winning numbers that determine the number of winners for each prize level of the Powerball game or a Powerball promotion as described in these rules. A Powerball Drawing shall determine the winning numbers for the Powerball game, the Double Play Drawing, and the Power Play multiplier. Winning numbers for the Powerball game include the Winning numbers drawn for the Powerball game, and the number drawn to determine the Power Play multiplier.

Grand prize winnings pool—An amount constituting 34.0066% of gross sales from all participating states for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Parimutuel—Wagered funds that are pooled and then paid in equal shares to winners of a prize as described in these rules.

Quick pick—The random selection by the Lottery’s computer system of five numbers from 1 through 69 and a Powerball number from 1 through 26 that appear on a ticket and are played by a player in the game.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 69 and a single selected Powerball number from 1 through 26 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to ten on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 69, and the Powerball number from 1 through 26, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays contained on a ticket or properly registered ticketless transaction. Double Play winning numbers shall not be used to determine Powerball prizes. Powerball winning numbers shall not be used to determine Double Play prizes.

(Editor’s Note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.)

(iv) *Section 871.5 (relating to ticket price).* A Powerball basic play shall cost \$2 per play. The power play option may be exercised, at the discretion of the player, for an additional \$1 per play. The double play option may be exercised, at the discretion of the player, for an additional \$1 per play. If both options are exercised, the total cost per play shall be \$4.

(v) *Section 871.6(a) (relating to Powerball bet slip and ticket characteristics and restrictions).* For each basic play the player shall select, using a physical or electronic bet slip, or request quick pick selection by the computer, five numbers and a single Powerball number, in one or more of the game panels on a Powerball bet slip. Powerball bet slips shall be available at no cost to the player. The minimum entry is \$2. For \$2, play one game; for \$4, play two games; for \$6, play three games; for \$8, play four games; for \$10, play five games. Players are also given the option to select one or more promotions verbally or on the bet slip at the time of purchase for an additional \$1 per promotion selected for each play. Game panels shall be played in alphabetical order in accordance with the instructions printed on the Powerball bet slip. A Powerball bet slip has no pecuniary or prize value and does not constitute evidence of the purchase of a ticket or the numbers selected.

(vi) *Section 871.6(b).* To purchase a Powerball play, players shall, in addition to the purchase price, submit a completed Powerball bet slip, request number selections either by quick pick or manual terminal entry to an on-line retailer to have a ticket issued. To purchase a ticket at a Lottery self-service terminal that dispenses terminal-based Lottery tickets, the player shall designate the drawing date or dates for which the ticket is entered, number selec-

tions and may exercise the power play promotion for an additional \$1 per play. The player may use a bet slip or the Quick Pick option at a Lottery self-service terminal that dispenses terminal-based Lottery tickets. The ticket shall contain five selected numbers and a single selected Powerball number for each play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. This ticket shall be the only valid receipt for claiming a prize. The ticket shall only be valid for the drawing date or dates printed on the ticket. Retailers are not permitted to allow the attachment of any remote devices to a lottery terminal to enter plays except as otherwise provided in the MUSL rules.

(vii) *Section 871.6(c)*. If Powerball bet slips are unavailable, number selections may be given to an on-line retailer in groups of five number selections and one Powerball number selection per game section for each \$2 wagered as a basic play. The player may exercise either the power play promotion or the double play promotion for an additional \$1 per play per promotion selected. The retailer shall manually enter the selections into the computer terminal.

(viii) *Section 871.6(e)*. It shall be the sole responsibility of the player to verify the accuracy of the game play or plays and other data printed on the ticket. The placing of plays, by the player or through the on-line retailer who is acting on behalf of the player in entering the play or plays, is done at the player's own risk.

(ix) *Section 871.6(f)*. A player may select numbers for up to 20 drawings, specifically the next drawing and the 19 subsequent drawings.

(x) *Section 871.7(a) (relating to time, place and manner of conducting drawing)*. Time of drawing. A Powerball drawing will be held three times a week or as publicly announced by the Secretary.

(xi) *Section 871.8(a) (relating to expected prize payout percentages)*. Determination of expected prize payout percentages for the Powerball drawing is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
All five (5) first set numbers and the Powerball number	Grand Prize	Grand Prize	68.0131%
Five (5) first set numbers	Second Prize*	\$1,000,000	8.5558%
Four (4) first set numbers and the Powerball number	Third Prize*	\$50,000	5.4757%
Four (4) first set numbers	Fourth Prize*	\$100	0.2738%

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Three (3) first set numbers and the Powerball number	Fifth Prize*	\$100	0.6899%
Three (3) first set numbers	Sixth Prize*	\$7	1.2074%
Two (2) first set numbers and the Powerball number	Seventh Prize*	\$7	0.9981%
One (1) first set number and the Powerball number	Eighth Prize*	\$4	4.3489%
None of the first set numbers and the Powerball number	Ninth Prize*	\$4	10.4373%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(xii) *Section 871.8(b)*. Prize money allocated to the grand prize category will be paid on a parimutuel basis, divided equally by the number of plays determined by the MUSL to be the winners of the grand prize.

(xiii) *Section 871.8(c)*. The number of plays determined by the MUSL to be winners of the second through ninth prize categories will be paid as set cash prizes, except as provided in paragraphs (1) through (4).

(1) Except as otherwise provided in section 871.8(c)(4), if the total of the set prizes (as multiplied by the respective Power Play multiplier if applicable) awarded in a Powerball drawing exceeds the percent of the prize pool allocated to set prizes, then the amount needed to fund the set prizes, including Power play prizes, shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$40,000,000 per Powerball drawing.

(iii) Any other amounts as agreed to by the MUSL Powerball Product Group in their sole discretion.

(2) Except as otherwise provided in section 871.8(c)(4), if the sources set forth in paragraph (1) are depleted and there still are not sufficient funds to pay the set prizes, including Power play prizes, for a particular Powerball drawing, the highest set prize shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remain-

ing set prizes, the next highest set prize shall become a parimutuel prize. If necessary, and under the same test conditions set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all prizes are converted to parimutuel prizes, the money available from the funding sources listed in this rule shall be divided among the winning Powerball Plays in proportion to their respective prize percentages. Powerball Set Prizes and Power Play prizes will be reduced by the same percentage.

(3) Except for winning prizes sold by the California Lottery, if all, or any portion of the set prize pool is not awarded in the current Powerball drawing, that portion of the set prize pool shall be carried forward to subsequent Powerball drawings.

(4) By agreement between the Party Lotteries and the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently calculated prize amounts.

(xiv) *Section 871.9(b) (relating to Powerball prize payments)*. A grand prize shall be paid by an annuity except that a player may elect to receive the grand prize in a single cash payment provided the cash election is made by the player within 60 days of the date the Lottery determines that a grand prize-winning ticket has been sold and that a player is entitled to the prize.

(1) An election to receive the grand prize by annuity or cash made by the player after the player becomes entitled to the prize is final and cannot be revoked, withdrawn or otherwise changed.

(2) Shares of the grand prize shall be determined by dividing the cash available in the grand prize pool equally among all winners of the grand prize. A winner who elected cash payment shall be paid the share in a single cash payment.

(3) The annuitized prize shall be determined by multiplying a winner's share of the grand prize by the MUSL annuity factor.

(xv) *Section 871.9(c)*. The MUSL annuity factor is determined through a process as approved by the MUSL Finance and Audit Committee.

(xvi) *Section 871.9(g)*. If more than one winning ticket for the grand prize is determined, upon meeting the requirements of §§ 871.12 and 871.13 (relating to ticket validation requirements; procedures for claiming and payment of Powerball prizes), each is entitled to a parimutuel payment share of the total grand prize category.

(xvii) *Section 871.9(h)*. A winning Powerball play is entitled only to the highest prize won by those numbers in a Powerball drawing, and a winning Double Play, play is entitled only to the highest prize won by those numbers in a Double Play drawing. A player may win both a Powerball prize and a Double Play prize if the player purchased the Double Play promotion and if

the Powerball Play and the Double Play, play match the winning numbers drawn for both the Powerball game and the Double Play game.

(xviii) *Section 871.9(m)*. Annuitized payment of the grand prize or a share of the grand prize may be rounded to facilitate the purchase of an appropriate funding mechanism. Breakage on an annuitized grand prize win shall be added to the first cash payment to the winner or winners. Prizes other than the grand prize, which under this chapter may become single payment, parimutuel prizes, may be rounded down so that prizes can be paid in multiples of whole dollars. Breakage resulting from rounding these prizes shall be carried forward to the prize pool for the next drawing.

(xix) *Section 871.10(2) (relating to funding of guaranteed prizes)*. If there are multiple grand prize winners during a single drawing and at least one of the grand prize winners has elected the annuitized option prize, then the MUSL Annuity Factor shall be utilized to determine the cash pool. The cost of the annuitized prize or prizes will be determined at the time the annuity is purchased through a process as approved by the MUSL Board.

(xx) Section 871.10(4) is deleted in its entirety.

(xxi) *Section 871.10(5)*. Minimum guaranteed prizes or increases may be waived if the alternate funding mechanism as set forth in § 871.8 becomes necessary.

(xxii) *Section 871.10(6)*. Approval of the Group is required to change the guaranteed minimum Grand Prize amounts or minimum increases in the Grand Prize amount. The Group may increase, decrease or eliminate the guaranteed minimum Grand Prize amount or any announced minimum Grand Prize increases as effective at any time following the next drawing following the action taken by the Group.

(xxiii) *Section 871.13(a) (relating to procedures for claiming and payment of Powerball prizes)*. Pennsylvania Powerball and Double Play prizes shall be claimed only through a licensed on-line Pennsylvania Lottery retailer beginning on the day following the drawing. The Lottery is not authorized to accept claims or pay prizes for Powerball tickets purchased in other jurisdictions.

(xxiv) *Section 871.13(c)*. The holder of an apparent winning Powerball or Double Play ticket containing one or more winning lettered play selections representing combined prizes of \$2,500 or less will be paid by participating on-line retailers as provided in subsection (b), if the ticket validation requirements in § 871.12 (relating to ticket validation requirements) have been met, a proper validation pay ticket has been issued by the retailer's computer terminal and other retailer procedures have been met.

(xxv) *Section 871.13(d)*. The holder of an apparent winning Powerball or Double Play ticket containing one or more winning lettered play selections representing combined prizes in excess of \$2,500, with the exception of the grand prize category, shall first validate the apparent winning ticket at the

participating Pennsylvania Lottery on-line retailer to receive a validation receipt, complete a claim form and display appropriate identification and then surrender the winning ticket and the original claim form to the retailer for transmittal to Lottery Headquarters for payment under Chapter 811 (relating to prizes).

(xxvi) *Section 871.13(e)*. The holder of an apparent winning Powerball or Double Play ticket containing one or more winning lettered play selections representing a grand prize category prize shall present, in person, the apparent winning ticket to the Pennsylvania Lottery Headquarters for validation under Chapter 811.

(xxvii) *Section 871.13(f)*. In the event of the death of a Powerball or Double Play grand prize winner and upon petition of the estate of the prize winner, the MUSL Powerball Product Group may accelerate payment of all remaining proceeds from the winning ticket to the estate of the winner by transferring to the estate the securities or cash, or both, being held to satisfy the prize requirements, or paying the estate the present value of the remaining payments of the winner's prize. The valuation of the securities and determination of the present value of the accelerated lottery payments shall be at the sole discretion of the MUSL Powerball Group. The payment of a set prize to a person who dies before receiving any or all of a particular prize and to a person under 18 years of age will be paid under §§ 811.16 and 811.27 (relating to prizes payable after death of prize winner; payment of prizes to persons under 18 years of age).

(xxviii) *Section 871.14(b) (relating to parimutuel prize pool)*. An amount equal to up to 5% of a party lottery's sales shall be deducted from a party lottery's grand prize pool contribution and placed in trust in one or more prize pool accounts and prize reserve accounts at any time that the prize pool accounts and party lottery's share of the prize reserve accounts is below the amounts designated by the MUSL Powerball Product Group. An additional amount of up to 20% of a party lottery's sales shall be deducted from a party lottery's grand prize pool contribution and placed in trust to be held by the product group at such times as determined by the MUSL Powerball Product Group.

(xxix) *Section 871.14(c)*. The MUSL Powerball Product Group has established the following prize reserve accounts for the Powerball game:

- (1) the Prize Reserve Account, which is used to guarantee the payment of valid, but unanticipated, Grand Prize claims that may result from a system error or other reason; and
- (2) the Set Prize Reserve Account, which is used to fund deficiencies in low-tier prize payments, subject to the limitations of these rules.

(xxx) *Section 871.14(d)*. The MUSL Powerball Product Group has established the following prize pool accounts for the Powerball game:

(1) The Grand Prize pool, which is used to fund the current Grand Prize.

(2) The Powerball Set Prize Pool, which is used to fund the Powerball Set Prize payments.

(3) The Set Aside Pool, which is used to fund the payment of the awarded minimum starting annuity Grand Prizes and minimum annuity Grand Prize increase, if necessary, as subject to the limitations of these rules and any limitations as may be set by the Product Group; and

(4) the Grand Prize Carry Forward Pool, which is used to fund the starting minimum annuity Grand Prize, as may be set by the Product Group, if such funds are available and if sales do not fund the Grand Prize.

(xxxix) *Section 871.14(e)*. The Power Play Prize Pool and Power Play Pool Account are described in § 871.20 (relating to power play promotion) of these rules.

(xxxix) *Section 871.14(f)*. The Double Play Prize Pool and Double Play Prize Pool Account are described in § 871.21 (relating to double play promotion) of these rules.

(xxxix) *Section 871.14(g)*. The Set Prize Pool Account holds the temporary balances that may result from having fewer than expected winners in the Powerball Set Prize (also known as low-tier prize) categories. The source of the Set Prize Pool is the Party Lottery's weekly prize contributions less actual Powerball Set Prize liability.

(xxxix) *Section 871.14(h)*. Once the prize pool accounts and the party lottery's share of the prize reserve accounts exceeds the designated amounts, the excess shall become part of the grand prize pool.

(xxxix) *Section 871.14(i)*. The MUSL Powerball Product Group, with the approval of the Finance and Audit Committee, may establish a maximum balance for the prize pool accounts and prize reserve accounts.

(xxxix) *Section 871.14(j)*. The MUSL Powerball Product Group may determine to expend all or a portion of the funds in the prize pool accounts, except the Grand Prize pool account and the Grand Prize Carry Forward Pool account, and the prize reserve accounts for the following purposes:

(1) The Product Group may expend funds for the purpose of indemnifying the Party Lotteries and Licensee Lotteries in the payment of prizes to be made by the Selling Lotteries, subject to the approval of the MUSL Board and for the payment of prizes or special prizes in the game, subject to the approval of the MUSL Finance and Audit Committee; and

(2) The Product Group may expend funds for the payment of prizes or special prizes in the game, limited to prize pool and prize reserve contributions from lotteries participating in the special prize promotion, subject to the approval of the Board's Finance and Audit Committee or that Com-

mittee's failure to object after given two weeks' notice of the planned action, which actions may be appealed to the full Board by the Product Group.

(3) The Grand Prize Carry Forward Pool account may only be expended to fund the starting minimum annuity Grand Prize.

(xxxvii) *Section 871.14(k)*. The prize reserve shares of a party lottery may be adjusted with refunds to the party lottery from the prize reserve accounts as may be needed to maintain the approved maximum balance and shares of the party lotteries.

(xxxviii) *Section 871.14(l)*. A Party Lottery may contribute to its share of prize reserve accounts over time, but in the event of a draw down from the reserve account, a Party Lottery is responsible for its full percentage share of the account, whether or not it has been paid in full.

(xxxix) *Section 871.14(m)*. Any amount remaining in the prize pool accounts or prize reserve accounts 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 members of the MUSL Powerball Product Group in accordance with State law.

(xl) *Section 871.14(n)*. If the prize pool for a drawing is not sufficient to fund an announced minimum grand prize, the prize pool will be increased as necessary in accordance with MUSL rules.

(xli) *Section 871.18(c) (relating to governing law)*. A prize claimant agrees, as its sole and exclusive remedy that claims arising out of a Play can only be pursued against the Selling Lottery which issued the Play. Litigation, if any, shall only be maintained within the jurisdiction in which the Powerball Play was purchased and only against the Selling Lottery that issued the Play. A prize claimant waives any claim or defense that such forum is not convenient or proper. The Contractor agrees that any such court shall have in personam jurisdiction over it, and consents to service of process in any manner authorized by Pennsylvania law. No claim shall be made against any other Participating Lottery or against the MUSL.

(xlii) *Section 871.18(d)*. Nothing in these Rules shall be construed as a waiver of any defense or claim the Selling Lottery which issued the Play, any other Participating Lottery or MUSL may have in any litigation, including in the event a player or prize claimant pursues litigation against the Selling Lottery, any other Participating Lottery or MUSL, or their respective officers, directors or employees.

(xliii) *Section 871.18(e)*. All decisions made by a Selling Lottery, including the declaration of prizes and the payment thereof and the interpretation of Powerball Rules, shall be final and binding on all Play purchasers and on every person making a prize claim in respect thereof, but only in the jurisdiction where the Powerball Play was issued.

(xliv) *Section 871.18(f)*. Unless the laws, rules, regulations, procedures, and decisions of the Lottery which issued the Play provide otherwise, no

prize shall be paid upon a Play purchased, claimed or sold in violation of these Rules or the laws, rules, regulations, procedures, and decisions of that Selling Lottery; any such prize claimed but unpaid shall constitute an unclaimed prize under these Rules and the laws, rules, regulations, procedures, and decisions of that Selling Lottery.

(xlv) *Section 871.19 (relating to probability of winning).*

The probability of winning is as follows:

<i>Probability of Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:292,201,338
Five first set numbers	Second Prize	1:11,688,053.52
Four first set numbers and the Powerball number	Third Prize	1:913,129.1813
Four first set numbers	Fourth Prize	1:36,525.1673
Three first set numbers and the Powerball number	Fifth Prize	1:14,494.1140
Three first set numbers	Sixth Prize	1:579.7646
Two first set numbers and the Powerball number	Seventh Prize	1:701.3281
One first set number and the Powerball number	Eighth Prize	1:91.9775
None of the first set and the Powerball number	Ninth Prize	1:38.3239

(xlvi) *Section 871.20(a) (relating to Power Play® promotion).* The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option to increase set prizes won as a result of a Powerball drawing. The Powerball grand prize will not be eligible for an increase under the power play promotion. The Secretary will on occasion announce, as a special promotion, higher promotional prize amounts to be won with the power play promotion. Selling Lotteries may require purchase of the Power Play® promotion when a player purchases a Powerball Play. Power Play® is not applicable to the Powerball Double Play Promotion.

(xlvii) *Section 871.20(b)*. At the time of purchasing a Powerball ticket from an on-line Lottery retailer, a player may choose the power play option for one additional \$1 per play for each play on the Powerball ticket. If a player chooses the power play promotion feature for any play on a ticket, every play on that ticket must participate in the promotion.

(xlviii) *Section 871.20(c)*. The MUSL shall conduct a power play drawing and will announce results during each of the regular Powerball drawings held during the power play promotion. During each power play drawing a single number (2, 3, 4, 5, or 10) shall be randomly drawn. The 10X multiplier feature will be available for drawings in which the initially advertised annuitized Grand Prize amount is \$150,000,000 or less. The MUSL Powerball Product Group may elect to run limited promotions that modify the multiplier features.

(xlix) *Section 871.20(e)*. In drawings where the 10X multiplier is available, the expected power play prize pool for power play set prizes shall consist of up to 49.969% of each drawing period's sales. In drawings where the 10X multiplier is not available, the expected power play prize pool for power play set prizes shall consist of up to 45.934% of each drawing period's sales. The prize payout percentage per draw may vary. The power play prize pool shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the power play prizes for the current power play drawing and held in the Power Play Pool Account.

(l) *Section 871.20(f)*. In drawings where the 10X multiplier is available, an additional 0.31% of power play sales may be collected and placed in the Power Play Pool Account, for the purpose of paying power play prizes. In drawings where the 10X multiplier is not available, 4.066% of power play sales may be collected and played in the Power Play Pool Account, for the purposes of paying power play prizes. Any amount remaining in the power play pool account at the end of the power play promotion shall be returned to all lotteries participating in the account after the end of all claim periods of all selling lotteries, carried forward to a replacement game, or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(li) *Section 871.20(g)*. Except as otherwise provided in section 871.20(m), if, with respect to a single Powerball drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

- (1) The amount allocated to the set prizes and carried forward from previous Powerball drawings, if any.
- (2) The amount allocated to the Powerball Set-Prize Reserve Account, if available in the account, not to exceed forty million dollars (\$40,000,000.00) per drawing.

(3) Other amounts as agreed to by the MUSL Powerball Product Group in their sole discretion.

(lii) *Section 871.20(h)*. Except as otherwise provided in section 871.20(m), if the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes, including the power play prizes, for a particular Powerball drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary, under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(liii) *Section 871.20(i)*. Power play set prizes which become parimutuel may be rounded down so that they can be paid in multiples of whole dollars. Funds remaining after rounding shall be carried forward to the prize pool for the next power play drawing.

(liv) *Section 871.20(k)*. When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play prizes for the second through the ninth category prizes shall be reduced as announced by the MUSL Powerball Product Group.

(lv) *Section 871.20(l)*. The probability of the various power play numbers being selected in a power play drawing.

(1) The probability of the various power play numbers being selected in a power play drawing when the 10X multiplier is available, are:

<i>Power Play Multiplier</i>	<i>Odds</i>
2	24 in 43
3	13 in 43
4	3 in 43
5	2 in 43
10	1 in 43

(2) The probability of the various power play numbers being selected in a power play drawing when the 10X multiplier is not available, are:

<i>Power Play Multiplier</i>	<i>Odds</i>
2	24 in 42
3	13 in 42

<i>Power Play Multiplier</i>	<i>Odds</i>
4	3 in 42
5	2 in 42

(lvi) *Section 871.20(m)*. By agreement between the Party Lotteries and the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts, including the power play prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently calculated prize amounts.

(lvii) *Section 871.23(a) (relating to Double Play promotion)*. The Double Play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The Double Play promotion will be conducted in accordance with the Powerball rules except that players may purchase the Double Play option to use the same set of numbers selected for a Powerball play in a second, Double Play Drawing immediately following the Powerball Drawing. Double Play does not replace or alter Power Play[®]. Double Play prizes will not be multiplied or increased by the Power Play[®] promotion. Powerball Prizes and Double Play prizes are determined separately; for example, a Powerball player who chooses to participate in Double Play may win both a Double Play prize and a Powerball prize, if their Play numbers match the Powerball winning numbers and also match the Double Play winning numbers. Selling Lotteries may require purchase of the Power Play[®] promotion when a player purchases a Powerball Play.

(lviii) *Section 871.23(b)*. At the time of purchasing a Powerball ticket from an on-line Lottery retailer, a player may choose the Double Play option for one additional \$1 per play for each play on the Powerball ticket. If a player chooses the Double Play promotion feature for any play on a ticket, every play on that ticket must participate in the promotion.

(lix) *Section 871.23(c)*. The MUSL shall conduct a Double Play drawing and will announce results following each of the regular Powerball drawings held during the Double Play promotion. The purpose of the Double Play game is to determine winners from ticket holders matching five numbers from 1 through 69 and matching the separately drawn number from 1 through 26, or a designated combination thereof, within a single play, with the five winning first set numbers and the second set number to be randomly drawn. Drawings will be conducted three times a week or as publicly announced by the Secretary.

(lx) *Section 871.23(d)*. Powerball tickets that contain the Double Play option and one or more plays eligible for a Double Play first through ninth category prize shall be entitled to a total set prize identified in § 871.23(k), unless a higher limited promotional prize amount is announced by the Secretary.

(lxi) *Section 871.23(e)*. The expected Double Play prize pool for Double Play set prizes shall consist of 55% of each drawing period's sales. The prize payout percentage per draw may vary. The Double Play prize pool shall be carried forward to subsequent Double Play drawings if all or a portion of the percentage is not required to pay the Double Play prizes for the current Double Play Drawing and held in the Double Play Prize Pool Account.

(lxii) *Section 871.23(f)*. The MUSL Powerball Product Group has established the following prize pool accounts for the Double Play game:

(1) The First Prize Pool, which is used to fund the First Prize by contributing 4.9889% of sales, fund deficiencies in the Double Play Set Prize Pool, and which shall contain all funds not used to pay a First Prize or fund deficiencies in the Double Play Set Prize Pool; and

(2) The Double Play Set Prize Pool, which is used to fund the Double Play second through ninth prizes, and which may hold temporary balances that result from having fewer expected winners in the Double Play Set Prize categories.

(lxiii) *Section 871.23(g)*. The Set Prize Pool Account holds the temporary balances that may result from having fewer than expected winners in the Powerball Set Prize (aka low-tier prize) categories. The source of the Set Prize Pool is the Party Lottery's weekly prize contributions less actual Powerball Set Prize liability.

(lxiv) *Section 871.23(h)*. The MUSL Powerball Product Group may determine to expend all or a portion of the funds in the prize pool accounts, except the Grand Prize pool account and the Grand Prize Carry Forward Pool account, and the prize reserve accounts for the following purposes:

(1) The Product Group may expend funds for the purpose of indemnifying the Selling Lotteries in the payment of prizes to be made by the Selling Lotteries; and

(2) The Product Group may expend funds for the payment of prizes or special prizes in the game, limited to prize pool and prize reserve contributions from lotteries participating in the special prize promotion.

(lxv) *Section 871.23(i)*. If, with respect to a single Double Play drawing, the total of the Double Play set prizes exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to Double Play Set Prize Pool, if any.

(2) An amount from the First Prize Pool, if available; and

(3) Other amounts as agreed to by the MUSL Powerball Product Group in their sole discretion.

(lxvi) *Section 871.23(j)*. If the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes for a particular Double Play drawing, the highest Double Play set prize shall become a parimutuel prize. If the amount of the highest Double Play set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest Double Play set prize shall become a parimutuel prize. If necessary,

under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(lxvii) *Section 871.23(k)*. The probability of winning is as follows:

<i>Number of Matches Per PB Play</i>	<i>Prize Payment</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	\$10,000,000	Grand Prize	1:292,201,338
Five first set numbers	\$500,000	Second Prize	1:11,688,053.52
Four first set numbers and the Powerball number	\$50,000	Third Prize	1:913,129.1813
Four first set numbers	\$500	Fourth Prize	1:36,525.1673
Three first set numbers and the Powerball number	\$500	Fifth Prize	1:14,494.1140
Three first set numbers	\$20	Sixth Prize	1:579.7646
Two first set numbers and the Powerball number	\$20	Seventh Prize	1:701.3281
One first set number and the Powerball number	\$10	Eighth Prize	1:91.9775
None of the first set and the Powerball number	\$7	Ninth Prize	1:38.3239

Source

The provisions of this § 871.22 amended July 12, 2002, effective October 6, 2002, 32 Pa.B. 3396; amended October 11, 2002, and applies to the ticket sales beginning on Sunday, October 6, 2002, for the Powerball drawing on Wednesday, October 9, 2002, 32 Pa.B. 5144; amended July 22, 2005, effective August 28, 2005, 35 Pa.B. 4151; amended November 28, 2008, effective January 4, 2009, 38 Pa.B. 6571; amended May 27, 2011, effective May 28, 2011, 41 Pa.B. 2787; amended December 16, 2011, these changes will affect ticket sales beginning on Sunday, January 15, 2012, for the Powerball drawing on Wednesday, January 18, 2012, 41 Pa.B. 6945; amended September 27, 2013, these changes will affect ticket sales beginning October 1, 2013, 43 Pa.B. 5776; amended January 3, 2014, these changes will affect ticket sales beginning January 19, 2014, 44 Pa.B. 138; amended September 25, 2015, these changes will affect ticket sales beginning October 4, 2015, 45 Pa.B. 5884; amended April 17, 2020, these changes will affect ticket sales beginning April 9, 2020, 50 Pa.B. 2161; amended August 13, 2021, these changes will affect ticket sales beginning August 23, 2021, 51 Pa.B. 4953; amended August 27, 2021, these changes will affect ticket sales beginning August 22, 2021, 51 Pa.B. 5498. Immediately preceding text appears at serial pages (378931) to (378958) and (401397) to (401398).

Cross References

This section cited in 61 Pa. Code § 871.21 (relating to future changes to Powerball).

871-60

Appendix A.
Chapter 871. Powerball—Version in effect on
October 6, 2002

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Authority

The provisions of this Chapter 871 issued under section 303 of the State Lottery Law (72 P.S. § 3761-303), unless otherwise noted.

Source

The provisions of this Chapter 871 adopted June 7, 2002, effective June 8, 2002, 32 Pa.B. 2758, unless otherwise noted.

Cross References

This chapter cited in 61 Pa. Code § 876.2 (relating to definitions).

§ 871.1. Creation.

Under the act and this part, there is created a numbers game, called Powerball, which will commence at the discretion of the Secretary, and will continue until the Secretary publicly announces a suspension or termination date.

§ 871.2. Game description and purpose.

(a) Powerball is a five out of 53 plus one out of 42 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash basis.

(b) The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 53, and matching the separately drawn Powerball number, or a designated combination thereof, within a single play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted twice a week or as publicly announced by the Secretary.

(c) The object of the game is for a player to select, in a single play on a ticket, five numbers and the Powerball number that match the numbers and the Powerball number drawn for the game in which the ticket is participating. Correctly matching the six winning numbers consisting of the five numbers drawn plus the Powerball number drawn, and meeting other validation criteria, entitles the ticket holder to the grand prize identified in § 871.8 (relating to expected prize payout percentages).

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.3. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Apparent winning ticket—A ticket which has not been validated by the Lottery.

Basic play—Each set of six numbers consisting of five numbers from 1 through 53 and the Powerball number on a ticket purchased without the selection of any promotion, representing a single entry for a Powerball drawing and designated by a letter from A to E on a Powerball ticket.

Cash election—A method of payment that the player selects, within 60 days of the date the Lottery determines the player is entitled to the Powerball grand prize, to receive a parimutuel share of the prize money allocated to the grand prize category as a one-time, lump-sum cash payment rather than as an annuity.

Drawing—The process of selecting winning numbers that determines the winners for each prize category of the game.

First set numbers—The first group of numbers, from 1 through 53, appearing in the top grid of a Powerball game panel.

Grand prize winnings pool—An amount constituting 29.1942% of gross sales from all participating states for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Gross sales—The total amount of sales from all participating states for a particular Powerball game drawing for the purpose of determining the grand prize winnings pool and the set prize winnings pool in that drawing.

MUSL—The Multi-State Lottery Association.

MUSL Board—The governing body of the MUSL which is comprised of the chief executive officer of each party lottery.

MUSL Powerball Product Group—The group of lotteries that have joined together to offer the Powerball lottery game under the terms of the MUSL agreement and MUSL Powerball Product Group rules.

On-line retailer—A person who is properly licensed and authorized by the Lottery to sell Powerball tickets.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 53 squares, each numbered 1 through 53 and the lower grids (second set numbers) contain 42 squares, each numbered 1 through 42. Each panel is lettered either A, B, C, D or E, and when used to purchase a ticket, corresponds to the numbers selected and printed on the ticket adjacent to that letter.

Party lottery—A State lottery or lottery of a political subdivision or entity which has joined the MUSL and, in the context of the Powerball Group Rules, which has joined in selling the Powerball game.

Powerball bet slip—A card having five game panels labeled A through E, used by a player to select numbers to play the game.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 42, appearing in the lower grid of a Powerball game panel.

Promotion—A method used by the Lottery to aid in the sale of its products; for example, an option a player may exercise by purchase to increase the prize paid on a winning ticket or to increase the chance of winning a prize.

Quick pick—The random selection by the Lottery's computer system of five numbers from 1 through 53 and a Powerball number from 1 through 42 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 42, appearing in the lower grid of a Powerball game panel.

Set prize tiers—All prizes except the grand prize that are advertised to be paid by a single lump-sum payment and, except in instances outlined in this chapter, will be equal to the prize amount established by the MUSL Board for the prize level.

Set prize winnings pool—An amount constituting 20.8058% of gross sales for the current drawing and any monies carried forward from previous draws.

Terminal—A device which is authorized by the Lottery to function in an on-line, interactive mode with the Lottery's computer system, for the purpose of issuing lottery tickets and entering, receiving and processing lottery transactions, including making purchases, validating tickets and transmitting reports.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 53 and a single selected Powerball number from 1 through 42 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player.

Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 53, and the Powerball number from 1 through 42, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

Winnings pool—Constitutes 50% of each prize drawing period gross sales. A portion of the pool is contributed to the grand prize winnings pool. The remainder constitutes the set prize winnings pool. Moneys carried forward from previous draws are combined with the pool as directed in the MUSL rules.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.4. Ticket sales retailers.

(a) Powerball game ticket sales may only be made through licensed on-line retailers the Director will appoint and contract with as provided in § 815.42 (relating to ticket sales agents).

(b) The Lottery may terminate sales by a retailer without prior notice to the retailer if the retailer becomes delinquent in payment of proceeds due the Lottery, fails to handle Lottery funds in the prescribed manner, if the retailer breaches the contract or an addendum thereof, this part or procedures established governing the sale of tickets or if the Lottery deems it to be in the best interest of the Commonwealth.

§ 871.5. Ticket price.

A Powerball ticket shall cost \$1 per play. The power play option may be exercised, at the discretion of the player, for an additional \$1 per play.

§ 871.6. Powerball bet slip and ticket characteristics and restrictions.

(a) For each basic play the player shall select, or request quick pick selection by the computer, five numbers and a single Powerball number, in one or more of the game panels on a Powerball bet slip. Powerball bet slips shall be available at no cost to the player. The minimum entry is \$1. For \$1, play game A; for \$2, play games A and B; for \$3, play games A, B and C; for \$4, play games A, B, C and D; for \$5, play games A, B, C, D and E. Players are also given the option to select a promotion verbally or on the bet slip at the time of purchase for an additional \$1 for each play. Game panels shall be played in alphabetical order in accordance with the instructions printed on the Powerball bet slip. A Powerball bet slip has no pecuniary or prize value and does not constitute evidence of the purchase of a ticket or the numbers selected.

(b) To purchase a ticket, players shall, in addition to the purchase price, submit a completed Powerball bet slip, or request number selections either by quick

pick or manual terminal entry to an on-line retailer to have a ticket issued. The ticket shall contain five selected numbers and a single selected Powerball number for each play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. This ticket shall be the only valid receipt for claiming a prize. The ticket shall only be valid for the drawing date or dates printed on the ticket. Retailers are not permitted to allow the attachment of any remote devices to a lottery terminal to enter plays except as otherwise provided in the MUSL rules.

(c) If Powerball bet slips are unavailable, number selections may be given to an on-line retailer in groups of five number selections and one Powerball number selection per game section for each \$1 wagered as a basic play. The retailer shall manually enter the selections into the computer terminal.

(d) A Powerball ticket may not be canceled or voided once printed by the Lottery terminal, even if the ticket is printed in error.

(e) It shall be the sole responsibility of the player to verify the accuracy of the game play or plays and other data printed on the ticket. The placing of plays is done at the player's own risk through the on-line retailer who is acting on behalf of the player in entering the play or plays.

(f) A player may select numbers for up to 26 drawings, specifically the next drawing and the 25 subsequent drawings.

(g) A ticket may not be issued for a drawing after the specified sales cut-off time prior to the drawing, as announced by the Secretary or a designee.

§ 871.7. Time, place and manner of conducting drawing.

(a) *Time of drawing.* A Powerball drawing will be held twice a week or as publicly announced by the Secretary.

(b) *Place of drawing.* A Powerball drawing will be conducted in a location selected by the MUSL in West Des Moines, Iowa, or other location selected by the MUSL for promotional or other reasons.

(c) *Manner of conducting drawings.* The MUSL will draw at random five numbers from a set of balls numbered 1 through 53 and one Powerball number from a set of balls numbered 1 through 42 with the aid of mechanical drawing equipment. All drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.8. Expected prize payout percentages.

(a) Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	58.3884%
Five first set numbers	Second Prize*	\$100,000	10.2386%
Four first set numbers and the Powerball number	Third Prize*	\$5,000	2.747%
Four first set numbers	Fourth Prize*	\$100	2.2524%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	2.3624%
Three first set numbers	Sixth Prize*	\$7	6.7800%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	2.3152%
One first set number and the Powerball number	Eighth Prize*	\$4	6.7800%
The Powerball number	Ninth Prize*	\$3	8.1360%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(b) Prize money allocated to the grand prize category will be paid on a parimutuel basis, divided equally by the number of plays determined by the MUSL to be the winners of the grand prize.

(c) The number of plays determined by the MUSL to be winners of the second through ninth prize categories will be paid as set cash prizes, except as provided in paragraphs (1) and (2).

(1) If the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 20.8058% of gross sales, the amount needed to fund the set prizes shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$25,000,000 per Powerball drawing.

(2) If the sources set forth in paragraph (1) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing, the highest set prize shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining set prizes, the next highest set prize shall become a parimutuel prize. If necessary, and under the same test conditions set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimu-

tuel prizes, the money available from the funding sources listed in paragraph (1) shall be divided among the winning plays in proportion to their respective prize percentages.

(3) If all, or any portion of the set prize pool is not awarded in the current Powerball drawing, that portion of the set prize pool shall be carried forward to subsequent Powerball drawings.

Cross References

This section cited in 61 Pa. Code § 871.2 (relating to game description and purpose); 61 Pa. Code § 871.10 (relating to funding of guaranteed prizes); 61 Pa. Code § 871.20 (relating to power play promotion).

§ 871.9. Powerball prize payments.

(a) Individual ticket prize payments will be paid entirely in cash with the exception of the grand prize category.

(b) A grand prize shall be paid by an annuity except that a player may elect to receive the grand prize in a single cash payment provided the cash election is made by the player within 60 days of the date the Lottery determines that a grand prize winning ticket has been sold and that a player is entitled to the prize.

(1) An election to receive the grand prize by annuity or cash made by the player after the player becomes entitled to the prize is final and cannot be revoked, withdrawn or otherwise changed.

(2) Shares of the grand prize shall be determined by dividing the cash available in the grand prize pool equally among all winners of the grand prize. A winner who elected cash payment shall be paid the share in a single cash payment.

(3) The annuitized prize shall be determined by multiplying a winner's share of the grand prize by the MUSL annuity factor.

(c) The MUSL annuity factor is determined by the best total securities price obtained through a competitive bid of qualified, preapproved brokers made after it is determined that the prize is to be paid as an annuity prize or after the expiration of 60 days of the date that the player becomes entitled to the prize.

(d) Neither the MUSL nor the Lottery shall be responsible or liable for changes in the advertised or estimated annuity prize from the time the drawing occurs and the date that the player makes the election regarding method of prize payment.

(e) All annuitized prizes shall be paid in 30 annual payments with the initial payment being made in cash, to be followed by 29 equal payments funded by the annuity. The initial payment of an annuitized prize may be made by the Lottery upon validation of the winning ticket.

(f) If the individual shares of the cash held to fund an annuity is less than \$250,000, the MUSL Powerball Product Group, in its sole discretion, may elect to pay the winners their share of the cash held in the grand prize pool as a lump sum.

(g) If more than one winning ticket for the grand prize is determined, upon meeting the requirements of §§ 871.12 and 871.13 (relating to ticket validation requirements; and procedures for claiming and payment of Powerball prizes), each is entitled to a prorated payment share of the total grand prize category.

(h) A winning Powerball play is entitled only to the highest prize won by those numbers.

(i) The number of prize categories, the allocation of prize money among the prize categories and the annuity term may be changed at the discretion of the MUSL and the change will be announced by public notice. These changes will only apply prospectively to Powerball drawings as of the date specified in the public notice.

(j) Retailer incentive and marketing promotion programs, including the use of funded free tickets, may be implemented at the discretion of the Secretary. Funds for the programs, if needed, will be drawn from the Lottery fund.

(k) If the grand prize is not won in a drawing, the prize money allocated for the grand prize shall roll over and be added to the grand prize pool for the following drawing.

(l) Prize claims shall be submitted within 1 year of the drawing date.

(m) Annuitized payment of the grand prize or a share of the grand prize may be rounded to facilitate the purchase of an appropriate funding mechanism. Breakage on an annuitized grand prize win shall be added to the first cash payment to the winner or winners. Prizes other than the grand prize, which under this chapter may become single-payment, parimutuel prizes, may be rounded down so that prizes can be paid in multiples of whole dollars. Breakage resulting from rounding these prizes shall be carried forward to the prize pool for the next drawing.

Cross References

This section cited in 61 Pa. Code § 871.13 (relating to procedures for claiming and payment of Powerball prizes); and 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.10. Funding of guaranteed prizes.

The MUSL Powerball Product Group may offer guaranteed minimum grand prize amounts or minimum increases in the grand prize amount between drawings or make other changes in the allocation of prize money where the MUSL Powerball Product Group finds that it would be in the best interest of the game. If a minimum grand prize amount or a minimum increase in the grand prize amount between drawings is offered by the Product Group, the grand prize shares shall be determined as follows:

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(1) If there are multiple grand prize winners during a single drawing, each selecting the annuitized option prize, then a winner's share of the guaranteed annuitized grand prize shall be determined by dividing the guaranteed annuitized grand prize by the number of winners.

(2) If there are multiple grand prize winners during a single drawing and at least one of the grand prize winners has elected the annuitized option prize, the best bid submitted by the MUSL's preapproved qualified brokers shall determine the cash pool needed to fund the guaranteed annuitized grand prize.

(3) If no winner of the grand prize during a single drawing has elected the annuitized option prize, the amount of cash in the grand prize pool shall be an amount equal to the guaranteed annuitized amount divided by the average annuity factor of the most recent three best quotes provided by the MUSL's preapproved qualified brokers submitting quotes.

(4) Quotes will not be used which are more than 2 weeks old, and if less than three quotes are submitted, the MUSL shall use the average of all quotes submitted.

(5) Changes in the allocation of prize money shall be designed to retain approximately the same prize allocation percentages, over a year's time, as set forth in § 871.8 (relating to expected prize payout percentages). Minimum guaranteed prizes or increases may be waived if the alternate funding mechanism as set forth in § 871.8 becomes necessary.

§ 871.11. Ticket responsibility.

(a) A ticket is a bearer document deemed to be owned by the person holding the ticket, except that if a signature is contained on the ticket, the person so named will, for all purposes, be considered the owner of the ticket.

(b) The Commonwealth will not be responsible for lost or stolen tickets.

(c) The purchaser of the ticket has the sole responsibility for checking the accuracy and condition of the data printed on the ticket.

(d) The Commonwealth will not be responsible for tickets redeemed in error.

§ 871.12. Ticket validation requirements.

(a) *Valid tickets.* To be a valid ticket, the following conditions shall be met:

(1) The ticket validation number shall be present in its entirety and shall correspond, using the computer validation file, to the selected numbers printed on the ticket for the date printed on the ticket.

(2) The ticket shall be intact.

(3) The ticket may not be mutilated, altered, reconstituted or tampered with.

(4) The ticket may not be counterfeit or an exact duplicate of a winning ticket.

(5) The ticket shall have been issued by the Lottery through a licensed on-line retailer.

- (6) The ticket may not have been stolen.
- (7) The ticket shall be validated in accordance with § 871.13 (relating to procedures for claiming and payment of Powerball prizes).
- (8) The player-selected or computer-selected numbers on the ticket shall be in individual groups of five first set numbers and one second set number each associated with a single letter, A, B, C, D or E. The numbers and the associated letter shall constitute a single play.
- (9) The ticket data shall have been recorded on the Lottery's central computer system prior to the drawing and the ticket data shall match this computer record in every respect.
- (10) The player-selected or computer-selected numbers, promotion selection, if applicable, the validation number data and the drawing date of an apparent winning ticket shall appear on the official file of the winning tickets; and a ticket with that exact data may not have been previously paid.
- (11) The ticket may not be misregistered, defectively printed or printed or produced in error.
- (12) The ticket shall pass other confidential security checks of the Lottery.
- (13) By submitting a ticket for validation, the player agrees to abide by this chapter.
- (14) There may not be another violation of this part in relation to the ticket.
 - (b) *Invalid or defective tickets—disputes.* A ticket not passing the validation checks in subsection (a) will be considered invalid and will not be paid.
 - (1) In cases of doubt, the determination of the Secretary is final and binding. The Secretary may replace an invalid ticket with a ticket of equivalent sale price from a current Lottery game.
 - (2) If a defective ticket is purchased or if the Secretary determines to adjust an error, the sole and exclusive remedy will be the replacement of the defective or erroneous ticket with a ticket of equivalent sale price from a current Lottery game.
 - (3) If a ticket is not paid by the Lottery and a dispute occurs as to whether the ticket is a winning ticket, the Lottery may replace the ticket as provided in paragraph (2). This is the sole and exclusive remedy of the holder of the ticket.

Cross References

This section cited in 61 Pa. Code § 871.9 (relating to Powerball prize payments); and 61 Pa. Code § 871.13 (relating to procedures for claiming and payment of Powerball prizes).

§ 871.13. Procedures for claiming and payment of Powerball prizes.

(a) Pennsylvania Powerball prizes shall be claimed only through a licensed on-line Pennsylvania Lottery retailer beginning on the day following the drawing. The Lottery is not authorized to accept claims or pay prizes for Powerball tickets purchased in other jurisdictions.

(b) An on-line retailer is authorized and required to make payment of a prize of \$2,500 or less on an individual Powerball winning ticket, if the ticket is presented within a designated time period as announced by the Secretary and if the retailer has sufficient funds available for payment.

(c) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing combined prizes of \$2,500 or less will be paid by participating on-line retailers as provided in subsection (b), if the ticket validation requirements in § 871.12 (relating to ticket validation requirements) have been met, a proper validation pay ticket has been issued by the retailer's computer terminal and other retailer procedures have been met.

(d) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing combined prizes in excess of \$2,500, with the exception of the grand prize category, shall first validate the apparent winning ticket at the participating Pennsylvania Lottery on-line retailer to receive a validation receipt, complete a claim form and display appropriate identification and then surrender the winning ticket and the original claim form to the retailer for transmittal to Lottery Headquarters for payment under Chapter 811 (relating to prizes).

(e) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing a grand prize category prize shall present, in person, the apparent winning ticket to the Pennsylvania Lottery Headquarters for validation under Chapter 811.

(f) In the event of the death of a Powerball grand prize winner and upon petition of the estate of the prize winner, the MUSL Powerball Product Group may accelerate payment of all remaining proceeds from the winning ticket to the estate of the winner by transferring to the estate the securities or cash, or both, being held to satisfy the prize requirements, or paying the estate the present value of the remaining payments of the winner's prize. The valuation of the securities and determination of the present value of the accelerated lottery payments shall be at the sole discretion of the MUSL Powerball Group. The payment of a set prize to a person who dies before receiving any or all of a particular prize and to a person under 18 years of age will be paid under §§ 811.16 and 811.27 (relating to prizes payable after death of prize winner; and payment of prizes to persons under 18 years of age).

(g) The Commonwealth will be discharged of liability after payment of prizes as provided in § 811.26 (relating to discharge of State liability upon payment).

(h) The Lottery may delay payment of the prize pending a final determination by the Secretary if a dispute occurs, or it appears likely that a dispute may occur, regarding the prize; if there is any question regarding the identity of the claimant; if there is any question regarding the validity of the ticket presented for payment; or if the claim is subject to any setoff for delinquent debts owed by the claimant under Pennsylvania statute. The Lottery may delay payment of a grand prize pending a claimant election of payment method as provided under

§ 871.9(b) (relating to Powerball prize payments). The Lottery may delay payment of a grand prize for up to 15 days as permitted by the MUSL rules.

Cross References

This section cited in 61 Pa. Code § 871.9 (relating to Powerball prize payments); and 61 Pa. Code § 871.12 (relating to ticket validation requirements).

§ 871.14. Parimutuel prize pool.

(a) The prize pool for all prize categories shall consist of 50% of each drawing period's sales after the prize reserve accounts are funded to the amounts set by the MUSL Powerball Product Group. Any amount remaining in the prize pool at the end of the game shall be carried forward to a replacement game or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(b) An amount equal to up to 2% of a party lottery's sales shall be deducted from a party lottery's grand prize pool and placed in trust in one or more prize reserve accounts until the party lottery's share of the prize reserve accounts reaches the amounts designated by the MUSL Powerball Product Group. Once the party lottery's share of the prize reserve accounts exceeds the designated amounts, the excess shall become part of the grand prize pool. The MUSL Powerball Product Group, with the approval of the Finance and Audit Committee, may establish a maximum balance for the prize reserve accounts. The shares of a party lottery may be adjusted with refunds to the party lottery from the prize reserve accounts 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 MUSL Powerball Product Group in accordance with State law.

(c) If the prize pool for a drawing is not sufficient to fund an announced minimum grand prize, the prize pool will be increased as necessary in accordance with MUSL rules.

§ 871.15. Unclaimed prize money.

Prize money on a winning Powerball play may be retained by the Secretary for payment to the person entitled to it. If within 1 year of the drawing date on the ticket, no claim is made on a winning play, as determined by the Secretary, the right to claim prize money terminates. For set prizes, the prize money will be paid into the State Lottery Fund and used for purposes otherwise provided for by statute. Unclaimed grand prize and new bonus prize funds will be distributed among all MUSL Lotteries in proportion to each lottery's sales for the grand prize drawing.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.16. Withholding.

Federal withholding taxes will be withheld by the Lottery for the prize payments in amounts required in accordance with applicable provisions of law.

§ 871.17. Purchase and prize restrictions.

(a) A Powerball ticket may not be purchased in this Commonwealth by, and a prize will not be paid to, an officer or employee of the Pennsylvania Lottery or any of the Lottery's professional services contractors or subcontractors who are involved in the operation of the on-line lottery games system or its associated drawings, or to a spouse, child, brother, sister or parent residing in the same household as these individuals.

(b) In addition to the individuals identified in subsection (a), the following persons are not eligible to purchase a Powerball ticket and are ineligible to be paid a prize for a Powerball ticket:

(1) An employee, officer or director of the MUSL.

(2) A person under contract with the MUSL to conduct a financial or security audit of the MUSL.

(3) An employee, partner, shareholder or owner of an independent accounting firm under contract with the MUSL to observe drawings and site operations.

(4) A relative living in the same household of a person described in paragraph (1), (2) or (3).

(c) Except as provided in subsection (b), the individuals identified in subsection (a) are not prohibited from purchasing a ticket or winning a prize from a MUSL member lottery other than the Pennsylvania Lottery.

(d) A Lottery retailer authorized to sell lottery tickets for on-line games, or an employee of a retailer may not request, demand or accept gratuities or additional compensation from any person, or agent thereof, in exchange for the purchase of Powerball lottery tickets. A retailer authorized to sell lottery tickets for on-line games shall make Powerball lottery tickets available for sale to the public during the hours that sale of Powerball tickets are authorized to be sold and that business is open to the public. A retailer may only sell Powerball lottery tickets on the premises described in the retailer's contract, except as specially authorized in writing by the Director. No transaction, or any part thereof, of Powerball lottery tickets may be made at the general corporate office of a retailer unless that office is open to the public and has contracted with the Lottery as a separate Lottery retailer. A Lottery retailer authorized to sell lottery tickets for on-line games may not enter into any special agreement with a person, group of persons or agent thereof, for the purchase of over \$500 of Powerball lottery tickets for any one drawing. A retailer shall immediately report to the Lottery an attempt made by a person, or group of persons or an agent thereof, to purchase more than 50% of the number combinations for Powerball for any one drawing. A retailer shall obtain the name and address of any person purchasing more than \$5,000 in Powerball lottery tickets for any one drawing and report the information to the Lottery before the sale. A person may not purchase a ticket or combination of tickets

and a lottery retailer may not directly or knowingly sell a ticket or combination of tickets to any person which would guarantee the purchaser a grand prize win.

§ 871.18. Governing law.

(a) In purchasing a ticket, the purchaser agrees to comply with and abide by applicable laws, this part, instructions, conditions, final decisions of the Secretary and procedures established by the Director or by the MUSL for the conduct of Powerball.

(b) Decisions made by the Secretary or the MUSL, including the declaration of prizes and the payment thereof or interpretation of this part are final and binding on players and persons making a claim in respect thereof.

§ 871.19. Probability of winning.

The probability of winning is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:120,526,770
Five first set numbers	Second Prize	1:2,939,677.317073
Four first set numbers and the Powerball number	Third Prize	1:502,194.875000
Four first set numbers	Fourth Prize	1:12,248.655488
Three first set numbers and the Powerball number	Fifth Prize	1:10,684.997340
Three first set numbers	Sixth Prize	1260.609691
Two first set numbers and the Powerball number	Seventh Prize	1:696.847653
One first set number and the Powerball number	Eighth Prize	1:123.884027
The Powerball number	Ninth Prize	1:70.388652

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.20. Power play promotion.

(a) The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension

or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules. A player may purchase the power play option for the chance to multiply set prizes won as a result of a Powerball drawing by a number ranging from 2 to 5. The Powerball grand prize will not be eligible for multiplication under the power play promotion.

(b) At the time of purchasing a Powerball ticket from an on-line Lottery retailer, a player may choose the power play option for one additional \$1 per play for each play on the Powerball ticket. If a player chooses the power play promotion feature for any play on a ticket, every play on that ticket must participate in the promotion.

(c) At the time of each Powerball drawing, the MUSL shall conduct a power play drawing under the supervision of security and an independent auditor. The power play number will be selected from among the following series of numbers: 2, 2, 2, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5, 5, 5 and 5.

(d) Powerball tickets that contain the power play option and one or more plays eligible for Powerball set prizes (but not the grand prize) identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize calculated by multiplying each Powerball set prize by the power play number.

(e) The prize pool for power play set prizes shall consist of up to 48.5% of power play sales after Powerball prize reserve accounts are funded to the amounts set by the MUSL. The prize pool percentage allocated to power play set prizes shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the set prizes for the current power play drawing.

(f) An additional 1.5% of power play sales may be collected and placed in prize reserve accounts until the prize reserve accounts meet the amounts designated by the MUSL. Any amount remaining in prize reserve accounts at the end of the power play promotion shall be carried forward to a replacement prize reserve account or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(g) If, with respect to a single Powerball drawing and associated power play drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes multiplied by the power play number exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to the set prizes and carried forward from previous Powerball drawings and power play drawings, if any.

(2) An amount from the Powerball set prize reserve account, if available, not to exceed \$25,000,000 per drawing.

(h) If the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing and

associated power play drawing, the highest set prize, including the multiplied set prize, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the multiplied set prize, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(i) Power play set prizes which become parimutuel may be rounded down so that they can be paid in multiples of whole dollars. Funds remaining after rounding shall be carried forward to the prize pool for the next power play drawing.

(j) Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize Amount</i>	<i>Powerball Play Multiplier and Set Prize Amount</i>			
		<i>5</i>	<i>4</i>	<i>3</i>	<i>2</i>
Second Prize	\$100,000	\$500,000	\$400,000	\$300,000	\$200,000
Third Prize	\$5,000	\$25,000	\$20,000	\$15,000	\$10,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

(k) When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play set prizes shall be a multiple of the new Powerball set prize amount.

(l) The odds of various power play numbers being selected in a power play drawing are:

<i>Power Play Multiplier</i>	<i>Odds</i>
2	1:5
3	1:5
4	1:5
5	1:2.5

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.21. Future changes to Powerball.

(a) The MUSL reserves the right to modify the Powerball game in order to address changes in player participation or population of member states. If the MUSL decides to make a change, it will be publicly announced by the MUSL and the Secretary at least 90 days before the change takes effect.

(b) The Secretary will publish notice of the change in the *Pennsylvania Bulletin* and the change will be codified in § 871.22 (relating to changes to Powerball).

§ 871.22. Changes to Powerball.

Any change to the Powerball regulations, announced by the Secretary by way of a notice published in the *Pennsylvania Bulletin*, will be codified as a new paragraph in this section.

(1) *Changes effective for Powerball tickets sold on or after October 6, 2002:*

(i) *Section 871.2(a) and (b) (relating to game description and purpose); § 871.3 (relating to definitions) definition of “basic play,” “first set numbers,” “panel or game panel,” “quick pick,” “ticket” and “winning numbers;” § 871.7(c) (relating to time, place and manner of conducting drawing).* Powerball is a five out of 53 plus one out of 42 on-line game. The first set of numbers are selected from 1 through 53.

(ii) *Section 871.9(e) (relating to Powerball prize payments).* All annuitized prizes shall be paid in 30 annual payments with the initial payment being made in cash, to be followed by 29 equal annual payments funded by the annuity. The initial payment of an annuitized prize may be made by the Lottery upon validation of the winning ticket.

(iii) *Section 871.15 (relating to unclaimed prize money).* Unclaimed grand prize and new bonus prize funds will be distributed among all MUSL Lotteries in proportion to each lottery’s sales for the grand prize drawing.

(iv) *Section 871.19 (relating to probability of winning).* The probability of winning is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:120,526,770
Five first set numbers	Second Prize	1:2,939,677.317073
Four first set numbers and the Powerball number	Third Prize	1:502,194.875000
Four first set numbers	Fourth Prize	1:12,248.655488
Three first set numbers and the Powerball number	Fifth Prize	1:10,684.997340

<i>Tickets Containing The Following,</i>		<i>Probability of</i>
Three first set numbers	Sixth Prize	1:260.609691
Two first set numbers and the Powerball number	Seventh Prize	1:696.847653
One first set number and the Powerball number	Eighth Prize	1:123.884027
The Powerball number	Ninth Prize	1:70.388652

(v) *Section 871.20(a), (c), (j) and (l) (relating to power play promotion).* A player may purchase the power play option for the chance to multiply set prizes won as a result of the Powerball drawing by a number ranging from 2 to 5. The power play number will be selected from among the following series of numbers: 2, 2, 2, 3, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5, 5, 5 and 5. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize Amount</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
		<i>5</i>	<i>4</i>	<i>3</i>	<i>2</i>
Second Prize	\$100,000	\$500,000	\$400,000	\$300,000	\$200,000
Third Prize	\$5,000	\$25,000	\$20,000	\$15,000	\$10,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

The odds of various power play numbers being selected in a power play drawing are:

<i>Power Play Multiplier</i>	<i>Odds</i>
2	1:5
3	1:5
4	1:5
5	1:2.5

(vi) *New bonus prize.*

(A) When the Powerball jackpot is projected to reach a new high annuitized level, the amount of the jackpot prize will be limited, by rule, to increases for each draw of no more than \$25 million (annuitized). The prize money collected in excess of the advertised jackpot amount, if any, will be placed into a bonus prize pool and will accumulate until there is a grand prize winner. When there is a grand prize winner, the bonus prize pool will be divided equally among all winners of the second prize. This bonus prize will be paid in one cash lump sum. If there are no second prize

winners, the prize pool shall be divided equally among the winners in the next lower prize tier with winners.

(B) There may be times when the second prize will be increased from its current set amount of \$100,000 to a higher amount. In those cases, the second prize may be increased to \$1 million or more. The actual amount of the prize will depend upon the cash available in the new bonus prize pool and the number of prize winners as set forth in clause (A). The trigger jackpot level will naturally increase over time as the new high annuitized jackpot amount continues to climb.

(C) The new bonus prize is in addition to any power play prizes that may be won. The new bonus prize is awarded independent of the power play option, and is not multiplied by the power play multiplier. A bonus prize winner who also played the power play option will win the original set prize amounts; the amount paid under the power play multiplier option; and the new bonus prize (if effective).

Source

The provisions of this § 871.22 amended July 12, 2002, effective October 6, 2002, 32 Pa.B. 3396; amended October 11, 2002, and applies to the ticket sales beginning on Sunday, October 6, 2002, for the Powerball drawing on Wednesday, October 9, 2002, 32 Pa.B. 5144.

Cross References

This section cited in 61 Pa. Code § 871.21 (relating to future changes to Powerball).

§ 871.23. New bonus prize.

(a) When the Powerball jackpot is projected to reach a new high annuitized level, the amount of the jackpot prize will be limited, by rule, to increases for each draw of no more than \$25 million (annuitized). The prize money collected in excess of the advertised jackpot amount, if any, will be placed into a bonus prize pool and will accumulate until there is a grand prize winner. When there is a grand prize winner, the bonus prize pool will be divided equally among all winners of the second prize. This bonus prize will be paid in one cash lump sum. If there are no second prize winners, the prize pool shall be divided equally among the winners in the next lower prize tier with winners.

(b) There may be times when the second prize will be increased from its current set amount of \$100,000 to a higher amount. In those cases, the second prize may be increased to \$1 million or more. The actual amount of the prize will depend upon the cash available in the new bonus prize pool and the number of prize winners as set forth in subsection (a). The trigger jackpot level will naturally increase over time as the new high annuitized jackpot amount continues to climb.

(c) The new bonus prize is in addition to any power play prizes that may be won. The new bonus prize is awarded independent of the power play option, and is not multiplied by the power play multiplier. A bonus prize winner who also played the power play option will win the original set prize amounts; the amount paid under the power play multiplier option; and the new bonus prize (if effective).

Source

The provisions of Appendix A effectuate the changes to Chapter 871 for tickets sold on or after October 6, 2002, as provided under § 871.22(1).

Appendix B
CHAPTER 871. POWERBALL—Version in effect on August 28, 2005,
incorporating changes from October 6, 2002

- Sec.
- 871.1. Creation.
 - 871.2. Game description and purpose.
 - 871.3. Definitions.
 - 871.4. Ticket sales retailers.
 - 871.5. Ticket price.
 - 871.6. Powerball bet slip and ticket characteristics and restrictions.
 - 871.7. Time, place and manner of conducting drawing.
 - 871.8. Expected prize payout percentages.
 - 871.9. Powerball prize payments.
 - 871.10. Funding of guaranteed prizes.
 - 871.11. Ticket responsibility.
 - 871.12. Ticket validation requirements.
 - 871.13. Procedures for claiming and payment of Powerball prizes.
 - 871.14. Parimutuel prize pool.
 - 871.15. Unclaimed prize money.
 - 871.16. Withholding.
 - 871.17. Purchase and prize restrictions.
 - 871.18. Governing law.
 - 871.19. Probability of winning.
 - 871.20. Power play promotion.
 - 871.21. Future changes to Powerball.
 - 871.22. Changes to Powerball.
 - 871.23. New bonus prize.

Authority

The provisions of this Chapter 871 issued under section 303 of the State Lottery Law (72 P.S. § 3761-303), unless otherwise noted.

Source

The provisions of this Chapter 871 adopted June 7, 2002, effective June 8, 2002, 32 Pa.B. 2758, unless otherwise noted.

Cross References

This chapter cited in 61 Pa. Code § 876.2 (relating to definitions).

§ 871.1. Creation.

Under the act and this part, there is created a numbers game, called Powerball, which will commence at the discretion of the Secretary, and will continue until the Secretary publicly announces a suspension or termination date.

§ 871.2. Game description and purpose.

(a) Powerball is a five out of 55 plus one out of 42 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash basis.

(b) The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 55, and matching the separately drawn Powerball number, or a designated combination thereof, within a single play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted twice a week or as publicly announced by the Secretary.

(c) The object of the game is for a player to select, in a single play on a ticket, five numbers and the Powerball number that match the numbers and the Powerball number drawn for the game in which the ticket is participating. Correctly matching the six winning numbers consisting of the five numbers drawn plus the Powerball number drawn, and meeting other validation criteria, entitles the ticket holder to the grand prize identified in § 871.8 (relating to expected prize payout percentages).

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.3. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Apparent winning ticket—A ticket which has not been validated by the Lottery.

Basic play—Each set of six numbers consisting of five numbers from 1 through 55 and the Powerball number on a ticket purchased without the selection of any promotion, representing a single entry for a Powerball drawing and designated by a letter from A to E on a Powerball ticket.

Cash election—A method of payment that the player selects, within 60 days of the date the Lottery determines the player is entitled to the Powerball grand prize, to receive a parimutuel share of the prize money allocated to the grand prize category as a one-time, lump-sum cash payment rather than as an annuity.

Drawing—The process of selecting winning numbers that determines the winners for each prize category of the game.

First set numbers—The first group of numbers, from 1 through 55, appearing in the top grid of a Powerball game panel.

Grand prize winnings pool—An amount constituting 29.1942% of gross sales from all participating states for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Gross sales—The total amount of sales from all participating states for a particular Powerball game drawing for the purpose of determining the grand prize winnings pool and the set prize winnings pool in that drawing.

MUSL—The Multi-State Lottery Association.

MUSL Board—The governing body of the MUSL which is comprised of the chief executive officer of each party lottery.

MUSL Powerball Product Group—The group of lotteries that have joined together to offer the Powerball lottery game under the terms of the MUSL agreement and MUSL Powerball Product Group rules.

On-line retailer—A person who is properly licensed and authorized by the Lottery to sell Powerball tickets.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 55 squares, each numbered 1 through 55 and the lower grids (second set numbers) contain 42 squares, each numbered 1 through 42. Each panel is lettered either A, B, C, D or E, and when used to purchase a ticket, corresponds to the numbers selected and printed on the ticket adjacent to that letter.

Party lottery—A State lottery or lottery of a political subdivision or entity which has joined the MUSL and, in the context of the Powerball Group Rules, which has joined in selling the Powerball game.

Powerball bet slip—A card having five game panels labeled A through E, used by a player to select numbers to play the game.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 42, appearing in the lower grid of a Powerball game panel.

Promotion—A method used by the Lottery to aid in the sale of its products; for example, an option a player may exercise by purchase to increase the prize paid on a winning ticket or to increase the chance of winning a prize.

Quick pick—The random selection by the Lottery's computer system of five numbers from 1 through 55 and a Powerball number from 1 through 42 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 42, appearing in the lower grid of a Powerball game panel.

Set prize tiers—All prizes except the grand prize that are advertised to be paid by a single lump-sum payment and, except in instances outlined in this chapter, will be equal to the prize amount established by the MUSL Board for the prize level.

Set prize winnings pool—An amount constituting 20.8058% of gross sales for the current drawing and any monies carried forward from previous draws.

Terminal—A device which is authorized by the Lottery to function in an on-line, interactive mode with the Lottery's computer system, for the purpose of issuing lottery tickets and entering, receiving and processing lottery transactions, including making purchases, validating tickets and transmitting reports.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 55 and a single selected Powerball num-

ber from 1 through 42 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 55, and the Powerball number from 1 through 42, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

Winnings pool—Constitutes 50% of each prize drawing period gross sales. A portion of the pool is contributed to the grand prize winnings pool. The remainder constitutes the set prize winnings pool. Moneys carried forward from previous draws are combined with the pool as directed in the MUSL rules.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.4. Ticket sales retailers.

(a) Powerball game ticket sales may only be made through licensed on-line retailers the Director will appoint and contract with as provided in § 815.42 (relating to ticket sales agents).

(b) The Lottery may terminate sales by a retailer without prior notice to the retailer if the retailer becomes delinquent in payment of proceeds due the Lottery, fails to handle Lottery funds in the prescribed manner, if the retailer breaches the contract or an addendum thereof, this part or procedures established governing the sale of tickets or if the Lottery deems it to be in the best interest of the Commonwealth.

§ 871.5. Ticket price.

A Powerball ticket shall cost \$1 per play. The power play option may be exercised, at the discretion of the player, for an additional \$1 per play.

§ 871.6. Powerball bet slip and ticket characteristics and restrictions.

(a) For each basic play the player shall select, or request quick pick selection by the computer, five numbers and a single Powerball number, in one or more of the game panels on a Powerball bet slip. Powerball bet slips shall be available at no cost to the player. The minimum entry is \$1. For \$1, play game A; for \$2, play games A and B; for \$3, play games A, B and C; for \$4, play games A, B, C and D; for \$5, play games A, B, C, D and E. Players are also given the option to select a promotion verbally or on the bet slip at the time of purchase for an additional \$1 for each play. Game panels shall be played in alphabetical order in accordance with the instructions printed on the Powerball bet slip. A Powerball bet slip has no pecuniary or prize value and does not constitute evidence of the purchase of a ticket or the numbers selected.

(b) To purchase a ticket, players shall, in addition to the purchase price, submit a completed Powerball bet slip, or request number selections either by quick pick or manual terminal entry to an on-line retailer to have a ticket issued. The ticket shall contain five selected numbers and a single selected Powerball number

for each play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. This ticket shall be the only valid receipt for claiming a prize. The ticket shall only be valid for the drawing date or dates printed on the ticket. Retailers are not permitted to allow the attachment of any remote devices to a lottery terminal to enter plays except as otherwise provided in the MUSL rules.

(c) If Powerball bet slips are unavailable, number selections may be given to an on-line retailer in groups of five number selections and one Powerball number selection per game section for each \$1 wagered as a basic play. The retailer shall manually enter the selections into the computer terminal.

(d) A Powerball ticket may not be canceled or voided once printed by the Lottery terminal, even if the ticket is printed in error.

(e) It shall be the sole responsibility of the player to verify the accuracy of the game play or plays and other data printed on the ticket. The placing of plays is done at the player's own risk through the on-line retailer who is acting on behalf of the player in entering the play or plays.

(f) A player may select numbers for up to 26 drawings, specifically the next drawing and the 25 subsequent drawings.

(g) A ticket may not be issued for a drawing after the specified sales cut-off time prior to the drawing, as announced by the Secretary or a designee.

§ 871.7. Time, place and manner of conducting drawing.

(a) *Time of drawing.* A Powerball drawing will be held twice a week or as publicly announced by the Secretary.

(b) *Place of drawing.* A Powerball drawing will be conducted in a location selected by the MUSL in West Des Moines, Iowa, or other location selected by the MUSL for promotional or other reasons.

(c) *Manner of conducting drawings.* The MUSL will draw at random five numbers from a set of balls numbered 1 through 55 and one Powerball number from a set of balls numbered 1 through 42 with the aid of mechanical drawing equipment. All drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.8. Expected prize payout percentages.

(a) Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	60.5770%
Five first set numbers	Second Prize*	\$200,000	11.2246%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	3.4222%
Four first set numbers	Fourth Prize*	\$100	1.4030%

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Three first set numbers and the Powerball number	Fifth Prize*	\$100	1.6768%
Three first set numbers	Sixth Prize*	\$7	4.8126%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	1.8780%
One first set number and the Powerball number	Eighth Prize*	\$4	6.3050%
The Powerball number	Ninth Prize*	\$3	8.7008%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(b) Prize money allocated to the grand prize category will be paid on a parimutuel basis, divided equally by the number of plays determined by the MUSL to be the winners of the grand prize.

(c) The number of plays determined by the MUSL to be winners of the second through ninth prize categories will be paid as set cash prizes, except as provided in paragraphs (1) and (2).

(1) If the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 20.8058% of gross sales, the amount needed to fund the set prizes shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$25,000,000 per Powerball drawing.

(2) If the sources set forth in paragraph (1) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing, the highest set prize shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining set prizes, the next highest set prize shall become a parimutuel prize. If necessary, and under the same test conditions set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in paragraph (1) shall be divided among the winning plays in proportion to their respective prize percentages.

(3) If all, or any portion of the set prize pool is not awarded in the current Powerball drawing, that portion of the set prize pool shall be carried forward to subsequent Powerball drawings.

Cross References

This section cited in 61 Pa. Code § 871.2 (relating to game description and purpose); 61 Pa. Code § 871.10 (relating to funding of guaranteed prizes); 61 Pa. Code § 871.20 (relating to power play promotion); and 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.9. Powerball prize payments.

(a) Individual ticket prize payments will be paid entirely in cash with the exception of the grand prize category.

(b) A grand prize shall be paid by an annuity except that a player may elect to receive the grand prize in a single cash payment provided the cash election is made by the player within 60 days of the date the Lottery determines that a grand prize winning ticket has been sold and that a player is entitled to the prize.

(1) An election to receive the grand prize by annuity or cash made by the player after the player becomes entitled to the prize is final and cannot be revoked, withdrawn or otherwise changed.

(2) Shares of the grand prize shall be determined by dividing the cash available in the grand prize pool equally among all winners of the grand prize. A winner who elected cash payment shall be paid the share in a single cash payment.

(3) The annuitized prize shall be determined by multiplying a winner's share of the grand prize by the MUSL annuity factor.

(c) The MUSL annuity factor is determined by the best total securities price obtained through a competitive bid of qualified, preapproved brokers made after it is determined that the prize is to be paid as an annuity prize or after the expiration of 60 days of the date that the player becomes entitled to the prize.

(d) Neither the MUSL nor the Lottery shall be responsible or liable for changes in the advertised or estimated annuity prize from the time the drawing occurs and the date that the player makes the election regarding method of prize payment.

(e) Annuitized prizes shall be paid in 30 graduated payments, an initial followed by 29 annual graduated payments increasing each year at a rate determined by the MUSL Powerball Product Group. This rate, once determined, will not change over the life of the payments. The 30 payments will equal 100% of the annuitized prize. Prize payments may be rounded down to the nearest \$1,000.

For example;

If the MUSL Powerball Product Group arrived at a 4% rate of increase for a \$30 million annuitized jackpot the payment schedule would be as follows:

<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
1	\$535,000	1.78300991336613%
2	\$556,000	1.85433030990078%
3	\$578,000	1.92850352229681%
4	\$601,000	2.00564366318868%
5	\$626,000	2.08586940971623%
6	\$651,000	2.16930418610488%
7	\$677,000	2.25607635354907%
8	\$704,000	2.34631940769104%
9	\$732,000	2.44017218399868%
10	\$761,000	2.53777907135862%

<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
11	\$792,000	2.63929023421297%
12	\$823,000	2.74486184358149%
13	\$856,000	2.85465631732475%
14	\$891,000	2.96884257001774%
15	\$926,000	3.08759627281845%
16	\$963,000	3.21110012373119%
17	\$1,002,000	3.33954412868043%
18	\$1,042,000	3.47312589382765%
19	\$1,084,000	3.61205092958076%
20	\$1,127,000	3.75653296676399%
21	\$1,172,000	3.90679428543455%
22	\$1,219,000	4.06306605685193%
23	\$1,268,000	4.22558869912601%
24	\$1,319,000	4.39461224709105%
25	\$1,371,000	4.57039673697469%
26	\$1,426,000	4.75321260645368%
27	\$1,483,000	4.94334111071182%
28	\$1,543,000	5.14107475514030%
29	\$1,604,000	5.34671774534591%
30	\$1,668,000	5.56058645515974%
Payment Total	<u>\$30,000,000</u>	

(f) If the individual shares of the cash held to fund an annuity is less than \$250,000, the MUSL Powerball Product Group, in its sole discretion, may elect to pay the winners their share of the cash held in the grand prize pool as a lump sum.

(g) If more than one winning ticket for the grand prize is determined, upon meeting the requirements of §§ 871.12 and 871.13 (relating to ticket validation requirements; and procedures for claiming and payment of Powerball prizes), each is entitled to a prorated payment share of the total grand prize category.

(h) A winning Powerball play is entitled only to the highest prize won by those numbers.

(i) The number of prize categories, the allocation of prize money among the prize categories and the annuity term may be changed at the discretion of the MUSL and the change will be announced by public notice. These changes will only apply prospectively to Powerball drawings as of the date specified in the public notice.

(j) Retailer incentive and marketing promotion programs, including the use of funded free tickets, may be implemented at the discretion of the Secretary. Funds for the programs, if needed, will be drawn from the Lottery fund.

(k) If the grand prize is not won in a drawing, the prize money allocated for the grand prize shall roll over and be added to the grand prize pool for the following drawing.

(l) Prize claims shall be submitted within 1 year of the drawing date.

(m) Annuitized payment of the grand prize or a share of the grand prize maybe 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. Prizes other than the grand prize, which under this chapter may become single-payment, parimutuel prizes, may be rounded down so that prizes can be paid in multiples of whole dollars. Breakage resulting from rounding these prizes shall be carried forward to the prize pool for the next drawing.

Cross References

This section cited in 61 Pa. Code § 871.13 (relating to procedures for claiming and payment of Powerball prizes); and 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.10. Funding of guaranteed prizes.

The MUSL Powerball Product Group may offer guaranteed minimum grand prize amounts or minimum increases in the grand prize amount between drawings or make other changes in the allocation of prize money where the MUSL Powerball Product Group finds that it would be in the best interest of the game. If a minimum grand prize amount or a minimum increase in the grand prize amount between drawings is offered by the Product Group, the grand prize shares shall be determined as follows:

(1) If there are multiple grand prize winners during a single drawing, each selecting the annuitized option prize, then a winner's share of the guaranteed annuitized grand prize shall be determined by dividing the guaranteed annuitized grand prize by the number of winners.

(2) If there are multiple grand prize winners during a single drawing and at least one of the grand prize winners has elected the annuitized option prize, the best bid submitted by the MUSL's preapproved qualified brokers shall determine the cash pool needed to fund the guaranteed annuitized grand prize.

(3) If no winner of the grand prize during a single drawing has elected the annuitized option prize, the amount of cash in the grand prize pool shall be an amount equal to the guaranteed annuitized amount divided by the average annuity factor of the most recent three best quotes provided by the MUSL's preapproved qualified brokers submitting quotes.

(4) Quotes will not be used which are more than 2 weeks old, and if less than three quotes are submitted, the MUSL shall use the average of all quotes submitted.

(5) Changes in the allocation of prize money shall be designed to retain approximately the same prize allocation percentages, over a year's time, as set forth in § 871.8 (relating to expected prize payout percentages). Minimum guaranteed prizes or increases may be waived if the alternate funding mechanism as set forth in § 871.8 becomes necessary.

§ 871.11. Ticket responsibility.

(a) A ticket is a bearer document deemed to be owned by the person holding the ticket, except that if a signature is contained on the ticket, the person so named will, for all purposes, be considered the owner of the ticket.

(b) The Commonwealth will not be responsible for lost or stolen tickets.

(c) The purchaser of the ticket has the sole responsibility for checking the accuracy and condition of the data printed on the ticket.

(d) The Commonwealth will not be responsible for tickets redeemed in error.

§ 871.12. Ticket validation requirements.

(a) *Valid tickets.* To be a valid ticket, the following conditions shall be met:

(1) The ticket validation number shall be present in its entirety and shall correspond, using the computer validation file, to the selected numbers printed on the ticket for the date printed on the ticket.

(2) The ticket shall be intact.

(3) The ticket may not be mutilated, altered, reconstituted or tampered with.

(4) The ticket may not be counterfeit or an exact duplicate of a winning ticket.

(5) The ticket shall have been issued by the Lottery through a licensed on-line retailer.

(6) The ticket may not have been stolen.

(7) The ticket shall be validated in accordance with § 871.13 (relating to procedures for claiming and payment of Powerball prizes).

(8) The player-selected or computer-selected numbers on the ticket shall be in individual groups of five first set numbers and one second set number each associated with a single letter, A, B, C, D or E. The numbers and the associated letter shall constitute a single play.

(9) The ticket data shall have been recorded on the Lottery's central computer system prior to the drawing and the ticket data shall match this computer record in every respect.

(10) The player-selected or computer-selected numbers, promotion selection, if applicable, the validation number data and the drawing date of an apparent winning ticket shall appear on the official file of the winning tickets; and a ticket with that exact data may not have been previously paid.

(11) The ticket may not be misregistered, defectively printed or printed or produced in error.

(12) The ticket shall pass other confidential security checks of the Lottery.

(13) By submitting a ticket for validation, the player agrees to abide by this chapter.

(14) There may not be another violation of this part in relation to the ticket.

(b) *Invalid or defective tickets—disputes.* A ticket not passing the validation checks in subsection (a) will be considered invalid and will not be paid.

(1) In cases of doubt, the determination of the Secretary is final and binding. The Secretary may replace an invalid ticket with a ticket of equivalent sale price from a current Lottery game.

(2) If a defective ticket is purchased or if the Secretary determines to adjust an error, the sole and exclusive remedy will be the replacement of the defective or erroneous ticket with a ticket of equivalent sale price from a current Lottery game.

(3) If a ticket is not paid by the Lottery and a dispute occurs as to whether the ticket is a winning ticket, the Lottery may replace the ticket as provided in paragraph (2). This is the sole and exclusive remedy of the holder of the ticket.

Cross References

This section cited in 61 Pa. Code § 871.9 (relating to Powerball prize payments); and 61 Pa. Code § 871.13 (relating to procedures for claiming and payment of Powerball prizes).

§ 871.13. Procedures for claiming and payment of Powerball prizes.

(a) Pennsylvania Powerball prizes shall be claimed only through a licensed on-line Pennsylvania Lottery retailer beginning on the day following the drawing. The Lottery is not authorized to accept claims or pay prizes for Powerball tickets purchased in other jurisdictions.

(b) An on-line retailer is authorized and required to make payment of a prize of \$2,500 or less on an individual Powerball winning ticket, if the ticket is presented within a designated time period as announced by the Secretary and if the retailer has sufficient funds available for payment.

(c) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing combined prizes of \$2,500 or less will be paid by participating on-line retailers as provided in subsection (b), if the ticket validation requirements in § 871.12 (relating to ticket validation requirements) have been met, a proper validation pay ticket has been issued by the retailer's computer terminal and other retailer procedures have been met.

(d) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing combined prizes in excess of \$2,500, with the exception of the grand prize category, shall first validate the apparent winning ticket at the participating Pennsylvania Lottery on-line retailer to receive a validation receipt, complete a claim form and display appropriate identification and then surrender the winning ticket and the original claim form to the retailer for transmittal to Lottery Headquarters for payment under Chapter 811 (relating to prizes).

(e) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing a grand prize category prize shall present, in person, the apparent winning ticket to the Pennsylvania Lottery Headquarters for validation under Chapter 811.

(f) In the event of the death of a Powerball grand prize winner and upon petition of the estate of the prize winner, the MUSL Powerball Product Group may accelerate payment of all remaining proceeds from the winning ticket to the estate of the winner by transferring to the estate the securities or cash, or both, being held to satisfy the prize requirements, or paying the estate the present value of the remaining payments of the winner's prize. The valuation of the securities and determination of the present value of the accelerated lottery payments shall be at the sole discretion of the MUSL Powerball Group. The payment of a set

prize to a person who dies before receiving any or all of a particular prize and to a person under 18 years of age will be paid under §§ 811.16 and 811.27 (relating to prizes payable after death of prize winner; and payment of prizes to persons under 18 years of age).

(g) The Commonwealth will be discharged of liability after payment of prizes as provided in § 811.26 (relating to discharge of State liability upon payment).

(h) The Lottery may delay payment of the prize pending a final determination by the Secretary if a dispute occurs, or it appears likely that a dispute may occur, regarding the prize; if there is any question regarding the identity of the claimant; if there is any question regarding the validity of the ticket presented for payment; or if the claim is subject to any setoff for delinquent debts owed by the claimant under Pennsylvania statute. The Lottery may delay payment of a grand prize pending a claimant election of payment method as provided under § 871.9(b) (relating to Powerball prize payments). The Lottery may delay payment of a grand prize for up to 15 days as permitted by the MUSL rules.

Cross References

This section cited in 61 Pa. Code § 871.9 (relating to Powerball prize payments); and 61 Pa. Code § 871.12 (relating to ticket validation requirements).

§ 871.14. Parimutuel prize pool.

(a) The prize pool for all prize categories shall consist of 50% of each drawing period's sales after the prize reserve accounts are funded to the amounts set by the MUSL Powerball Product Group. Any amount remaining in the prize pool at the end of the game shall be carried forward to a replacement game or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(b) An amount equal to up to 2% of a party lottery's sales shall be deducted from a party lottery's grand prize pool and placed in trust in one or more prize reserve accounts until the party lottery's share of the prize reserve accounts reaches the amounts designated by the MUSL Powerball Product Group. Once the party lottery's share of the prize reserve accounts exceeds the designated amounts, the excess shall become part of the grand prize pool. The MUSL Powerball Product Group, with the approval of the Finance and Audit Committee, may establish a maximum balance for the prize reserve accounts. The shares of a party lottery may be adjusted with refunds to the party lottery from the prize reserve accounts 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 MUSL Powerball Product Group in accordance with State law.

(c) If the prize pool for a drawing is not sufficient to fund an announced minimum grand prize, the prize pool will be increased as necessary in accordance with MUSL rules.

§ 871.15. Unclaimed prize money.

Prize money on a winning Powerball play may be retained by the Secretary for payment to the person entitled to it. If within 1 year of the drawing date on the

ticket, no claim is made on a winning play, as determined by the Secretary, the right to claim prize money terminates. For set prizes, the prize money will be paid into the State Lottery Fund and used for purposes otherwise provided for by statute. Unclaimed grand prize and new bonus prize funds will be distributed among all MUSL Lotteries in proportion to each lottery's sales for the grand prize drawing.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.16. Withholding.

Federal withholding taxes will be withheld by the Lottery for the prize payments in amounts required in accordance with applicable provisions of law.

§ 871.17. Purchase and prize restrictions.

(a) A Powerball ticket may not be purchased in this Commonwealth by, and a prize will not be paid to, an officer or employee of the Pennsylvania Lottery or any of the Lottery's professional services contractors or subcontractors who are involved in the operation of the on-line lottery games system or its associated drawings, or to a spouse, child, brother, sister or parent residing in the same household as these individuals.

(b) In addition to the individuals identified in subsection (a), the following persons are not eligible to purchase a Powerball ticket and are ineligible to be paid a prize for a Powerball ticket:

(1) An employee, officer or director of the MUSL.

(2) A person under contract with the MUSL to conduct a financial or security audit of the MUSL.

(3) An employee, partner, shareholder or owner of an independent accounting firm under contract with the MUSL to observe drawings and site operations.

(4) A relative living in the same household of a person described in paragraph (1), (2) or (3).

(c) Except as provided in subsection (b), the individuals identified in subsection (a) are not prohibited from purchasing a ticket or winning a prize from a MUSL member lottery other than the Pennsylvania Lottery.

(d) A Lottery retailer authorized to sell lottery tickets for on-line games, or an employee of a retailer may not request, demand or accept gratuities or additional compensation from any person, or agent thereof, in exchange for the purchase of Powerball lottery tickets. A retailer authorized to sell lottery tickets for on-line games shall make Powerball lottery tickets available for sale to the public during the hours that sale of Powerball tickets are authorized to be sold and that business is open to the public. A retailer may only sell Powerball lottery tickets on the premises described in the retailer's contract, except as specially authorized in writing by the Director. No transaction, or any part thereof, of Powerball lottery tickets may be made at the general corporate office of a retailer unless that office is open to the public and has contracted with the Lottery as a separate Lottery retailer. A Lottery retailer authorized to sell lottery tickets for on-line games may not enter into any special agreement with a person, group of persons or agent

thereof, for the purchase of over \$500 of Powerball lottery tickets for any one drawing. A retailer shall immediately report to the Lottery an attempt made by a person, or group of persons or an agent thereof, to purchase more than 50% of the number combinations for Powerball for any one drawing. A retailer shall obtain the name and address of any person purchasing more than \$5,000 in Powerball lottery tickets for any one drawing and report the information to the Lottery before the sale. A person may not purchase a ticket or combination of tickets and a lottery retailer may not directly or knowingly sell a ticket or combination of tickets to any person which would guarantee the purchaser a grand prize win.

§ 871.18. Governing law.

(a) In purchasing a ticket, the purchaser agrees to comply with and abide by applicable laws, this part, instructions, conditions, final decisions of the Secretary and procedures established by the Director or by the MUSL for the conduct of Powerball.

(b) Decisions made by the Secretary or the MUSL, including the declaration of prizes and the payment thereof or interpretation of this part are final and binding on players and persons making a claim in respect thereof.

§ 871.19. Probability of winning.

The probability of winning is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:146,107,962
Five first set numbers	Second Prize	1:3,563,608.8293
Four first set numbers and the Powerball number	Third Prize	1:584,431.8480
Four first set numbers	Fourth Prize	1:14,254.4353
Three first set numbers and the Powerball number	Fifth Prize	1:11,927.1806
Three first set numbers	Sixth Prize	1:290.9068
Two first set numbers and the Powerball number	Seventh Prize	1:745.4488
One first set number and the Powerball number	Eighth Prize	1:126.8849
The Powerball number	Ninth Prize	1:68.9592

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.20. Power play promotion.

(a) The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules. A player may purchase the power play option for the chance to multiply set prizes won as a result of a Powerball drawing by a number ranging from 2 to 5. The Powerball grand prize will not be eligible for multiplication under the power play promotion.

(b) At the time of purchasing a Powerball ticket from an on-line Lottery retailer, a player may choose the power play option for one additional \$1 per play for each play on the Powerball ticket. If a player chooses the power play promotion feature for any play on a ticket, every play on that ticket must participate in the promotion.

(c) At the time of each Powerball drawing, the MUSL shall conduct a power play drawing under the supervision of security and an independent auditor. The power play number will be selected from among the following series of numbers: 2, 2, 2, 2, 3, 3, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5 and 5.

(d) Powerball tickets that contain the power play option and one or more plays eligible for Powerball set prizes (but not the grand prize) identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize calculated by multiplying each Powerball set prize by the power play number.

(e) The prize pool for power play set prizes shall consist of up to 48.5% of power play sales after Powerball prize reserve accounts are funded to the amounts set by the MUSL. The prize pool percentage allocated to power play set prizes shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the set prizes for the current power play drawing.

(f) An additional 1.5% of power play sales may be collected and placed in prize reserve accounts until the prize reserve accounts meet the amounts designated by the MUSL. Any amount remaining in prize reserve accounts at the end of the power play promotion shall be carried forward to a replacement prize reserve account or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(g) If, with respect to a single Powerball drawing and associated power play drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes multiplied by the power play number exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to the set prizes and carried forward from previous Powerball drawings and power play drawings, if any.

(2) An amount from the Powerball set prize reserve account, if available, not to exceed \$25,000,000 per drawing.

(h) If the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing and

associated power play drawing, the highest set prize, including the multiplied set prize, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the multiplied set prize, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(i) Power play set prizes which become parimutuel may be rounded down so that they can be paid in multiples of whole dollars. Funds remaining after rounding shall be carried forward to the prize pool for the next power play drawing.

(j) Except as otherwise provided, power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

Prize Level	<i>Powerball Set</i>				
	<i>Prize Amount</i>	<i>Powerball Play Multiplier and Set Prize Amount</i>			
		5	4	3	2
Second Prize	\$200,000	\$1,000,000	\$800,000	\$600,000	\$400,000
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

(k) When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play set prizes shall be a multiple of the new Powerball set prize amount.

(l) The odds of various power play numbers being selected in a power play drawing are:

<i>Power Play Multiplier</i>	<i>Odds</i>
2	1:4
3	1:4
4	1:4
5	1:4

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.21. Future changes to Powerball.

(a) The MUSL reserves the right to modify the Powerball game in order to address changes in player participation or population of member states. If the MUSL decides to make a change, it will be publicly announced by the Secretary at least 30 days before the change takes effect.

(b) The Secretary will publish notice of the change in the *Pennsylvania Bulletin* and the change will be codified in § 871.22 (relating to changes to Powerball).

Authority

The provisions of this § 871.21 amended under section 303 of the State Lottery Law (72 P.S. § 3761-303).

Source

The provisions of this § 871.21 amended November 8, 2002, effective November 9, 2002, 32 Pa.B. 5516. Immediately preceding text appears at serial page (290163).

§ 871.22. Changes to Powerball.

Any change to the Powerball regulations, announced by the Secretary by way of a notice published in the *Pennsylvania Bulletin*, will be codified as a new paragraph in this section.

(1) *Changes effective for Powerball tickets sold on or after October 6, 2002:*

(i) *Section 871.2(a) and (b) (relating to game description and purpose); § 871.3 (relating to definitions) definition of “basic play,” “first set numbers,” “panel or game panel,” “quick pick,” “ticket” and “winning numbers;” § 871.7(c) (relating to time, place and manner of conducting drawing).* Powerball is a five out of 53 plus one out of 42 on-line game. The first set of numbers are selected from 1 through 53.

(ii) *Section 871.9(e) (relating to Powerball prize payments).* All annuitized prizes shall be paid in 30 annual payments with the initial payment being made in cash, to be followed by 29 equal annual payments funded by the annuity. The initial payment of an annuitized prize may be made by the Lottery upon validation of the winning ticket.

(iii) *Section 871.15 (relating to unclaimed prize money).* Unclaimed grand prize and new bonus prize funds will be distributed among all MUSL Lotteries in proportion to each lottery’s sales for the grand prize drawing.

(iv) *Section 871.19 (relating to probability of winning).* The probability of winning is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:120,526,770
Five first set numbers	Second Prize	1:2,939,677.317073

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Four first set numbers and the Powerball number	Third Prize	1:502,194.875000
Four first set numbers	Fourth Prize	1:12,248.655488
Three first set numbers and the Powerball number	Fifth Prize	1:10,684.997340
Three first set numbers	Sixth Prize	1:260.609691
Two first set numbers and the Powerball number	Seventh Prize	1:696.847653
One first set number and the Powerball number	Eighth Prize	1:123.884027
The Powerball number	Ninth Prize	1:70.388652

(v) *Section 871.20(a), (c), (j) and (l) (relating to power play promotion)*. A player may purchase the power play option for the chance to multiply set prizes won as a result of the Powerball drawing by a number ranging from 2 to 5. The power play number will be selected from among the following series of numbers: 2, 2, 2, 3, 3, 3, 4, 4, 4, 5, 5, 5, 5, 5 and 5. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set</i>				
	<i>Prize Amount</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
		<i>5</i>	<i>4</i>	<i>3</i>	<i>2</i>
Second Prize	\$100,000	\$500,000	\$400,000	\$300,000	\$200,000
Third Prize	\$5,000	\$25,000	\$20,000	\$15,000	\$10,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

The odds of various power play numbers being selected in a power play drawing are:

<i>Power Play</i>	<i>Multiplier Odds</i>
2	1:5
3	1:5
4	1:5
5	1:2.5

(vi) *New bonus prize.*

(A) When the Powerball jackpot is projected to reach a new high annuitized level, the amount of the jackpot prize will be limited, by rule, to increases for each draw of no more than \$25 million (annuitized). The prize money collected in excess of the advertised jackpot amount, if any, will be placed into a bonus prize pool and will accumulate until there is a grand prize winner. When there is a grand prize winner, the bonus prize pool will be divided equally among all winners of the second prize. This bonus prize will be paid in one cash lump sum. If there are no second prize winners, the prize pool shall be divided equally among the winners in the next lower prize tier with winners.

(B) There may be times when the second prize will be increased from its current set amount of \$100,000 to a higher amount. In those cases, the second prize may be increased to \$1 million or more. The actual amount of the prize will depend upon the cash available in the new bonus prize pool and the number of prize winners as set forth in clause (A). The trigger jackpot level will naturally increase over time as the new high annuitized jackpot amount continues to climb.

(C) The new bonus prize is in addition to any power play prizes that may be won. The new bonus prize is awarded independent of the power play option, and is not multiplied by the power play multiplier. A bonus prize winner who also played the power play option will win the original set prize amounts; the amount paid under the power play multiplier option; and the new bonus prize (if effective).

(2) *Changes effective for Powerball tickets sold on or after August 28, 2005:*

(i) *Section 871.2(a) and (b); § 871.3 definition of “basic play,” “first set numbers,” “panel or game,” “quick pick,” “ticket” and “winning number”;* § 871.7(c). Powerball is a five out of 55 plus one out of 42 on-line game. The first set of numbers are selected from 1 through 55.

(ii) *Section 871.9(e).* Annuitized prizes shall be paid in 30 graduated payments, an initial followed by 29 annual graduated payments increasing each year at a rate determined by the MUSL Powerball Product Group. This rate, once determined, will not change over the life of the payments. The 30 payments will equal 100% of the annuitized prize. Prize payments may be rounded down to the nearest \$1,000.

For example:

If the MUSL Powerball Product Group arrived at a 4% rate of increase for a \$30 million annuitized jackpot the payment schedule would be as follows:

<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
1	\$535,000	1.78300991336613%
2	\$556,000	1.85433030990078%
3	\$578,000	1.92850352229681%
4	\$601,000	2.00564366318868%
5	\$626,000	2.08586940971623%
6	\$651,000	2.16930418610488%
7	\$677,000	2.25607635354907%
8	\$704,000	2.34631940769104%
9	\$732,000	2.44017218399868%
10	\$761,000	2.53777907135862%
11	\$792,000	2.63929023421297%
12	\$823,000	2.74486184358149%
13	\$856,000	2.85465631732475%
14	\$891,000	2.96884257001774%
15	\$926,000	3.08759627281845%
16	\$963,000	3.21110012373119%
17	\$1,002,000	3.33954412868043%
18	\$1,042,000	3.47312589382765%
19	\$1,084,000	3.61205092958076%
20	\$1,127,000	3.75653296676399%
21	\$1,172,000	3.90679428543455%
22	\$1,219,000	4.06306605685193%
23	\$1,268,000	4.22558869912601%
24	\$1,319,000	4.39461224709105%
25	\$1,371,000	4.57039673697469%
26	\$1,426,000	4.75321260645368%
27	\$1,483,000	4.94334111071182%
28	\$1,543,000	5.14107475514030%
29	\$1,604,000	5.34671774534591%
30	<u>\$1,668,000</u>	5.56058645515974%
Payment Total	<u>\$30,000,000</u>	

(iii) Section 871.8(a) (relating to expected prize payout percentages).
Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	60.5770%
Five first set numbers	Second Prize*	\$200,000	11.2246%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	3.4222%
Four first set numbers	Fourth Prize*	\$100	1.4030%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	1.6768%
Three first set numbers	Sixth Prize*	\$7	4.8126%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	1.8780%
One first set number and the Powerball number	Eighth Prize*	\$4	6.3050%
The Powerball number	Ninth Prize*	\$3	8.7008%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(iv) Section 871.19. The probability of winning is as follows:

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winnings per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:146,107,962
Five first set numbers	Second Prize	1:3,563,608.8293
Four first set numbers and the Powerball number	Third Prize	1:584,431.8480
Four first set numbers	Fourth Prize	1:14,254.4353
Three first set numbers and the Powerball number	Fifth Prize	1:11,927.1806
Three first set numbers	Sixth Prize	1:290.9068
Two first set numbers and the Powerball number	Seventh Prize	1:745.4488
One first set number and the Powerball number	Eighth Prize	1:126.8849
The Powerball number	Ninth Prize	1:68.9592

(v) Section 871.20(a), (c), (j) and (l). A player may purchase the power play option for the chance to multiply set prizes won as a result of the Powerball drawing by a number ranging from 2 to 5. The power play number will

be selected from among the following series of numbers: 2, 2, 2, 2, 3, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5 and 5. Except as otherwise provided, power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize Amount</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
		<i>5</i>	<i>4</i>	<i>3</i>	<i>2</i>
Second Prize	\$200,000	\$1,000,000	\$800,000	\$600,000	\$400,000
Third Prize	\$ 10,000	\$ 50,000	\$ 40,000	\$ 30,000	\$ 20,000
Fourth Prize	\$ 100	\$ 500	\$ 400	\$ 300	\$ 200
Fifth Prize	\$ 100	\$ 500	\$ 400	\$ 300	\$ 200
Sixth Prize	\$ 7	\$ 35	\$ 28	\$ 21	\$ 14
Seventh Prize	\$ 7	\$ 35	\$ 28	\$ 21	\$ 14
Eighth Prize	\$ 4	\$ 20	\$ 16	\$ 12	\$ 8
Ninth Prize	\$ 3	\$ 15	\$ 12	\$ 9	\$ 6

The odds of various power play numbers being selected in a power play drawing are:

<i>Power Play Multiplier</i>	<i>Odds</i>
2	1:4
3	1:4
4	1:4
5	1:4

Source

The provisions of this § 871.22 amended July 12, 2002, effective October 6, 2002, 32 Pa.B. 3396; amended October 11, 2002, and applies to the ticket sales beginning on Sunday, October 6, 2002, for the Powerball drawing on Wednesday, October 9, 2002, 32 Pa.B. 5144; amended July 22, 2005, effective August 28, 2005, 35 Pa.B. 4151.

§ 871.23. New bonus prize.

(a) When the Powerball jackpot is projected to reach a new high annuitized level, the amount of the jackpot prize will be limited, by rule, to increases for each draw of no more than \$25 million (annuitized). The prize money collected in excess of the advertised jackpot amount, if any, will be placed into a bonus prize pool and will accumulate until there is a grand prize winner. When there is a grand prize winner, the bonus prize pool will be divided equally among all winners of the second prize. This bonus prize will be paid in one cash lump sum. If there are no second prize winners, the prize pool shall be divided equally among the winners in the next lower prize tier with winners.

(b) There may be times when the second prize will be increased from its current set amount of \$100,000 to a higher amount. In those cases, the second prize may be increased to \$1 million or more. The actual amount of the prize will depend upon the cash available in the new bonus prize pool and the number of prize winners as set forth in subsection (a). The trigger jackpot level will naturally increase over time as the new high annuitized jackpot amount continues to climb.

(c) The new bonus prize is in addition to any power play prizes that may be won. The new bonus prize is awarded independent of the power play option, and is not multiplied by the power play multiplier. A bonus prize winner who also played the power play option will win the original set prize amounts; the amount paid under the power play multiplier option; and the new bonus prize (if effective).

Source

The provisions of this Appendix B effectuate the changes to Chapter 871 for tickets sold on or after August 28, 2005.

Appendix C**CHAPTER 871. POWERBALL—Version in effect on January 4, 2009,
incorporating changes from August 28, 2005, and October 6, 2002**

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871.1.	Creation.
871.2.	Game description and purpose.
871.3.	Definitions.
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871.14.	Parimutuel prize pool.
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Authority

The provisions of this Chapter 871 issued under section 303 of the State Lottery Law (72 P.S. § 3761-303), unless otherwise noted.

Source

The provisions of this Chapter 871 adopted June 7, 2002, effective June 8, 2002, 32 Pa.B. 2758, unless otherwise noted.

Cross References

This chapter cited in 61 Pa. Code § 876.2 (relating to definitions).

§ 871.1. Creation.

Under the act and this part, there is created a numbers game, called Powerball, which will commence at the discretion of the Secretary, and will continue until the Secretary publicly announces a suspension or termination date.

§ 871.2. Game description and purpose.

(a) Powerball is a five out of 59 plus one out of 39 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash basis.

(b) The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 59, and matching the separately drawn Powerball number, or a designated combination thereof, within a single

play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted twice a week or as publicly announced by the Secretary.

(c) The object of the game is for a player to select, in a single play on a ticket, five numbers and the Powerball number that match the numbers and the Powerball number drawn for the game in which the ticket is participating. Correctly matching the six winning numbers consisting of the five numbers drawn plus the Powerball number drawn, and meeting other validation criteria, entitles the ticket holder to the grand prize identified in § 871.8 (relating to expected prize payout percentages).

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.3. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Apparent winning ticket—A ticket which has not been validated by the Lottery.

Basic play—Each set of six numbers consisting of five numbers from 1 through 59 and the Powerball number on a ticket purchased without the selection of any promotion, representing a single entry for a Powerball drawing and designated by a letter from A to E on a Powerball ticket.

Cash election—A method of payment that the player selects, within 60 days of the date the Lottery determines the player is entitled to the Powerball grand prize, to receive a parimutuel share of the prize money allocated to the grand prize category as a one-time, lump-sum cash payment rather than as an annuity.

Drawing—The process of selecting winning numbers that determines the winners for each prize category of the game.

First set numbers—The first group of numbers, from 1 through 59, appearing in the top grid of a Powerball game panel.

Grand prize winnings pool—An amount constituting 32.5288% of gross sales from all participating states for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Gross sales—The total amount of sales from all participating states for a particular Powerball game drawing for the purpose of determining the grand prize winnings pool and the set prize winnings pool in that drawing.

MUSL—The Multi-State Lottery Association.

MUSL Board—The governing body of the MUSL which is comprised of the chief executive officer of each party lottery.

MUSL Powerball Product Group—The group of lotteries that have joined together to offer the Powerball lottery game under the terms of the MUSL agreement and MUSL Powerball Product Group rules.

On-line retailer—A person who is properly licensed and authorized by the Lottery to sell Powerball tickets.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 59 squares, each numbered 1 through 59 and the lower grids (second set numbers) contain 39 squares, each numbered 1 through 39. Each panel is lettered either A, B, C, D or E, and when used to purchase a ticket, corresponds to the numbers selected and printed on the ticket adjacent to that letter.

Party lottery—A State lottery or lottery of a political subdivision or entity which has joined the MUSL and, in the context of the Powerball Group Rules, which has joined in selling the Powerball game.

Powerball bet slip—A card having five game panels labeled A through E, used by a player to select numbers to play the game.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 39, appearing in the lower grid of a Powerball game panel.

Promotion—A method used by the Lottery to aid in the sale of its products; for example, an option a player may exercise by purchase to increase the prize paid on a winning ticket or to increase the chance of winning a prize.

Quick pick—The random selection by the Lottery's computer system of five numbers from 1 through 59 and a Powerball number from 1 through 39 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 39, appearing in the lower grid of a Powerball game panel.

Set prize tiers—All prizes except the grand prize that are advertised to be paid by a single lump-sum payment and, except in instances outlined in this chapter, will be equal to the prize amount established by the MUSL Board for the prize level.

Set prize winnings pool—An amount constituting 17.4712% of gross sales for the current drawing and any moneys carried forward from previous draws.

Terminal—A device which is authorized by the Lottery to function in an on-line, interactive mode with the Lottery's computer system, for the purpose of issuing lottery tickets and entering, receiving and processing lottery transactions, including making purchases, validating tickets and transmitting reports.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 59 and a single selected Powerball number from 1 through 39 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player.

Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 59, and the Powerball number from 1 through 39, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

Winnings pool—Constitutes 50% of each prize drawing period gross sales. A portion of the pool is contributed to the grand prize winnings pool. The remainder constitutes the set prize winnings pool. Moneys carried forward from previous draws are combined with the pool as directed in the MUSL rules.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.4. Ticket sales retailers.

(a) Powerball game ticket sales may only be made through licensed on-line retailers the Director will appoint and contract with as provided in § 815.42 (relating to ticket sales agents).

(b) The Lottery may terminate sales by a retailer without prior notice to the retailer if the retailer becomes delinquent in payment of proceeds due the Lottery, fails to handle Lottery funds in the prescribed manner, if the retailer breaches the contract or an addendum thereof, this part or procedures established governing the sale of tickets or if the Lottery deems it to be in the best interest of the Commonwealth.

§ 871.5. Ticket price.

A Powerball ticket shall cost \$1 per play. The power play option may be exercised, at the discretion of the player, for an additional \$1 per play.

§ 871.6. Powerball bet slip and ticket characteristics and restrictions.

(a) For each basic play the player shall select, or request quick pick selection by the computer, five numbers and a single Powerball number, in one or more of the game panels on a Powerball bet slip. Powerball bet slips shall be available at no cost to the player. The minimum entry is \$1. For \$1, play game A; for \$2, play games A and B; for \$3, play games A, B and C; for \$4, play games A, B, C and D; for \$5, play games A, B, C, D and E. Players are also given the option to select a promotion verbally or on the bet slip at the time of purchase for an additional \$1 for each play. Game panels shall be played in alphabetical order in accordance with the instructions printed on the Powerball bet slip. A Powerball bet slip has no pecuniary or prize value and does not constitute evidence of the purchase of a ticket or the numbers selected.

(b) To purchase a ticket, players shall, in addition to the purchase price, submit a completed Powerball bet slip, or request number selections either by quick pick or manual terminal entry to an on-line retailer to have a ticket issued. The ticket shall contain five selected numbers and a single selected Powerball number for each play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. This ticket shall be the only valid

receipt for claiming a prize. The ticket shall only be valid for the drawing date or dates printed on the ticket. Retailers are not permitted to allow the attachment of any remote devices to a lottery terminal to enter plays except as otherwise provided in the MUSL rules.

(c) If Powerball bet slips are unavailable, number selections may be given to an on-line retailer in groups of five number selections and one Powerball number selection per game section for each \$1 wagered as a basic play. The retailer shall manually enter the selections into the computer terminal.

(d) A Powerball ticket may not be canceled or voided once printed by the Lottery terminal, even if the ticket is printed in error.

(e) It shall be the sole responsibility of the player to verify the accuracy of the game play or plays and other data printed on the ticket. The placing of plays is done at the player's own risk through the on-line retailer who is acting on behalf of the player in entering the play or plays.

(f) A player may select numbers for up to 26 drawings, specifically the next drawing and the 25 subsequent drawings.

(g) A ticket may not be issued for a drawing after the specified sales cut-off time prior to the drawing, as announced by the Secretary or a designee.

§ 871.7. Time, place and manner of conducting drawing.

(a) *Time of drawing.* A Powerball drawing will be held twice a week or as publicly announced by the Secretary.

(b) *Place of drawing.* A Powerball drawing will be conducted in a location selected by the MUSL in West Des Moines, Iowa, or other location selected by the MUSL for promotional or other reasons.

(c) *Manner of conducting drawings.* The MUSL will draw at random five numbers from a set of balls numbered 1 through 59 and one Powerball number from a set of balls numbered 1 through 39 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.8. Expected prize payout percentages.

(a) Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	65.0576%
Five first set numbers	Second Prize*	\$200,000	7.7850%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	2.7656%
Four first set numbers	Fourth Prize*	\$100	1.0510%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	1.4658%

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Three first set numbers	Sixth Prize*	\$7	3.8990%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	1.7786%
One first set number and the Powerball number	Eighth Prize*	\$4	6.4790%
The Powerball number	Ninth Prize*	\$3	9.7184%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(b) Prize money allocated to the grand prize category will be paid on a parimutuel basis, divided equally by the number of plays determined by the MUSL to be the winners of the grand prize.

(c) The number of plays determined by the MUSL to be winners of the second through ninth prize categories will be paid as set cash prizes, except as provided in paragraphs (1) and (2).

(1) If the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 17.4712% of gross sales, the amount needed to fund the set prizes shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$25,000,000 per Powerball drawing.

(2) If the sources set forth in paragraph (1) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing, the highest set prize shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining set prizes, the next highest set prize shall become a parimutuel prize. If necessary, and under the same test conditions set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in paragraph (1) shall be divided among the winning plays in proportion to their respective prize percentages.

(3) If all, or any portion of the set prize pool is not awarded in the current Powerball drawing, that portion of the set prize pool shall be carried forward to subsequent Powerball drawings.

Cross References

This section cited in 61 Pa. Code § 871.2 (relating to game description and purpose); 61 Pa. Code § 871.10 (relating to funding of guaranteed prizes); 61 Pa. Code § 871.20 (relating to power play promotion); and 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.9. Powerball prize payments.

(a) Individual ticket prize payments will be paid entirely in cash with the exception of the grand prize category.

(b) A grand prize shall be paid by an annuity except that a player may elect to receive the grand prize in a single cash payment provided the cash election is made by the player within 60 days of the date the Lottery determines that a grand prize winning ticket has been sold and that a player is entitled to the prize.

(1) An election to receive the grand prize by annuity or cash made by the player after the player becomes entitled to the prize is final and cannot be revoked, withdrawn or otherwise changed.

(2) Shares of the grand prize shall be determined by dividing the cash available in the grand prize pool equally among all winners of the grand prize. A winner who elected cash payment shall be paid the share in a single cash payment.

(3) The annuitized prize shall be determined by multiplying a winner's share of the grand prize by the MUSL annuity factor.

(c) The MUSL annuity factor is determined by the best total securities price obtained through a competitive bid of qualified, preapproved brokers made after it is determined that the prize is to be paid as an annuity prize or after the expiration of 60 days of the date that the player becomes entitled to the prize.

(d) Neither the MUSL nor the Lottery shall be responsible or liable for changes in the advertised or estimated annuity prize from the time the drawing occurs and the date that the player makes the election regarding method of prize payment.

(e) Annuitized prizes shall be paid in 30 graduated payments, an initial followed by 29 annual graduated payments increasing each year at a rate determined by the MUSL Powerball Product Group. This rate, once determined, will not change over the life of the payments. The 30 payments will equal 100% of the annuitized prize. Prize payments may be rounded down to the nearest \$1,000.

For example;

If the MUSL Powerball Product Group arrived at a 4% rate of increase for a \$30 million annuitized jackpot the payment schedule would be as follows:

<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
1	\$535,000	1.78300991336613%
2	\$556,000	1.85433030990078%
3	\$578,000	1.92850352229681%
4	\$601,000	2.00564366318868%
5	\$626,000	2.08586940971623%
6	\$651,000	2.16930418610488%
7	\$677,000	2.25607635354907%
8	\$704,000	2.34631940769104%
9	\$732,000	2.44017218399868%
10	\$761,000	2.53777907135862%

<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
11	\$792,000	2.63929023421297%
12	\$823,000	2.74486184358149%
13	\$856,000	2.85465631732475%
14	\$891,000	2.96884257001774%
15	\$926,000	3.08759627281845%
16	\$963,000	3.21110012373119%
17	\$1,002,000	3.33954412868043%
18	\$1,042,000	3.47312589382765%
19	\$1,084,000	3.61205092958076%
20	\$1,127,000	3.75653296676399%
21	\$1,172,000	3.90679428543455%
22	\$1,219,000	4.06306605685193%
23	\$1,268,000	4.22558869912601%
24	\$1,319,000	4.39461224709105%
25	\$1,371,000	4.57039673697469%
26	\$1,426,000	4.75321260645368%
27	\$1,483,000	4.94334111071182%
28	\$1,543,000	5.14107475514030%
29	\$1,604,000	5.34671774534591%
30	\$1,668,000	5.56058645515974%
Payment Total	<u>\$30,000,000</u>	

(f) If the individual shares of the cash held to fund an annuity is less than \$250,000, the MUSL Powerball Product Group, in its sole discretion, may elect to pay the winners their share of the cash held in the grand prize pool as a lump sum.

(g) If more than one winning ticket for the grand prize is determined, upon meeting the requirements of §§ 871.12 and 871.13 (relating to ticket validation requirements; and procedures for claiming and payment of Powerball prizes), each is entitled to a prorated payment share of the total grand prize category.

(h) A winning Powerball play is entitled only to the highest prize won by those numbers.

(i) The number of prize categories, the allocation of prize money among the prize categories and the annuity term may be changed at the discretion of the MUSL and the change will be announced by public notice. These changes will only apply prospectively to Powerball drawings as of the date specified in the public notice.

(j) Retailer incentive and marketing promotion programs, including the use of funded free tickets, may be implemented at the discretion of the Secretary. Funds for the programs, if needed, will be drawn from the Lottery fund.

(k) If the grand prize is not won in a drawing, the prize money allocated for the grand prize shall roll over and be added to the grand prize pool for the following drawing.

(l) Prize claims shall be submitted within 1 year of the drawing date.

(m) Annuitized payment of the grand prize or a share of the grand prize maybe 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. Prizes other than the grand prize, which under this chapter may become single-payment, parimutuel prizes, may be rounded down so that prizes can be paid in multiples of whole dollars. Breakage resulting from rounding these prizes shall be carried forward to the prize pool for the next drawing.

Cross References

This section cited in 61 Pa. Code § 871.13 (relating to procedures for claiming and payment of Powerball prizes); and 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.10. Funding of guaranteed prizes.

The MUSL Powerball Product Group may offer guaranteed minimum grand prize amounts or minimum increases in the grand prize amount between drawings or make other changes in the allocation of prize money where the MUSL Powerball Product Group finds that it would be in the best interest of the game. If a minimum grand prize amount or a minimum increase in the grand prize amount between drawings is offered by the Product Group, the grand prize shares shall be determined as follows:

(1) If there are multiple grand prize winners during a single drawing, each selecting the annuitized option prize, then a winner's share of the guaranteed annuitized grand prize shall be determined by dividing the guaranteed annuitized grand prize by the number of winners.

(2) If there are multiple grand prize winners during a single drawing and at least one of the grand prize winners has elected the annuitized option prize, the best bid submitted by the MUSL's preapproved qualified brokers shall determine the cash pool needed to fund the guaranteed annuitized grand prize.

(3) If no winner of the grand prize during a single drawing has elected the annuitized option prize, the amount of cash in the grand prize pool shall be an amount equal to the guaranteed annuitized amount divided by the average annuity factor of the most recent three best quotes provided by the MUSL's preapproved qualified brokers submitting quotes.

(4) Quotes will not be used which are more than 2 weeks old, and if less than three quotes are submitted, the MUSL shall use the average of all quotes submitted.

(5) Changes in the allocation of prize money shall be designed to retain approximately the same prize allocation percentages, over a year's time, as set forth in § 871.8 (relating to expected prize payout percentages). Minimum guaranteed prizes or increases may be waived if the alternate funding mechanism as set forth in § 871.8 becomes necessary.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.11. Ticket responsibility.

(a) A ticket is a bearer document deemed to be owned by the person holding the ticket, except that if a signature is contained on the ticket, the person so named will, for all purposes, be considered the owner of the ticket.

(b) The Commonwealth will not be responsible for lost or stolen tickets.

(c) The purchaser of the ticket has the sole responsibility for checking the accuracy and condition of the data printed on the ticket.

(d) The Commonwealth will not be responsible for tickets redeemed in error.

§ 871.12. Ticket validation requirements.

(a) *Valid tickets.* To be a valid ticket, the following conditions shall be met:

(1) The ticket validation number shall be present in its entirety and shall correspond, using the computer validation file, to the selected numbers printed on the ticket for the date printed on the ticket.

(2) The ticket shall be intact.

(3) The ticket may not be mutilated, altered, reconstituted or tampered with.

(4) The ticket may not be counterfeit or an exact duplicate of a winning ticket.

(5) The ticket shall have been issued by the Lottery through a licensed on-line retailer.

(6) The ticket may not have been stolen.

(7) The ticket shall be validated in accordance with § 871.13 (relating to procedures for claiming and payment of Powerball prizes).

(8) The player-selected or computer-selected numbers on the ticket shall be in individual groups of five first set numbers and one second set number each associated with a single letter, A, B, C, D or E. The numbers and the associated letter shall constitute a single play.

(9) The ticket data shall have been recorded on the Lottery's central computer system prior to the drawing and the ticket data shall match this computer record in every respect.

(10) The player-selected or computer-selected numbers, promotion selection, if applicable, the validation number data and the drawing date of an apparent winning ticket shall appear on the official file of the winning tickets; and a ticket with that exact data may not have been previously paid.

(11) The ticket may not be misregistered, defectively printed or printed or produced in error.

(12) The ticket shall pass other confidential security checks of the Lottery.

(13) By submitting a ticket for validation, the player agrees to abide by this chapter.

(14) There may not be another violation of this part in relation to the ticket.

(b) *Invalid or defective tickets—disputes.* A ticket not passing the validation checks in subsection (a) will be considered invalid and will not be paid.

(1) In cases of doubt, the determination of the Secretary is final and binding. The Secretary may replace an invalid ticket with a ticket of equivalent sale price from a current Lottery game.

(2) If a defective ticket is purchased or if the Secretary determines to adjust an error, the sole and exclusive remedy will be the replacement of the defective or erroneous ticket with a ticket of equivalent sale price from a current Lottery game.

(3) If a ticket is not paid by the Lottery and a dispute occurs as to whether the ticket is a winning ticket, the Lottery may replace the ticket as provided in paragraph (2). This is the sole and exclusive remedy of the holder of the ticket.

Cross References

This section cited in 61 Pa. Code § 871.9 (relating to Powerball prize payments); and 61 Pa. Code § 871.13 (relating to procedures for claiming and payment of Powerball prizes).

§ 871.13. Procedures for claiming and payment of Powerball prizes.

(a) Pennsylvania Powerball prizes shall be claimed only through a licensed on-line Pennsylvania Lottery retailer beginning on the day following the drawing. The Lottery is not authorized to accept claims or pay prizes for Powerball tickets purchased in other jurisdictions.

(b) An on-line retailer is authorized and required to make payment of a prize of \$2,500 or less on an individual Powerball winning ticket, if the ticket is presented within a designated time period as announced by the Secretary and if the retailer has sufficient funds available for payment.

(c) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing combined prizes of \$2,500 or less will be paid by participating on-line retailers as provided in subsection (b), if the ticket validation requirements in § 871.12 (relating to ticket validation requirements) have been met, a proper validation pay ticket has been issued by the retailer's computer terminal and other retailer procedures have been met.

(d) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing combined prizes in excess of \$2,500, with the exception of the grand prize category, shall first validate the apparent winning ticket at the participating Pennsylvania Lottery on-line retailer to receive a validation receipt, complete a claim form and display appropriate identification and then surrender the winning ticket and the original claim form to the retailer for transmittal to Lottery Headquarters for payment under Chapter 811 (relating to prizes).

(e) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing a grand prize category prize shall present, in person, the apparent winning ticket to the Pennsylvania Lottery Headquarters for validation under Chapter 811.

(f) In the event of the death of a Powerball grand prize winner and upon petition of the estate of the prize winner, the MUSL Powerball Product Group may accelerate payment of all remaining proceeds from the winning ticket to the estate of the winner by transferring to the estate the securities or cash, or both, being held to satisfy the prize requirements, or paying the estate the present value of the remaining payments of the winner's prize. The valuation of the securities

and determination of the present value of the accelerated lottery payments shall be at the sole discretion of the MUSL Powerball Group. The payment of a set prize to a person who dies before receiving any or all of a particular prize and to a person under 18 years of age will be paid under §§ 811.16 and 811.27 (relating to prizes payable after death of prize winner; and payment of prizes to persons under 18 years of age).

(g) The Commonwealth will be discharged of liability after payment of prizes as provided in § 811.26 (relating to discharge of State liability upon payment).

(h) The Lottery may delay payment of the prize pending a final determination by the Secretary if a dispute occurs, or it appears likely that a dispute may occur, regarding the prize; if there is any question regarding the identity of the claimant; if there is any question regarding the validity of the ticket presented for payment; or if the claim is subject to any setoff for delinquent debts owed by the claimant under Pennsylvania statute. The Lottery may delay payment of a grand prize pending a claimant election of payment method as provided under § 871.9(b) (relating to Powerball prize payments). The Lottery may delay payment of a grand prize for up to 15 days as permitted by the MUSL rules.

Cross References

This section cited in 61 Pa. Code § 871.9 (relating to Powerball prize payments); and 61 Pa. Code § 871.12 (relating to ticket validation requirements).

§ 871.14. Parimutuel prize pool.

(a) The prize pool for all prize categories shall consist of 50% of each drawing period's sales after the prize reserve accounts are funded to the amounts set by the MUSL Powerball Product Group. Any amount remaining in the prize pool at the end of the game shall be carried forward to a replacement game or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(b) An amount equal to up to 2% of a party lottery's sales shall be deducted from a party lottery's grand prize pool and placed in trust in one or more prize reserve accounts until the party lottery's share of the prize reserve accounts reaches the amounts designated by the MUSL Powerball Product Group. Once the party lottery's share of the prize reserve accounts exceeds the designated amounts, the excess shall become part of the grand prize pool. The MUSL Powerball Product Group, with the approval of the Finance and Audit Committee, may establish a maximum balance for the prize reserve accounts. The shares of a party lottery may be adjusted with refunds to the party lottery from the prize reserve accounts 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 MUSL Powerball Product Group in accordance with State law.

(c) If the prize pool for a drawing is not sufficient to fund an announced minimum grand prize, the prize pool will be increased as necessary in accordance with MUSL rules.

§ 871.15. Unclaimed prize money.

Prize money on a winning Powerball play may be retained by the Secretary for payment to the person entitled to it. If within 1 year of the drawing date on the ticket, no claim is made on a winning play, as determined by the Secretary, the right to claim prize money terminates. For set prizes, the prize money will be paid into the State Lottery Fund and used for purposes otherwise provided for by statute. Unclaimed grand prize and new bonus prize funds will be distributed among all MUSL Lotteries in proportion to each lottery's sales for the grand prize drawing.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.16. Withholding.

Federal withholding taxes will be withheld by the Lottery for the prize payments in amounts required in accordance with applicable provisions of law.

§ 871.17. Purchase and prize restrictions.

(a) A Powerball ticket may not be purchased in this Commonwealth by, and a prize will not be paid to, an officer or employee of the Pennsylvania Lottery or any of the Lottery's professional services contractors or subcontractors who are involved in the operation of the on-line lottery games system or its associated drawings, or to a spouse, child, brother, sister or parent residing in the same household as these individuals.

(b) In addition to the individuals identified in subsection (a), the following persons are not eligible to purchase a Powerball ticket and are ineligible to be paid a prize for a Powerball ticket:

- (1) An employee, officer or director of the MUSL.
- (2) A person under contract with the MUSL to conduct a financial or security audit of the MUSL.
- (3) An employee, partner, shareholder or owner of an independent accounting firm under contract with the MUSL to observe drawings and site operations.
- (4) A relative living in the same household of a person described in paragraph (1), (2) or (3).

(c) Except as provided in subsection (b), the individuals identified in subsection (a) are not prohibited from purchasing a ticket or winning a prize from a MUSL member lottery other than the Pennsylvania Lottery.

(d) A Lottery retailer authorized to sell lottery tickets for on-line games, or an employee of a retailer may not request, demand or accept gratuities or additional compensation from any person, or agent thereof, in exchange for the purchase of Powerball lottery tickets. A retailer authorized to sell lottery tickets for on-line games shall make Powerball lottery tickets available for sale to the public during the hours that sale of Powerball tickets are authorized to be sold and that business is open to the public. A retailer may only sell Powerball lottery tickets on the premises described in the retailer's contract, except as specially authorized in writing by the Director. No transaction, or any part thereof, of Powerball lot-

tery tickets may be made at the general corporate office of a retailer unless that office is open to the public and has contracted with the Lottery as a separate Lottery retailer. A Lottery retailer authorized to sell lottery tickets for on-line games may not enter into any special agreement with a person, group of persons or agent thereof, for the purchase of over \$500 of Powerball lottery tickets for any one drawing. A retailer shall immediately report to the Lottery an attempt made by a person, or group of persons or an agent thereof, to purchase more than 50% of the number combinations for Powerball for any one drawing. A retailer shall obtain the name and address of any person purchasing more than \$5,000 in Powerball lottery tickets for any one drawing and report the information to the Lottery before the sale. A person may not purchase a ticket or combination of tickets and a lottery retailer may not directly or knowingly sell a ticket or combination of tickets to any person which would guarantee the purchaser a grand prize win.

§ 871.18. Governing law.

(a) In purchasing a ticket, the purchaser agrees to comply with and abide by applicable laws, this part, instructions, conditions, final decisions of the Secretary and procedures established by the Director or by the MUSL for the conduct of Powerball.

(b) Decisions made by the Secretary or the MUSL, including the declaration of prizes and the payment thereof or interpretation of this part are final and binding on players and persons making a claim in respect thereof.

§ 871.19. Probability of winning.

The probability of winning is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:195,249,054
Five first set numbers	Second Prize	1:5,138,133
Four first set numbers and the Powerball number	Third Prize	1:723,144.6444
Four first set numbers	Fourth Prize	1:19,030.1222
Three first set numbers and the Powerball number	Fifth Prize	1:13,644.2386
Three first set numbers	Sixth Prize	1:359.0589
Two first set numbers and the Powerball number	Seventh Prize	1:787.1676
One first set number and the Powerball number	Eighth Prize	1:123.4773
The Powerball number	Ninth Prize	1:61.7386

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.20. Power play promotion.

(a) The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option for the chance to multiply set prizes won as a result of a Powerball drawing by a number ranging from 2 to 5. The Powerball grand prize will not be eligible for multiplication under the power play promotion. The Secretary will on occasion announce, as a special promotion, a multiplier of 10.

(b) At the time of purchasing a Powerball ticket from an on-line Lottery retailer, a player may choose the power play option for one additional \$1 per play for each play on the Powerball ticket. If a player chooses the power play promotion feature for any play on a ticket, every play on that ticket must participate in the promotion.

(c) At the time of each Powerball drawing, the MUSL shall conduct a power play drawing with the aid of mechanical drawing equipment or any other selection methodology as authorized by the Secretary under the supervision of security and an independent auditor which shall result in the selection of the power play number from among the following series of numbers: 2, 2, 2, 2, 3, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5 and 5.

(d) Powerball tickets that contain the power play option and one or more plays eligible for Powerball set prizes (but not the grand prize) identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize calculated by multiplying each Powerball set prize by the power play number. The second prize category power play multiplier will be fixed at a minimum of 5.

(e) The prize pool for power play set prizes shall consist of up to 48.5% of power play sales after Powerball prize reserve accounts are funded to the amounts set by the MUSL. The prize pool percentage allocated to power play set prizes shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the set prizes for the current power play drawing.

(f) An additional 1.5% of power play sales may be collected and placed in prize reserve accounts until the prize reserve accounts meet the amounts designated by the MUSL. Any amount remaining in prize reserve accounts at the end of the power play promotion shall be carried forward to a replacement prize reserve account or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(g) If, with respect to a single Powerball drawing and associated power play drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes multiplied by the power play number exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to the set prizes and carried forward from previous Powerball drawings and power play drawings, if any.

(2) An amount from the Powerball set prize reserve account, if available, not to exceed \$25,000,000 per drawing.

(h) If the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing and associated power play drawing, the highest set prize, including the multiplied set prize, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the multiplied set prize, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(i) Power play set prizes which become parimutuel may be rounded down so that they can be paid in multiples of whole dollars. Funds remaining after rounding shall be carried forward to the prize pool for the next power play drawing.

(j) Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

Prize Level	Powerball Set Prize Amount	Power Play Multiplier and Set Prize Amount			
		5	4	3	2
Second Prize	\$200,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

(k) When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play set prizes shall be a multiple of the new Powerball set prize amount.

(l) The odds of various power play numbers being selected in a power play drawing are:

<i>Power Play Multiplier</i>	<i>Odds</i>
2	1:4
3	1:4
4	1:4
5	1:4

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.21. Future changes to Powerball.

(a) The MUSL reserves the right to modify the Powerball game in order to address changes in player participation or population of member states. If the MUSL decides to make a change, it will be publicly announced by the Secretary at least 30 days before the change takes effect.

(b) The Secretary will publish notice of the change in the *Pennsylvania Bulletin* and the change will be codified in § 871.22 (relating to changes to Powerball).

Authority

The provisions of this § 871.21 amended under section 303 of the State Lottery Law (72 P.S. § 3761-303).

Source

The provisions of this § 871.21 amended November 8, 2002, effective November 9, 2002, 32 Pa.B. 5516. Immediately preceding text appears at serial page (290163).

§ 871.22. Changes to Powerball.

Any change to the Powerball regulations, announced by the Secretary by way of a notice published in the *Pennsylvania Bulletin*, will be codified as a new paragraph in this section.

(1) *Changes effective for Powerball tickets sold on or after October 6, 2002:*

(i) *Section 871.2(a) and (b) (relating to game description and purpose); § 871.3 (relating to definitions) definition of “basic play,” “first set numbers,” “panel or game panel,” “quick pick,” “ticket” and “winning numbers;” § 871.7(c) (relating to time, place and manner of conducting drawing).* Powerball is a five out of 53 plus one out of 42 on-line game. The first set of numbers are selected from 1 through 53.

(ii) *Section 871.9(e) (relating to Powerball prize payments).* All annuitized prizes shall be paid in 30 annual payments with the initial payment being made in cash, to be followed by 29 equal annual payments funded by the annuity. The initial payment of an annuitized prize may be made by the Lottery upon validation of the winning ticket.

(iii) *Section 871.15 (relating to unclaimed prize money).* Unclaimed grand prize and new bonus prize funds will be distributed among all MUSL Lotteries in proportion to each lottery’s sales for the grand prize drawing.

(iv) *Section 871.19 (relating to probability of winning).* The probability of winning is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:120,526,770
Five first set numbers	Second Prize	1:2,939,677.317073
Four first set numbers and the Powerball number	Third Prize	1:502,194.875000
Four first set numbers	Fourth Prize	1:12,248.655488
Three first set numbers and the Powerball number	Fifth Prize	1:10,684.997340
Three first set numbers	Sixth Prize	1:260.609691
Two first set numbers and the Powerball number	Seventh Prize	1:696.847653
One first set number and the Powerball number	Eighth Prize	1:123.884027
The Powerball number	Ninth Prize	1:70.388652

(v) *Section 871.20(a), (c), (j) and (l) (relating to power play promotion).* A player may purchase the power play option for the chance to multiply set prizes won as a result of the Powerball drawing by a number ranging from 2 to 5. The power play number will be selected from among the following series of numbers: 2, 2, 2, 3, 3, 3, 3, 4, 4, 4, 5, 5, 5, 5, 5 and 5. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize Amount</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
		<i>5</i>	<i>4</i>	<i>3</i>	<i>2</i>
Second Prize	\$100,000	\$500,000	\$400,000	\$300,000	\$200,000
Third Prize	\$5,000	\$25,000	\$20,000	\$15,000	\$10,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

The odds of various power play numbers being selected in a power play drawing are:

<i>Power Play</i>	<i>Multiplier Odds</i>
2	1:5
3	1:5
4	1:5
5	1:2.5

(vi) *New bonus prize.*

(A) When the Powerball jackpot is projected to reach a new high annuitized level, the amount of the jackpot prize will be limited, by rule, to increases for each draw of no more than \$25 million (annuitized). The prize money collected in excess of the advertised jackpot amount, if any, will be placed into a bonus prize pool and will accumulate until there is a grand prize winner. When there is a grand prize winner, the bonus prize pool will be divided equally among all winners of the second prize. This bonus prize will be paid in one cash lump sum. If there are no second prize winners, the prize pool shall be divided equally among the winners in the next lower prize tier with winners.

(B) There may be times when the second prize will be increased from its current set amount of \$100,000 to a higher amount. In those cases, the second prize may be increased to \$1 million or more. The actual amount of the prize will depend upon the cash available in the new bonus prize pool and the number of prize winners as set forth in clause (A). The trigger jackpot level will naturally increase over time as the new high annuitized jackpot amount continues to climb.

(C) The new bonus prize is in addition to any power play prizes that may be won. The new bonus prize is awarded independent of the power play option, and is not multiplied by the power play multiplier. A bonus prize winner who also played the power play option will win the original set prize amounts; the amount paid under the power play multiplier option; and the new bonus prize (if effective).

(2) *Changes effective for Powerball tickets sold on or after August 28, 2005:*

(i) *Section 871.2(a) and (b); § 871.3 definition of “basic play,” “first set numbers,” “panel or game,” “quick pick,” “ticket” and “winning number”;* § 871.7(c). Powerball is a five out of 55 plus one out of 42 on-line game. The first set of numbers are selected from 1 through 55.

(ii) *Section 871.9(e).* Annuitized prizes shall be paid in 30 graduated payments, an initial followed by 29 annual graduated payments increasing each year at a rate determined by the MUSL Powerball Product Group. This rate, once determined, will not change over the life of the payments. The 30 payments will equal 100% of the annuitized prize. Prize payments may be rounded down to the nearest \$1,000.

For example:

If the MUSL Powerball Product Group arrived at a 4% rate of increase for a \$30 million annuitized jackpot the payment schedule would be as follows:

<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
1	\$535,000	1.78300991336613%
2	\$556,000	1.85433030990078%
3	\$578,000	1.92850352229681%
4	\$601,000	2.00564366318868%
5	\$626,000	2.08586940971623%
6	\$651,000	2.16930418610488%
7	\$677,000	2.25607635354907%
8	\$704,000	2.34631940769104%
9	\$732,000	2.44017218399868%
10	\$761,000	2.53777907135862%
11	\$792,000	2.63929023421297%
12	\$823,000	2.74486184358149%
13	\$856,000	2.85465631732475%
14	\$891,000	2.96884257001774%
15	\$926,000	3.08759627281845%
16	\$963,000	3.21110012373119%
17	\$1,002,000	3.33954412868043%
18	\$1,042,000	3.47312589382765%
19	\$1,084,000	3.61205092958076%
20	\$1,127,000	3.75653296676399%
21	\$1,172,000	3.90679428543455%
22	\$1,219,000	4.06306605685193%
23	\$1,268,000	4.22558869912601%
24	\$1,319,000	4.39461224709105%
25	\$1,371,000	4.57039673697469%
26	\$1,426,000	4.75321260645368%
27	\$1,483,000	4.94334111071182%
28	\$1,543,000	5.14107475514030%
29	\$1,604,000	5.34671774534591%
30	<u>\$1,668,000</u>	5.56058645515974%
Payment Total	<u>\$30,000,000</u>	

(iii) Section 871.8(a) (relating to expected prize payout percentages).
 Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	60.5770%

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers	Second Prize*	\$200,000	11.2246%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	3.4222%
Four first set numbers	Fourth Prize*	\$100	1.4030%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	1.6768%
Three first set numbers	Sixth Prize*	\$7	4.8126%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	1.8780%
One first set number and the Powerball number	Eighth Prize*	\$4	6.3050%
The Powerball number	Ninth Prize*	\$3	8.7008%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(iv) *Section 871.19.* The probability of winning is as follows:

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winnings per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:146,107,962
Five first set numbers	Second Prize	1:3,563,608.8293
Four first set numbers and the Powerball number	Third Prize	1:584,431.8480
Four first set numbers	Fourth Prize	1:14,254.4353
Three first set numbers and the Powerball number	Fifth Prize	1:11,927.1806
Three first set numbers	Sixth Prize	1:290.9068
Two first set numbers and the Powerball number	Seventh Prize	1:745.4488
One first set number and the Powerball number	Eighth Prize	1:126.8849
The Powerball number	Ninth Prize	1:68.9592

(v) *Section 871.20(a), (c), (j) and (l).* A player may purchase the power play option for the chance to multiply set prizes won as a result of the Powerball drawing by a number ranging from 2 to 5. The power play number will be selected from among the following series of numbers: 2, 2, 2, 2, 3, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5 and 5. Except as otherwise provided, power play set

prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

Prize Level	Powerball Set Prize Amount	Power Play Multiplier and Set Prize Amount			
		5	4	3	2
Second Prize	\$200,000	\$1,000,000	\$800,000	\$600,000	\$400,000
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

The odds of various power play numbers being selected in a power play drawing are:

Power Play Multiplier	Odds
2	1:4
3	1:4
4	1:4
5	1:4

(3) *Changes effective for Powerball tickets sold on or after January 4, 2009:*

(i) *Section 871.2(a) (relating to game description and purpose).* Powerball is a five out of 59 plus one out of 39 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash basis.

(ii) *Section 871.2(b).* The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 59, and matching the separately drawn Powerball number, or a designated combination thereof, within a single play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted twice a week or as publicly announced by the Secretary.

(iii) *Section 871.3 (relating to definitions).*

Basic play—Each set of six numbers consisting of five numbers from 1 through 59 and the Powerball number on a ticket purchased without the selection of any promotion, representing a single entry for a Powerball drawing and designated by a letter from A to E on a Powerball ticket.

First set numbers—The first group of numbers, from 1 through 59, appearing in the top grid of a Powerball game panel.

Grand prize winnings pool—An amount constituting 32.5288% of gross sales from all participating States for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 59 squares, each numbered 1 through 59 and the lower grids (second set numbers) contain 39 squares, each numbered 1 through 39. Each panel is lettered either A, B, C, D or E, and when used to purchase a ticket, corresponds to the numbers selected and printed on the ticket adjacent to that letter.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 39, appearing in the lower grid of a Powerball game panel.

Quick pick—The random selection by the Lottery's computer system of five numbers from 1 through 59 and a Powerball number from 1 through 39 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 39, appearing in the lower grid of a Powerball game panel.

Set prize winnings pool—An amount constituting 17.4712% of gross sales for the current drawing and any moneys carried forward from previous draws.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 59 and a single selected Powerball number from 1 through 39 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 59, and the Powerball number from 1 through 39, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

Editor's note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.

(iv) Section 871.7(c) (relating to time, place and manner of conducting drawing). Manner of conducting drawing. The MUSL will draw at random five numbers from a set of balls numbered 1 through 59 and one Powerball number from a set of balls numbered 1 through 39 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

(v) Section 871.8(a) (relating to expected prize payout percentages).

Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	65.0576%
Five first set numbers	Second Prize*	\$200,000	7.7850%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	2.7656%
Four first set numbers	Fourth Prize*	\$100	1.0510%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	1.4658%
Three first set numbers	Sixth Prize*	\$7	3.8990%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	1.7786%
One first set number and the Powerball number	Eighth Prize*	\$4	6.4790%
The Powerball number	Ninth Prize*	\$3	9.7184%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(vi) Section 871.8(c)(1) (relating to expected prize payout percentages).

If the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 17.4712% of gross sales, the amount needed to fund the set prizes shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$25,000,000 per Powerball drawing.

(vii) Section 871.19 (relating to probability of winning). The probability of winning is as follows:

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winnings per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:195,249,054
Five first set numbers	Second Prize	1:5,138,133
Four first set numbers and the Powerball number	Third Prize	1:723,144.6444
Four first set numbers	Fourth Prize	1:19,030.1222
Three first set numbers and the Powerball number	Fifth Prize	1:13,644.2386
Three first set numbers	Sixth Prize	1:359.0589

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winnings per Play</i>
Two first set numbers and the Powerball number	Seventh Prize	1:787.1676
One first set number and the Powerball number	Eighth Prize	1:123.4773
The Powerball number	Ninth Prize	1:61.7386

(viii) *Section 871.20(a) (relating to power play promotion)*. The power-play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option for the chance to multiply set prizes won as a result of a Powerball drawing by a number ranging from 2 to 5. The Powerball grand prize will not be eligible for multiplication under the power play promotion. The Secretary will on occasion announce, as a special promotion, a multiplier of 10.

(ix) *Section 871.20(c)*. At the time of each Powerball drawing, the MUSL shall conduct a power play drawing, with the aid of mechanical drawing equipment or any other selection methodology as authorized by the Secretary, under the supervision of security and an independent auditor which shall result in the selection of the power play number from among the following series of numbers: 2, 2, 2, 2, 3, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5 and 5.

(x) *Section 871.20(d)*. Powerball tickets that contain the power play option and one or more plays eligible for Powerball set prizes (but not the grand prize) identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize calculated by multiplying each Powerball set prize by the power play number. The second prize category power play multiplier will be fixed at a minimum of 5.

(xi) *Section 871.20(j)*. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize Amount</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
		<i>5</i>	<i>4</i>	<i>3</i>	<i>2</i>
Second Prize	\$200,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14

<i>Prize Level</i>	<i>Powerball Set</i>				
	<i>Prize Amount</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

Source

The provisions of this § 871.22 amended July 12, 2002, effective October 6, 2002, 32 Pa.B. 3396; amended October 11, 2002, and applies to the ticket sales beginning on Sunday, October 6, 2002, for the Powerball drawing on Wednesday, October 9, 2002, 32 Pa.B. 5144; amended July 22, 2005, effective August 28, 2005, 35 Pa.B. 4151; amended November 28, 2008, effective January 4, 2009, 38 Pa.B. 6571.

Cross References

This section cited in 61 Pa. Code § 871.21 (relating to future changes to Powerball).

§ 871.23. New bonus prize.

(a) When the Powerball jackpot is projected to reach a new high annuitized level, the amount of the jackpot prize will be limited, by rule, to increases for each draw of no more than \$25 million (annuitized). The prize money collected in excess of the advertised jackpot amount, if any, will be placed into a bonus prize pool and will accumulate until there is a grand prize winner. When there is a grand prize winner, the bonus prize pool will be divided equally among all winners of the second prize. This bonus prize will be paid in one cash lump sum. If there are no second prize winners, the prize pool shall be divided equally among the winners in the next lower prize tier with winners. (b)

(b) There may be times when the second prize will be increased from its current set amount of \$100,000 to a higher amount. In those cases, the second prize may be increased to \$1 million or more. The actual amount of the prize will depend upon the cash available in the new bonus prize pool and the number of prize winners as set forth in subsection (a). The trigger jackpot level will naturally increase over time as the new high annuitized jackpot amount continues to climb.

(c) The new bonus prize is in addition to any power play prizes that may be won. The new bonus prize is awarded independent of the power play option, and is not multiplied by the power play multiplier. A bonus prize winner who also played the power play option will win the original set prize amounts; the amount paid under the power play multiplier option; and the new bonus prize (if effective).

Source

The provisions of this Appendix C effectuate the changes to Chapter 871 for tickets sold on or after January 4, 2009.

Appendix D
CHAPTER 871. POWERBALL—Version in effect on May 28, 2011,
incorporating changes from January 4, 2009; August 28, 2005;
and October 6, 2002

Sec.	
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871.23.	New bonus prize.

Authority

The provisions of this Chapter 871 issued under section 303 of the State Lottery Law (72 P.S. § 3761-303), unless otherwise noted.

Source

The provisions of this Chapter 871 adopted June 7, 2002, effective June 8, 2002, 32 Pa.B. 2758, unless otherwise noted.

Cross References

This chapter cited in 61 Pa. Code § 876.2 (relating to definitions).

§ 871.1. Creation.

Under the act and this part, there is created a numbers game, called Powerball, which will commence at the discretion of the Secretary, and will continue until the Secretary publicly announces a suspension or termination date.

§ 871.2. Game description and purpose.

(a) Powerball is a five out of 59 plus one out of 39 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash basis.

(b) The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 59, and matching the separately drawn Powerball number, or a designated combination thereof, within a single

play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted twice a week or as publicly announced by the Secretary.

(c) The object of the game is for a player to select, in a single play on a ticket, five numbers and the Powerball number that match the numbers and the Powerball number drawn for the game in which the ticket is participating. Correctly matching the six winning numbers consisting of the five numbers drawn plus the Powerball number drawn, and meeting other validation criteria, entitles the ticket holder to the grand prize identified in § 871.8 (relating to expected prize payout percentages).

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.3. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Apparent winning ticket—A ticket which has not been validated by the Lottery.

Basic play—Each set of six numbers consisting of five numbers from 1 through 59 and the Powerball number on a ticket purchased without the selection of any promotion, representing a single entry for a Powerball drawing and designated by a letter from A to E on a Powerball ticket.

Cash election—A method of payment that the player selects, within 60 days of the date the Lottery determines the player is entitled to the Powerball grand prize, to receive a parimutuel share of the prize money allocated to the grand prize category as a one-time, lump-sum cash payment rather than as an annuity.

Drawing—The process of selecting winning numbers that determines the winners for each prize category of the game.

First set numbers—The first group of numbers, from 1 through 59, appearing in the top grid of a Powerball game panel.

Grand prize winnings pool—An amount constituting 32.5288% of gross sales from all participating states for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Gross sales—The total amount of sales from all participating states for a particular Powerball game drawing for the purpose of determining the grand prize winnings pool and the set prize winnings pool in that drawing.

MUSL—The Multi-State Lottery Association.

MUSL Board—The governing body of the MUSL which is comprised of the chief executive officer of each party lottery.

MUSL Powerball Product Group—The group of lotteries that have joined together to offer the Powerball lottery game under the terms of the MUSL agreement and MUSL Powerball Product Group rules.

On-line retailer—A person who is properly licensed and authorized by the Lottery to sell Powerball tickets.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 59 squares, each numbered 1 through 59 and the lower grids (second set numbers) contain 39 squares, each numbered 1 through 39. Each panel is lettered either A, B, C, D or E, and when used to purchase a ticket, corresponds to the numbers selected and printed on the ticket adjacent to that letter.

Party lottery—A State lottery or lottery of a political subdivision or entity which has joined the MUSL and, in the context of the Powerball Group Rules, which has joined in selling the Powerball game.

Powerball bet slip—A card having five game panels labeled A through E, used by a player to select numbers to play the game.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 39, appearing in the lower grid of a Powerball game panel.

Promotion—A method used by the Lottery to aid in the sale of its products; for example, an option a player may exercise by purchase to increase the prize paid on a winning ticket or to increase the chance of winning a prize.

Quick pick—The random selection by the Lottery's computer system of five numbers from 1 through 59 and a Powerball number from 1 through 39 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 39, appearing in the lower grid of a Powerball game panel.

Set prize tiers—All prizes except the grand prize that are advertised to be paid by a single lump-sum payment and, except in instances outlined in this chapter, will be equal to the prize amount established by the MUSL Board for the prize level.

Set prize winnings pool—An amount constituting 17.4712% of gross sales for the current drawing and any moneys carried forward from previous draws.

Terminal—A device which is authorized by the Lottery to function in an on-line, interactive mode with the Lottery's computer system, for the purpose of issuing lottery tickets and entering, receiving and processing lottery transactions, including making purchases, validating tickets and transmitting reports.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 59 and a single selected Powerball number from 1 through 39 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player.

Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 59, and the Powerball number from 1 through 39, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

Winnings pool—Constitutes 50% of each prize drawing period gross sales. A portion of the pool is contributed to the grand prize winnings pool. The remainder constitutes the set prize winnings pool. Moneys carried forward from previous draws are combined with the pool as directed in the MUSL rules.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.4. Ticket sales retailers.

(a) Powerball game ticket sales may only be made through licensed on-line retailers the Director will appoint and contract with as provided in § 815.42 (relating to ticket sales agents).

(b) The Lottery may terminate sales by a retailer without prior notice to the retailer if the retailer becomes delinquent in payment of proceeds due the Lottery, fails to handle Lottery funds in the prescribed manner, if the retailer breaches the contract or an addendum thereof, this part or procedures established governing the sale of tickets or if the Lottery deems it to be in the best interest of the Commonwealth.

§ 871.5. Ticket price.

A Powerball ticket shall cost \$1 per play. The power play option may be exercised, at the discretion of the player, for an additional \$1 per play.

§ 871.6. Powerball bet slip and ticket characteristics and restrictions.

(a) For each basic play the player shall select, or request quick pick selection by the computer, five numbers and a single Powerball number, in one or more of the game panels on a Powerball bet slip. Powerball bet slips shall be available at no cost to the player. The minimum entry is \$1. For \$1, play game A; for \$2, play games A and B; for \$3, play games A, B and C; for \$4, play games A, B, C and D; for \$5, play games A, B, C, D and E. Players are also given the option to select a promotion verbally or on the bet slip at the time of purchase for an additional \$1 for each play. Game panels shall be played in alphabetical order in accordance with the instructions printed on the Powerball bet slip. A Powerball bet slip has no pecuniary or prize value and does not constitute evidence of the purchase of a ticket or the numbers selected.

(b) To purchase a ticket, players shall, in addition to the purchase price, submit a completed Powerball bet slip, or request number selections either by quick pick or manual terminal entry to an on-line retailer to have a ticket issued. The ticket shall contain five selected numbers and a single selected Powerball number for each play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. This ticket shall be the only valid

receipt for claiming a prize. The ticket shall only be valid for the drawing date or dates printed on the ticket. Retailers are not permitted to allow the attachment of any remote devices to a lottery terminal to enter plays except as otherwise provided in the MUSL rules.

(c) If Powerball bet slips are unavailable, number selections may be given to an on-line retailer in groups of five number selections and one Powerball number selection per game section for each \$1 wagered as a basic play. The retailer shall manually enter the selections into the computer terminal.

(d) A Powerball ticket may not be canceled or voided once printed by the Lottery terminal, even if the ticket is printed in error.

(e) It shall be the sole responsibility of the player to verify the accuracy of the game play or plays and other data printed on the ticket. The placing of plays is done at the player's own risk through the on-line retailer who is acting on behalf of the player in entering the play or plays.

(f) A player may select numbers for up to 26 drawings, specifically the next drawing and the 25 subsequent drawings.

(g) A ticket may not be issued for a drawing after the specified sales cut-off time prior to the drawing, as announced by the Secretary or a designee.

§ 871.7. Time, place and manner of conducting drawing.

(a) *Time of drawing.* A Powerball drawing will be held twice a week or as publicly announced by the Secretary.

(b) *Place of drawing.* A Powerball drawing will be conducted in a location selected by the MUSL in West Des Moines, Iowa, or other location selected by the MUSL for promotional or other reasons.

(c) *Manner of conducting drawings.* The MUSL will draw at random five numbers from a set of balls numbered 1 through 59 and one Powerball number from a set of balls numbered 1 through 39 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.8. Expected prize payout percentages.

(a) Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	65.0576%
Five first set numbers	Second Prize*	\$200,000	7.7850%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	2.7656%
Four first set numbers	Fourth Prize*	\$100	1.0510%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	1.4658%

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Three first set numbers	Sixth Prize*	\$7	3.8990%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	1.7786%
One first set number and the Powerball number	Eighth Prize*	\$4	6.4790%
The Powerball number	Ninth Prize*	\$3	9.7184%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(b) Prize money allocated to the grand prize category will be paid on a parimutuel basis, divided equally by the number of plays determined by the MUSL to be the winners of the grand prize.

(c) The number of plays determined by the MUSL to be winners of the second through ninth prize categories will be paid as set cash prizes, except as provided in paragraphs (1) and (2).

(1) If the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 17.4712% of gross sales, the amount needed to fund the set prizes shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$25,000,000 per Powerball drawing.

(2) If the sources set forth in paragraph (1) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing, the highest set prize shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining set prizes, the next highest set prize shall become a parimutuel prize. If necessary, and under the same test conditions set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in paragraph (1) shall be divided among the winning plays in proportion to their respective prize percentages.

(3) If all, or any portion of the set prize pool is not awarded in the current Powerball drawing, that portion of the set prize pool shall be carried forward to subsequent Powerball drawings.

Cross References

This section cited in 61 Pa. Code § 871.2 (relating to game description and purpose); 61 Pa. Code § 871.10 (relating to funding of guaranteed prizes); 61 Pa. Code § 871.20 (relating to power play promotion); and 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.9. Powerball prize payments.

(a) Individual ticket prize payments will be paid entirely in cash with the exception of the grand prize category.

(b) A grand prize shall be paid by an annuity except that a player may elect to receive the grand prize in a single cash payment provided the cash election is made by the player within 60 days of the date the Lottery determines that a grand prize winning ticket has been sold and that a player is entitled to the prize.

(1) An election to receive the grand prize by annuity or cash made by the player after the player becomes entitled to the prize is final and cannot be revoked, withdrawn or otherwise changed.

(2) Shares of the grand prize shall be determined by dividing the cash available in the grand prize pool equally among all winners of the grand prize. A winner who elected cash payment shall be paid the share in a single cash payment.

(3) The annuitized prize shall be determined by multiplying a winner's share of the grand prize by the MUSL annuity factor.

(c) The MUSL annuity factor is determined by the best total securities price obtained through a competitive bid of qualified, preapproved brokers made after it is determined that the prize is to be paid as an annuity prize or after the expiration of 60 days of the date that the player becomes entitled to the prize.

(d) Neither the MUSL nor the Lottery shall be responsible or liable for changes in the advertised or estimated annuity prize from the time the drawing occurs and the date that the player makes the election regarding method of prize payment.

(e) Annuitized prizes shall be paid in 30 graduated payments, an initial followed by 29 annual graduated payments increasing each year at a rate determined by the MUSL Powerball Product Group. This rate, once determined, will not change over the life of the payments. The 30 payments will equal 100% of the annuitized prize. Prize payments may be rounded down to the nearest \$1,000.

For example;

If the MUSL Powerball Product Group arrived at a 4% rate of increase for a \$30 million annuitized jackpot the payment schedule would be as follows:

<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
1	\$535,000	1.78300991336613%
2	\$556,000	1.85433030990078%
3	\$578,000	1.92850352229681%
4	\$601,000	2.00564366318868%
5	\$626,000	2.08586940971623%
6	\$651,000	2.16930418610488%
7	\$677,000	2.25607635354907%
8	\$704,000	2.34631940769104%
9	\$732,000	2.44017218399868%

<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
10	\$761,000	2.53777907135862%
11	\$792,000	2.63929023421297%
12	\$823,000	2.74486184358149%
13	\$856,000	2.85465631732475%
14	\$891,000	2.96884257001774%
15	\$926,000	3.08759627281845%
16	\$963,000	3.21110012373119%
17	\$1,002,000	3.33954412868043%
18	\$1,042,000	3.47312589382765%
19	\$1,084,000	3.61205092958076%
20	\$1,127,000	3.75653296676399%
21	\$1,172,000	3.90679428543455%
22	\$1,219,000	4.06306605685193%
23	\$1,268,000	4.22558869912601%
24	\$1,319,000	4.39461224709105%
25	\$1,371,000	4.57039673697469%
26	\$1,426,000	4.75321260645368%
27	\$1,483,000	4.94334111071182%
28	\$1,543,000	5.14107475514030%
29	\$1,604,000	5.34671774534591%
30	<u>\$1,668,000</u>	5.56058645515974%
Payment Total	<u>\$30,000,000</u>	

(f) If the individual shares of the cash held to fund an annuity is less than \$250,000, the MUSL Powerball Product Group, in its sole discretion, may elect to pay the winners their share of the cash held in the grand prize pool as a lump sum.

(g) If more than one winning ticket for the grand prize is determined, upon meeting the requirements of §§ 871.12 and 871.13 (relating to ticket validation requirements; and procedures for claiming and payment of Powerball prizes), each is entitled to a prorated payment share of the total grand prize category.

(h) A winning Powerball play is entitled only to the highest prize won by those numbers.

(i) The number of prize categories, the allocation of prize money among the prize categories and the annuity term may be changed at the discretion of the MUSL and the change will be announced by public notice. These changes will only apply prospectively to Powerball drawings as of the date specified in the public notice.

(j) Retailer incentive and marketing promotion programs, including the use of funded free tickets, may be implemented at the discretion of the Secretary. Funds for the programs, if needed, will be drawn from the Lottery fund.

(k) If the grand prize is not won in a drawing, the prize money allocated for the grand prize shall roll over and be added to the grand prize pool for the following drawing.

(l) Prize claims shall be submitted within 1 year of the drawing date.

(m) Annuitized payment of the grand prize or a share of the grand prize maybe 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. Prizes other than the grand prize, which under this chapter may become single-payment, parimutuel prizes, may be rounded down so that prizes can be paid in multiples of whole dollars. Breakage resulting from rounding these prizes shall be carried forward to the prize pool for the next drawing.

Cross References

This section cited in 61 Pa. Code § 871.13 (relating to procedures for claiming and payment of Powerball prizes); and 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.10. Funding of guaranteed prizes.

The MUSL Powerball Product Group may offer guaranteed minimum grand prize amounts or minimum increases in the grand prize amount between drawings or make other changes in the allocation of prize money where the MUSL Powerball Product Group finds that it would be in the best interest of the game. If a minimum grand prize amount or a minimum increase in the grand prize amount between drawings is offered by the Product Group, the grand prize shares shall be determined as follows:

(1) If there are multiple grand prize winners during a single drawing, each selecting the annuitized option prize, then a winner's share of the guaranteed annuitized grand prize shall be determined by dividing the guaranteed annuitized grand prize by the number of winners.

(2) If there are multiple grand prize winners during a single drawing and at least one of the grand prize winners has elected the annuitized option prize, the best bid submitted by the MUSL's preapproved qualified brokers shall determine the cash pool needed to fund the guaranteed annuitized grand prize.

(3) If no winner of the grand prize during a single drawing has elected the annuitized option prize, the amount of cash in the grand prize pool shall be an amount equal to the guaranteed annuitized amount divided by the average annuity factor of the most recent three best quotes provided by the MUSL's preapproved qualified brokers submitting quotes.

(4) Quotes will not be used which are more than 2 weeks old, and if less than three quotes are submitted, the MUSL shall use the average of all quotes submitted.

(5) Changes in the allocation of prize money shall be designed to retain approximately the same prize allocation percentages, over a year's time, as set forth in § 871.8 (relating to expected prize payout percentages). Minimum guaranteed prizes or increases may be waived if the alternate funding mechanism as set forth in § 871.8 becomes necessary.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.11. Ticket responsibility.

(a) A ticket is a bearer document deemed to be owned by the person holding the ticket, except that if a signature is contained on the ticket, the person so named will, for all purposes, be considered the owner of the ticket.

(b) The Commonwealth will not be responsible for lost or stolen tickets.

(c) The purchaser of the ticket has the sole responsibility for checking the accuracy and condition of the data printed on the ticket.

(d) The Commonwealth will not be responsible for tickets redeemed in error.

§ 871.12. Ticket validation requirements.

(a) *Valid tickets.* To be a valid ticket, the following conditions shall be met:

(1) The ticket validation number shall be present in its entirety and shall correspond, using the computer validation file, to the selected numbers printed on the ticket for the date printed on the ticket.

(2) The ticket shall be intact.

(3) The ticket may not be mutilated, altered, reconstituted or tampered with.

(4) The ticket may not be counterfeit or an exact duplicate of a winning ticket.

(5) The ticket shall have been issued by the Lottery through a licensed on-line retailer.

(6) The ticket may not have been stolen.

(7) The ticket shall be validated in accordance with § 871.13 (relating to procedures for claiming and payment of Powerball prizes).

(8) The player-selected or computer-selected numbers on the ticket shall be in individual groups of five first set numbers and one second set number each associated with a single letter, A, B, C, D or E. The numbers and the associated letter shall constitute a single play.

(9) The ticket data shall have been recorded on the Lottery's central computer system prior to the drawing and the ticket data shall match this computer record in every respect.

(10) The player-selected or computer-selected numbers, promotion selection, if applicable, the validation number data and the drawing date of an apparent winning ticket shall appear on the official file of the winning tickets; and a ticket with that exact data may not have been previously paid.

(11) The ticket may not be misregistered, defectively printed or printed or produced in error.

(12) The ticket shall pass other confidential security checks of the Lottery.

(13) By submitting a ticket for validation, the player agrees to abide by this chapter.

(14) There may not be another violation of this part in relation to the ticket.

(b) *Invalid or defective tickets—disputes.* A ticket not passing the validation checks in subsection (a) will be considered invalid and will not be paid.

(1) In cases of doubt, the determination of the Secretary is final and binding. The Secretary may replace an invalid ticket with a ticket of equivalent sale price from a current Lottery game.

(2) If a defective ticket is purchased or if the Secretary determines to adjust an error, the sole and exclusive remedy will be the replacement of the defective or erroneous ticket with a ticket of equivalent sale price from a current Lottery game.

(3) If a ticket is not paid by the Lottery and a dispute occurs as to whether the ticket is a winning ticket, the Lottery may replace the ticket as provided in paragraph (2). This is the sole and exclusive remedy of the holder of the ticket.

Cross References

This section cited in 61 Pa. Code § 871.9 (relating to Powerball prize payments); and 61 Pa. Code § 871.13 (relating to procedures for claiming and payment of Powerball prizes).

§ 871.13. Procedures for claiming and payment of Powerball prizes.

(a) Pennsylvania Powerball prizes shall be claimed only through a licensed on-line Pennsylvania Lottery retailer beginning on the day following the drawing. The Lottery is not authorized to accept claims or pay prizes for Powerball tickets purchased in other jurisdictions.

(b) An on-line retailer is authorized and required to make payment of a prize of \$2,500 or less on an individual Powerball winning ticket, if the ticket is presented within a designated time period as announced by the Secretary and if the retailer has sufficient funds available for payment.

(c) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing combined prizes of \$2,500 or less will be paid by participating on-line retailers as provided in subsection (b), if the ticket validation requirements in § 871.12 (relating to ticket validation requirements) have been met, a proper validation pay ticket has been issued by the retailer's computer terminal and other retailer procedures have been met.

(d) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing combined prizes in excess of \$2,500, with the exception of the grand prize category, shall first validate the apparent winning ticket at the participating Pennsylvania Lottery on-line retailer to receive a validation receipt, complete a claim form and display appropriate identification and then surrender the winning ticket and the original claim form to the retailer for transmittal to Lottery Headquarters for payment under Chapter 811 (relating to prizes).

(e) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing a grand prize category prize shall present, in person, the apparent winning ticket to the Pennsylvania Lottery Headquarters for validation under Chapter 811.

(f) In the event of the death of a Powerball grand prize winner and upon petition of the estate of the prize winner, the MUSL Powerball Product Group may accelerate payment of all remaining proceeds from the winning ticket to the estate of the winner by transferring to the estate the securities or cash, or both, being held to satisfy the prize requirements, or paying the estate the present value of the remaining payments of the winner's prize. The valuation of the securities

and determination of the present value of the accelerated lottery payments shall be at the sole discretion of the MUSL Powerball Group. The payment of a set prize to a person who dies before receiving any or all of a particular prize and to a person under 18 years of age will be paid under §§ 811.16 and 811.27 (relating to prizes payable after death of prize winner; and payment of prizes to persons under 18 years of age).

(g) The Commonwealth will be discharged of liability after payment of prizes as provided in § 811.26 (relating to discharge of State liability upon payment).

(h) The Lottery may delay payment of the prize pending a final determination by the Secretary if a dispute occurs, or it appears likely that a dispute may occur, regarding the prize; if there is any question regarding the identity of the claimant; if there is any question regarding the validity of the ticket presented for payment; or if the claim is subject to any setoff for delinquent debts owed by the claimant under Pennsylvania statute. The Lottery may delay payment of a grand prize pending a claimant election of payment method as provided under § 871.9(b) (relating to Powerball prize payments). The Lottery may delay payment of a grand prize for up to 15 days as permitted by the MUSL rules.

Cross References

This section cited in 61 Pa. Code § 871.9 (relating to Powerball prize payments); and 61 Pa. Code § 871.12 (relating to ticket validation requirements).

§ 871.14. Parimutuel prize pool.

(a) The prize pool for all prize categories shall consist of 50% of each drawing period's sales after the prize reserve accounts are funded to the amounts set by the MUSL Powerball Product Group. Any amount remaining in the prize pool at the end of the game shall be carried forward to a replacement game or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(b) An amount equal to up to 2% of a party lottery's sales shall be deducted from a party lottery's grand prize pool and placed in trust in one or more prize reserve accounts until the party lottery's share of the prize reserve accounts reaches the amounts designated by the MUSL Powerball Product Group. Once the party lottery's share of the prize reserve accounts exceeds the designated amounts, the excess shall become part of the grand prize pool. The MUSL Powerball Product Group, with the approval of the Finance and Audit Committee, may establish a maximum balance for the prize reserve accounts. The shares of a party lottery may be adjusted with refunds to the party lottery from the prize reserve accounts 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 MUSL Powerball Product Group in accordance with State law.

(c) If the prize pool for a drawing is not sufficient to fund an announced minimum grand prize, the prize pool will be increased as necessary in accordance with MUSL rules.

§ 871.15. Unclaimed prize money.

Prize money on a winning Powerball play may be retained by the Secretary for payment to the person entitled to it. If within 1 year of the drawing date on the ticket, no claim is made on a winning play, as determined by the Secretary, the right to claim prize money terminates. For set prizes, the prize money will be paid into the State Lottery Fund and used for purposes otherwise provided for by statute. Unclaimed grand prize and new bonus prize funds will be distributed among all MUSL Lotteries in proportion to each lottery's sales for the grand prize drawing.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.16. Withholding.

Federal withholding taxes will be withheld by the Lottery for the prize payments in amounts required in accordance with applicable provisions of law.

§ 871.17. Purchase and prize restrictions.

(a) A Powerball ticket may not be purchased in this Commonwealth by, and a prize will not be paid to, an officer or employee of the Pennsylvania Lottery or any of the Lottery's professional services contractors or subcontractors who are involved in the operation of the on-line lottery games system or its associated drawings, or to a spouse, child, brother, sister or parent residing in the same household as these individuals.

(b) In addition to the individuals identified in subsection (a), the following persons are not eligible to purchase a Powerball ticket and are ineligible to be paid a prize for a Powerball ticket:

- (1) An employee, officer or director of the MUSL.
- (2) A person under contract with the MUSL to conduct a financial or security audit of the MUSL.
- (3) An employee, partner, shareholder or owner of an independent accounting firm under contract with the MUSL to observe drawings and site operations.
- (4) A relative living in the same household of a person described in paragraph (1), (2) or (3).

(c) Except as provided in subsection (b), the individuals identified in subsection (a) are not prohibited from purchasing a ticket or winning a prize from a MUSL member lottery other than the Pennsylvania Lottery.

(d) A Lottery retailer authorized to sell lottery tickets for on-line games, or an employee of a retailer may not request, demand or accept gratuities or additional compensation from any person, or agent thereof, in exchange for the purchase of Powerball lottery tickets. A retailer authorized to sell lottery tickets for on-line games shall make Powerball lottery tickets available for sale to the public during the hours that sale of Powerball tickets are authorized to be sold and that business is open to the public. A retailer may only sell Powerball lottery tickets on the premises described in the retailer's contract, except as specially authorized in writing by the Director. No transaction, or any part thereof, of Powerball lot-

tery tickets may be made at the general corporate office of a retailer unless that office is open to the public and has contracted with the Lottery as a separate Lottery retailer. A Lottery retailer authorized to sell lottery tickets for on-line games may not enter into any special agreement with a person, group of persons or agent thereof, for the purchase of over \$500 of Powerball lottery tickets for any one drawing. A retailer shall immediately report to the Lottery an attempt made by a person, or group of persons or an agent thereof, to purchase more than 50% of the number combinations for Powerball for any one drawing. A retailer shall obtain the name and address of any person purchasing more than \$5,000 in Powerball lottery tickets for any one drawing and report the information to the Lottery before the sale. A person may not purchase a ticket or combination of tickets and a lottery retailer may not directly or knowingly sell a ticket or combination of tickets to any person which would guarantee the purchaser a grand prize win.

§ 871.18. Governing law.

(a) In purchasing a ticket, the purchaser agrees to comply with and abide by applicable laws, this part, instructions, conditions, final decisions of the Secretary and procedures established by the Director or by the MUSL for the conduct of Powerball.

(b) Decisions made by the Secretary or the MUSL, including the declaration of prizes and the payment thereof or interpretation of this part are final and binding on players and persons making a claim in respect thereof.

§ 871.19. Probability of winning.

The probability of winning is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:195,249,054
Five first set numbers	Second Prize	1:5,138,133
Four first set numbers and the Powerball number	Third Prize	1:723,144.6444
Four first set numbers	Fourth Prize	1:19,030.1222
Three first set numbers and the Powerball number	Fifth Prize	1:13,644.2386
Three first set numbers	Sixth Prize	1:359.0589
Two first set numbers and the Powerball number	Seventh Prize	1:787.1676
One first set number and the Powerball number	Eighth Prize	1:123.4773
The Powerball number	Ninth Prize	1:61.7386

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.20. Power play promotion.

(a) The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option for the chance to multiply or increase the third through the ninth category set prizes won as a result of a Powerball drawing by a number ranging from 2 to 5. The Powerball grand prize, the second category prize and the Match 5 Bonus prizes will not be eligible for multiplication under the power play promotion. The Secretary will on occasion announce, as a special promotion, multipliers greater than 5 or a greater second category prize amount. The second category prize shall be \$1,000,000 unless a higher promotional dollar amount is announced by the Secretary.

(b) At the time of purchasing a Powerball ticket from an on-line Lottery retailer, a player may choose the power play option for one additional \$1 per play for each play on the Powerball ticket. If a player chooses the power play promotion feature for any play on a ticket, every play on that ticket must participate in the promotion.

(c) At the time of each Powerball drawing, the MUSL shall conduct a power play drawing with the aid of mechanical drawing equipment or any other selection methodology as authorized by the Secretary under the supervision of security and an independent auditor which shall result in the selection of the power play number from among the following series of numbers: 2, 2, 2, 2, 3, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5 and 5.

(d) Powerball tickets that contain the power play option and one or more plays eligible for Powerball third through ninth category prize identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize calculated by multiplying each Powerball third through ninth category prizes by the power play number. Powerball tickets that contain the power play option and one or more plays eligible for a Powerball second category prize shall be entitled to a prize of \$1,000,000 unless a higher limited promotional dollar amount is announced by the Secretary.

(e) The prize pool for power play set prizes shall consist of up to 48.5% of power play sales after Powerball prize reserve accounts are funded to the amounts set by the MUSL. The prize pool percentage allocated to power play set prizes shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the set prizes for the current power play drawing.

(f) An additional 1.5% of power play sales may be collected and placed in prize reserve accounts until the prize reserve accounts meet the amounts designated by the MUSL. Any amount remaining in prize reserve accounts at the end of the power play promotion shall be carried forward to a replacement prize reserve account or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(g) If, with respect to a single Powerball drawing and associated power play drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to the set prizes and carried forward from previous Powerball drawings and power play drawings, if any.

(2) An amount from the Powerball set prize reserve account, if available, not to exceed \$25,000,000 per drawing.

(h) If the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing and associated power play drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(i) Power play set prizes which become parimutuel may be rounded down so that they can be paid in multiples of whole dollars. Funds remaining after rounding shall be carried forward to the prize pool for the next power play drawing.

(j) Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments. Power play prizes for the third through the ninth category prizes shall be determined by multiplying the Powerball set prize by the number selected in the power play drawing. The power play prize for the second category prize level shall be paid \$1,000,000. Power play prize levels shall be paid as follows:

Prize Level	<i>Powerball</i>					
	<i>Set</i>	<i>Regardless of Powerball Play Number Selected</i>				
Second Prize	\$200,000	\$1,000,000	5X	4X	3X	2X
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000	
Fourth Prize	\$100	\$500	\$400	\$300	\$200	
Fifth Prize	\$100	\$500	\$400	\$300	\$200	
Sixth Prize	\$7	\$35	\$28	\$21	\$14	
Seventh Prize	\$7	\$35	\$28	\$21	\$14	

Prize Level	Powerball Set	Regardless of Powerball Play Number Selected			
		5X	4X	3X	2X
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

(k) When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play prizes for the third through the ninth category prizes shall be a multiple of the new Powerball set prize amount and the power play prize for the second category prize shall be reduced as announced by the MUSL Powerball Product Group.

(l) The odds of various power play numbers being selected in a power play drawing are:

Power Play Multiplier	Odds
2	1:4
3	1:4
4	1:4
5	1:4

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.21. Future changes to Powerball.

(a) The MUSL reserves the right to modify the Powerball game in order to address changes in player participation or population of member states. If the MUSL decides to make a change, it will be publicly announced by the Secretary at least 30 days before the change takes effect.

(b) The Secretary will publish notice of the change in the *Pennsylvania Bulletin* and the change will be codified in § 871.22 (relating to changes to Powerball).

Authority

The provisions of this § 871.21 amended under section 303 of the State Lottery Law (72 P.S. § 3761-303).

Source

The provisions of this § 871.21 amended November 8, 2002, effective November 9, 2002, 32 Pa.B. 5516. Immediately preceding text appears at serial page (290163).

§ 871.22. Changes to Powerball.

Any change to the Powerball regulations, announced by the Secretary by way of a notice published in the *Pennsylvania Bulletin*, will be codified as a new paragraph in this section.

(1) *Changes effective for Powerball tickets sold on or after October 6, 2002:*

(i) *Section 871.2(a) and (b) (relating to game description and purpose); § 871.3 (relating to definitions) definition of “basic play,” “first set numbers,” “panel or game panel,” “quick pick,” “ticket” and “winning num-*

bers;” § 871.7(c) (relating to time, place and manner of conducting drawing). Powerball is a five out of 53 plus one out of 42 on-line game. The first set of numbers are selected from 1 through 53.

(ii) Section 871.9(e) (relating to Powerball prize payments). All annuitized prizes shall be paid in 30 annual payments with the initial payment being made in cash, to be followed by 29 equal annual payments funded by the annuity. The initial payment of an annuitized prize may be made by the Lottery upon validation of the winning ticket.

(iii) Section 871.15 (relating to unclaimed prize money). Unclaimed grand prize and new bonus prize funds will be distributed among all MUSL Lotteries in proportion to each lottery’s sales for the grand prize drawing.

(iv) Section 871.19 (relating to probability of winning). The probability of winning is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:120,526,770
Five first set numbers	Second Prize	1:2,939,677.317073
Four first set numbers and the Powerball number	Third Prize	1:502,194.875000
Four first set numbers	Fourth Prize	1:12,248.655488
Three first set numbers and the Powerball number	Fifth Prize	1:10,684.997340
Three first set numbers	Sixth Prize	1:260.609691
Two first set numbers and the Powerball number	Seventh Prize	1:696.847653
One first set number and the Powerball number	Eighth Prize	1:123.884027
The Powerball number	Ninth Prize	1:70.388652

(v) Section 871.20(a), (c), (j) and (l) (relating to power play promotion). A player may purchase the power play option for the chance to multiply set prizes won as a result of the Powerball drawing by a number ranging from 2 to 5. The power play number will be selected from among the following series of numbers: 2, 2, 2, 3, 3, 3, 4, 4, 4, 5, 5, 5, 5 and 5. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize Amount</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
		<i>5</i>	<i>4</i>	<i>3</i>	<i>2</i>
Second Prize	\$100,000	\$500,000	\$400,000	\$300,000	\$200,000

Prize Level	Powerball Set Prize Amount	Power Play Multiplier and Set Prize Amount			
		5	4	3	2
Third Prize	\$5,000	\$25,000	\$20,000	\$15,000	\$10,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

The odds of various power play numbers being selected in a power play drawing are:

Power Play	Multiplier Odds
2	1:5
3	1:5
4	1:5
5	1:2.5

(vi) *New bonus prize.*

(a) When the Powerball jackpot is projected to reach a new high annuitized level, the amount of the jackpot prize will be limited, by rule, to increases for each draw of no more than \$25 million (annuitized). The prize money collected in excess of the advertised jackpot amount, if any, will be placed into a bonus prize pool and will accumulate until there is a grand prize winner. When there is a grand prize winner, the bonus prize pool will be divided equally among all winners of the second prize. This bonus prize will be paid in one cash lump sum. If there are no second prize winners, the prize pool shall be divided equally among the winners in the next lower prize tier with winners.

(b) There may be times when the second prize will be increased from its current set amount of \$100,000 to a higher amount. In those cases, the second prize may be increased to \$1 million or more. The actual amount of the prize will depend upon the cash available in the new bonus prize pool and the number of prize winners as set forth in clause (A). The trigger jackpot level will naturally increase over time as the new high annuitized jackpot amount continues to climb.

(c) The new bonus prize is in addition to any power play prizes that may be won. The new bonus prize is awarded independent of the power play option, and is not multiplied by the power play multiplier. A bonus prize winner who also played the power play option will win the original set prize amounts; the amount paid under the power play multiplier option; and the new bonus prize (if effective).

(2) *Changes effective for Powerball tickets sold on or after August 28, 2005:*

(i) *Section 871.2(a) and (b); § 871.3 definition of “basic play,” “first set numbers,” “panel or game,” “quick pick,” “ticket” and “winning num-*

ber”; § 871.7(c). Powerball is a five out of 55 plus one out of 42 on-line game. The first set of numbers are selected from 1 through 55.

(ii) *Section 871.9(e)*. Annuitized prizes shall be paid in 30 graduated payments, an initial followed by 29 annual graduated payments increasing each year at a rate determined by the MUSL Powerball Product Group. This rate, once determined, will not change over the life of the payments. The 30 payments will equal 100% of the annuitized prize. Prize payments may be rounded down to the nearest \$1,000.

For example:

If the MUSL Powerball Product Group arrived at a 4% rate of increase for a \$30 million annuitized jackpot the payment schedule would be as follows:

<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
1	\$535,000	1.78300991336613%
2	\$556,000	1.85433030990078%
3	\$578,000	1.92850352229681%
4	\$601,000	2.00564366318868%
5	\$626,000	2.08586940971623%
6	\$651,000	2.16930418610488%
7	\$677,000	2.25607635354907%
8	\$704,000	2.34631940769104%
9	\$732,000	2.44017218399868%
10	\$761,000	2.53777907135862%
11	\$792,000	2.63929023421297%
12	\$823,000	2.74486184358149%
13	\$856,000	2.85465631732475%
14	\$891,000	2.96884257001774%
15	\$926,000	3.08759627281845%
16	\$963,000	3.21110012373119%
17	\$1,002,000	3.33954412868043%
18	\$1,042,000	3.47312589382765%
19	\$1,084,000	3.61205092958076%
20	\$1,127,000	3.75653296676399%
21	\$1,172,000	3.90679428543455%
22	\$1,219,000	4.06306605685193%
23	\$1,268,000	4.22558869912601%
24	\$1,319,000	4.39461224709105%
25	\$1,371,000	4.57039673697469%
26	\$1,426,000	4.75321260645368%
27	\$1,483,000	4.94334111071182%
28	\$1,543,000	5.14107475514030%
29	\$1,604,000	5.34671774534591%

<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
30	<u>\$1,668,000</u>	5.56058645515974%
Payment Total	<u>\$30,000,000</u>	

(iii) *Section 871.8(a) (relating to expected prize payout percentages).*
Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	60.5770%
Five first set numbers	Second Prize*	\$200,000	11.2246%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	3.4222%
Four first set numbers	Fourth Prize*	\$100	1.4030%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	1.6768%
Three first set numbers	Sixth Prize*	\$7	4.8126%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	1.8780%
One first set number and the Powerball number	Eighth Prize*	\$4	6.3050%
The Powerball number	Ninth Prize*	\$3	8.7008%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(iv) *Section 871.19.* The probability of winning is as follows:

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winnings per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:146,107,962
Five first set numbers	Second Prize	1:3,563,608.8293
Four first set numbers and the Powerball number	Third Prize	1:584,431.8480
Four first set numbers	Fourth Prize	1:14,254.4353
Three first set numbers and the Powerball number	Fifth Prize	1:11,927.1806
Three first set numbers	Sixth Prize	1:290.9068
Two first set numbers and the Powerball number	Seventh Prize	1:745.4488

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winnings per Play</i>
One first set number and the Powerball number	Eighth Prize	1:126.8849
The Powerball number	Ninth Prize	1:68.9592

(v) *Section 871.20(a), (c), (j) and (l).* A player may purchase the power play option for the chance to multiply set prizes won as a result of the Powerball drawing by a number ranging from 2 to 5. The power play number will be selected from among the following series of numbers: 2, 2, 2, 2, 3, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5 and 5. Except as otherwise provided, power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize Amount</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
		<i>5</i>	<i>4</i>	<i>3</i>	<i>2</i>
Second Prize	\$200,000	\$1,000,000	\$800,000	\$600,000	\$400,000
Third Prize	\$ 10,000	\$ 50,000	\$ 40,000	\$ 30,000	\$ 20,000
Fourth Prize	\$ 100	\$ 500	\$ 400	\$ 300	\$ 200
Fifth Prize	\$ 100	\$ 500	\$ 400	\$ 300	\$ 200
Sixth Prize	\$ 7	\$ 35	\$ 28	\$ 21	\$ 14
Seventh Prize	\$ 7	\$ 35	\$ 28	\$ 21	\$ 14
Eighth Prize	\$ 4	\$ 20	\$ 16	\$ 12	\$ 8
Ninth Prize	\$ 3	\$ 15	\$ 12	\$ 9	\$ 6

The odds of various power play numbers being selected in a power play drawing are:

<i>Power Play Multiplier</i>	<i>Odds</i>
2	1:4
3	1:4
4	1:4
5	1:4

(3) *Changes effective for Powerball tickets sold on or after January 4, 2009:*

(i) *Section 871.2(a) (relating to game description and purpose).* Powerball is a five out of 59 plus one out of 39 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash basis.

(ii) *Section 871.2(b).* The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 59, and

matching the separately drawn Powerball number, or a designated combination thereof, within a single play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted twice a week or as publicly announced by the Secretary.

(iii) Section 871.3 (relating to definitions).

Basic play—Each set of six numbers consisting of five numbers from 1 through 59 and the Powerball number on a ticket purchased without the selection of any promotion, representing a single entry for a Powerball drawing and designated by a letter from A to E on a Powerball ticket.

First set numbers—The first group of numbers, from 1 through 59, appearing in the top grid of a Powerball game panel.

Grand prize winnings pool—An amount constituting 32.5288% of gross sales from all participating States for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 59 squares, each numbered 1 through 59 and the lower grids (second set numbers) contain 39 squares, each numbered 1 through 39. Each panel is lettered either A, B, C, D or E, and when used to purchase a ticket, corresponds to the numbers selected and printed on the ticket adjacent to that letter.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 39, appearing in the lower grid of a Powerball game panel.

Quick pick—The random selection by the Lottery's computer system of five numbers from 1 through 59 and a Powerball number from 1 through 39 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 39, appearing in the lower grid of a Powerball game panel.

Set prize winnings pool—An amount constituting 17.4712% of gross sales for the current drawing and any moneys carried forward from previous draws.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 59 and a single selected Powerball number from 1 through 39 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 59, and the Powerball number from 1 through 39, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

Editor's Note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.

(iv) Section 871.7(c) (relating to time, place and manner of conducting drawing). Manner of conducting drawing. The MUSL will draw at random five numbers from a set of balls numbered 1 through 59 and one Powerball number from a set of balls numbered 1 through 39 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

(v) Section 871.8(a) (relating to expected prize payout percentages). Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	65.0576%
Five first set numbers	Second Prize*	\$200,000	7.7850%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	2.7656%
Four first set numbers	Fourth Prize*	\$100	1.0510%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	1.4658%
Three first set numbers	Sixth Prize*	\$7	3.8990%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	1.7786%
One first set number and the Powerball number	Eighth Prize*	\$4	6.4790%
The Powerball number	Ninth Prize*	\$3	9.7184%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(vi) Section 871.8(c)(1) (relating to expected prize payout percentages). If the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 17.4712% of gross sales, the amount needed to fund the set prizes shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$25,000,000 per Powerball drawing.

(vii) Section 871.19 (relating to probability of winning). The probability of winning is as follows:

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winnings per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:195,249,054
Five first set numbers	Second Prize	1:5,138,133
Four first set numbers and the Powerball number	Third Prize	1:723,144.6444
Four first set numbers	Fourth Prize	1:19,030.1222
Three first set numbers and the Powerball number	Fifth Prize	1:13,644.2386
Three first set numbers	Sixth Prize	1:359.0589
Two first set numbers and the Powerball number	Seventh Prize	1:787.1676
One first set number and the Powerball number	Eighth Prize	1:123.4773
The Powerball number	Ninth Prize	1:61.7386

(viii) *Section 871.20(a) (relating to power play promotion)*. The power-play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option for the chance to multiply set prizes won as a result of a Powerball drawing by a number ranging from 2 to 5. The Powerball grand prize will not be eligible for multiplication under the power play promotion. The Secretary will on occasion announce, as a special promotion, a multiplier of 10.

(ix) *Section 871.20(c)*. At the time of each Powerball drawing, the MUSL shall conduct a power play drawing, with the aid of mechanical drawing equipment or any other selection methodology as authorized by the Secretary, under the supervision of security and an independent auditor which shall result in the selection of the power play number from among the following series of numbers: 2, 2, 2, 2, 3, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5 and 5.

(x) *Section 871.20(d)*. Powerball tickets that contain the power play option and one or more plays eligible for Powerball set prizes (but not the grand prize) identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize calculated by multiplying each Powerball set prize by the power play number. The second prize category power play multiplier will be fixed at a minimum of 5.

(xi) *Section 871.20(j)*. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

Prize Level	Powerball Set Prize Amount	Power Play Multiplier and Set Prize Amount			
		5	4	3	2
Second Prize	\$200,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

(4) *Changes effective for Powerball tickets sold on or after May 28, 2011:*

(i) *Section 871.20(a)* (relating to power play promotion). The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option for the chance to multiply or increase the third through the ninth category set prizes won as a result of a Powerball drawing by a number ranging from 2 to 5. The Powerball grand prize, the second category prize and the Match 5 Bonus prizes will not be eligible for multiplication under the power play promotion. The Secretary will on occasion announce, as a special promotion, multipliers greater than 5 or a greater second category prize amount. The second category prize shall be \$1,000,000 unless a higher promotional dollar amount is announced by the Secretary.

(ii) *Section 871.20(d)*. Powerball tickets that contain the power play option and one or more plays eligible for Powerball third through ninth category prizes identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize calculated by multiplying each Powerball third through ninth category prize by the power play number. Powerball tickets that contain the power play option and one or more plays eligible for a Powerball second category prize shall be entitled to a prize of \$1,000,000 unless a higher limited promotional dollar amount is announced by the Secretary.

(iii) *Section 871.20(g)*. If, with respect to a single Powerball drawing and associated power play drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the

set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to the set prizes and carried forward from previous Powerball drawings and power play drawings, if any.

(2) An amount from the Powerball set prize reserve account, if available, not to exceed \$25,000,000 per drawing.

(iv) *Section 871.20(h)*. If the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing and associated power play drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(v) *Section 871.20(j)*. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments. Power play prizes for the third through the ninth category prizes shall be determined by multiplying the Powerball set prize by the number selected in the power play drawing. The power play prize for the second category prize level shall be paid \$1,000,000. Power play prize levels shall be paid as follows:

Prize Level	<i>Powerball Set</i>				
	<i>Prize Amount</i>	<i>Regardless of Power Play Number Selected:</i>			
Second Prize	\$200,000	\$1,000,000			
			5X	4X	3X 2X
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

(vi) *Section 871.20(k)*. When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play prizes for the third through the ninth category prizes shall be

a multiple of the new Powerball set prize amount and the power play prize for the second category prize shall be reduced as announced by the MUSL Powerball Product Group.

Source

The provisions of this § 871.22 amended July 12, 2002, effective October 6, 2002, 32 Pa.B. 3396; amended October 11, 2002, and applies to the ticket sales beginning on Sunday, October 6, 2002, for the Powerball drawing on Wednesday, October 9, 2002, 32 Pa.B. 5144; amended July 22, 2005, effective August 28, 2005, 35 Pa.B. 4151; amended November 28, 2008, effective January 4, 2009, 38 Pa.B. 6571; amended May 27, 2011, effective May 28, 2011, 41 Pa.B. 2787.

Cross References

This section cited in 61 Pa. Code § 871.21 (relating to future changes to Powerball).

§ 871.23. New bonus prize.

(a) When the Powerball jackpot is projected to reach a new high annuitized level, the amount of the jackpot prize will be limited, by rule, to increases for each draw of no more than \$25 million (annuitized). The prize money collected in excess of the advertised jackpot amount, if any, will be placed into a bonus prize pool and will accumulate until there is a grand prize winner. When there is a grand prize winner, the bonus prize pool will be divided equally among all winners of the second prize. This bonus prize will be paid in one cash lump sum. If there are no second prize winners, the prize pool shall be divided equally among the winners in the next lower prize tier with winners.

(b) There may be times when the second prize will be increased from its current set amount of \$100,000 to a higher amount. In those cases, the second prize may be increased to \$1 million or more. The actual amount of the prize will depend upon the cash available in the new bonus prize pool and the number of prize winners as set forth in subsection (a). The trigger jackpot level will naturally increase over time as the new high annuitized jackpot amount continues to climb.

(c) The new bonus prize is in addition to any power play prizes that may be won. The new bonus prize is awarded independent of the power play option, and is not multiplied by the power play multiplier. A bonus prize winner who also played the power play option will win the original set prize amounts; the amount paid under the power play multiplier option; and the new bonus prize (if effective).

Source

The provisions of this Appendix D effectuate the changes to Chapter 871 for tickets sold on or after May 28, 2011.

Appendix E
CHAPTER 871. POWERBALL—Version in effect on January 15, 2012,
incorporating changes from May 28, 2011; January 4, 2009;
August 28, 2005; and October 6, 2002

Sec.	
871.1.	Creation.
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Authority

The provisions of this Chapter 871 issued under section 303 of the State Lottery Law (72 P.S. § 3761-303), unless otherwise noted.

Source

The provisions of this Chapter 871 adopted June 7, 2002, effective June 8, 2002, 32 Pa.B. 2758, unless otherwise noted.

Cross References

This chapter cited in 61 Pa. Code § 876.2 (relating to definitions).

§ 871.1. Creation.

Under the act and this part, there is created a numbers game, called Powerball, which will commence at the discretion of the Secretary, and will continue until the Secretary publicly announces a suspension or termination date.

§ 871.2. Game description and purpose.

(a) Powerball is a five out of 59 plus one out of 35 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash basis.

(b) The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 59, and matching the separately drawn Powerball number, or a designated combination thereof, within a single

play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted twice a week or as publicly announced by the Secretary.

(c) The object of the game is for a player to select, in a single play on a ticket, five numbers and the Powerball number that match the numbers and the Powerball number drawn for the game in which the ticket is participating. Correctly matching the six winning numbers consisting of the five numbers drawn plus the Powerball number drawn, and meeting other validation criteria, entitles the ticket holder to the grand prize identified in § 871.8 (relating to expected prize payout percentages).

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.3. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Apparent winning ticket—A ticket which has not been validated by the Lottery.

Basic play—Each set of six numbers consisting of five numbers from 1 through 59 and the Powerball number on a ticket purchased without the selection of any promotion, representing a single entry for a Powerball drawing and designated by a letter from A to E on a Powerball ticket.

Cash election—A method of payment that the player selects, within 60 days of the date the Lottery determines the player is entitled to the Powerball grand prize, to receive a parimutuel share of the prize money allocated to the grand prize category as a one-time, lump-sum cash payment rather than as an annuity.

Drawing—The process of selecting winning numbers that determines the winners for each prize category of the game.

First set numbers—The first group of numbers, from 1 through 59, appearing in the top grid of a Powerball game panel.

Grand prize winnings pool—An amount constituting 31.9756% of gross sales from all participating states for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Gross sales—The total amount of sales from all participating states for a particular Powerball game drawing for the purpose of determining the grand prize winnings pool and the set prize winnings pool in that drawing.

MUSL—The Multi-State Lottery Association.

MUSL Board—The governing body of the MUSL which is comprised of the chief executive officer of each party lottery.

MUSL Powerball Product Group—The group of lotteries that have joined together to offer the Powerball lottery game under the terms of the MUSL agreement and MUSL Powerball Product Group rules.

On-line retailer—A person who is properly licensed and authorized by the Lottery to sell Powerball tickets.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 59 squares, each numbered 1 through 59 and the lower grids (second set numbers) contain 35 squares, each numbered 1 through 35. Each panel is lettered either A, B, C, D or E.

Party lottery—A State lottery or lottery of a political subdivision or entity which has joined the MUSL and, in the context of the Powerball Group Rules, which has joined in selling the Powerball game.

Powerball bet slip—A card having five game panels labeled A through E, used by a player to select numbers to play the game.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 35, appearing in the lower grid of a Powerball game panel.

Promotion—A method used by the Lottery to aid in the sale of its products; for example, an option a player may exercise by purchase to increase the prize paid on a winning ticket or to increase the chance of winning a prize.

Quick pick—The random selection by the Lottery's computer system of five numbers from 1 through 59 and a Powerball number from 1 through 35 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 35, appearing in the lower grid of a Powerball game panel.

Set prize tiers—All prizes except the grand prize that are advertised to be paid by a single lump-sum payment and, except in instances outlined in this chapter, will be equal to the prize amount established by the MUSL Board for the prize level.

Set prize winnings pool—An amount constituting 18.0244% of gross sales for the current drawing and any monies carried forward from previous draws.

Terminal—A device which is authorized by the Lottery to function in an on-line, interactive mode with the Lottery's computer system, for the purpose of issuing lottery tickets and entering, receiving and processing lottery transactions, including making purchases, validating tickets and transmitting reports.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 59 and a single selected Powerball number from 1 through 35 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket. Each set of five num-

bers and the Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 59, and the Powerball number from 1 through 35, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

Winnings pool—Constitutes 50% of each prize drawing period gross sales. A portion of the pool is contributed to the grand prize winnings pool. The remainder constitutes the set prize winnings pool. Moneys carried forward from previous draws are combined with the pool as directed in the MUSL rules.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.4. Ticket sales retailers.

(a) Powerball game ticket sales may only be made through licensed on-line retailers the Director will appoint and contract with as provided in § 815.42 (relating to ticket sales agents).

(b) The Lottery may terminate sales by a retailer without prior notice to the retailer if the retailer becomes delinquent in payment of proceeds due the Lottery, fails to handle Lottery funds in the prescribed manner, if the retailer breaches the contract or an addendum thereof, this part or procedures established governing the sale of tickets or if the Lottery deems it to be in the best interest of the Commonwealth.

§ 871.5. Ticket price.

A Powerball ticket shall cost \$2 per play. The power play option may be exercised, at the discretion of the player, for an additional \$1 per play.

§ 871.6. Powerball bet slip and ticket characteristics and restrictions.

(a) For each basic play the player shall select, or request quick pick selection by the computer, five numbers and a single Powerball number, in one or more of the game panels on a Powerball bet slip. Powerball bet slips shall be available at no cost to the player. The minimum entry is \$2. For \$2, play one game; for \$4, play two games; for \$6, play three games; for \$8, play four games; for \$10, play five games. Players are also given the option to select a promotion verbally or on the bet slip at the time of purchase for an additional \$1 for each play. Game panels shall be played in alphabetical order in accordance with the instructions printed on the Powerball bet slip. A Powerball bet slip has no pecuniary or prize value and does not constitute evidence of the purchase of a ticket or the numbers selected.

(b) To purchase a ticket, players shall, in addition to the purchase price, submit a completed Powerball bet slip, or request number selections either by quick pick or manual terminal entry to an on-line retailer to have a ticket issued. To purchase a ticket at a Lottery self-service terminal that dispenses terminal-based Lottery tickets, the player shall designate the drawing date or dates for which the ticket is entered, number selections and may exercise the power play promotion

for an additional \$1 per play. The player may use a bet slip or the Quick Pick option at a Lottery self-service terminal that dispenses terminal-based Lottery tickets. The ticket shall contain five selected numbers and a single selected Powerball number for each play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. This ticket shall be the only valid receipt for claiming a prize. The ticket shall only be valid for the drawing date or dates printed on the ticket. Retailers are not permitted to allow the attachment of any remote devices to a lottery terminal to enter plays except as otherwise provided in the MUSL rules.

(c) If Powerball bet slips are unavailable, number selections may be given to an on-line retailer in groups of five number selections and one Powerball number selection per game section for each \$2 wagered as a basic play. The player may exercise the power play promotion for an additional \$1 per play. The retailer shall manually enter the selections into the computer terminal.

(d) A Powerball ticket may not be canceled or voided once printed by the Lottery terminal, even if the ticket is printed in error.

(e) It shall be the sole responsibility of the player to verify the accuracy of the game play or plays and other data printed on the ticket. The placing of plays is done at the player's own risk through the on-line retailer who is acting on behalf of the player in entering the play or plays.

(f) A player may select numbers for up to 26 drawings, specifically the next drawing and the 25 subsequent drawings.

(g) A ticket may not be issued for a drawing after the specified sales cut-off time prior to the drawing, as announced by the Secretary or a designee.

§ 871.7. Time, place and manner of conducting drawing.

(a) *Time of drawing.* A Powerball drawing will be held twice a week or as publicly announced by the Secretary.

(b) *Place of drawing.* A Powerball drawing will be conducted by the MUSL.
 (c) *Manner of conducting drawings.* The MUSL will draw at random five numbers from a set of balls numbered 1 through 59 and one Powerball number from a set of balls numbered 1 through 35 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.8. Expected prize payout percentages.

(a) Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	63.9511%
Five first set numbers	Second Prize*	\$1,000,000	19.4038%

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Four first set numbers and the Powerball number	Third Prize*	\$10,000	1.5409%
Four first set numbers	Fourth Prize*	\$100	.5239%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	.8167%
Three first set numbers	Sixth Prize*	\$7	1.9437%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	.9909%
One first set number and the Powerball number	Eighth Prize*	\$4	3.6097%
	Ninth Prize*	\$4	7.2194%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(b) Prize money allocated to the grand prize category will be paid on a parimutuel basis, divided equally by the number of plays determined by the MUSL to be the winners of the grand prize.

(c) The number of plays determined by the MUSL to be winners of the second through ninth prize categories will be paid as set cash prizes, except as provided in paragraphs (1) and (2).

(1) If the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 18.0244% of gross sales, the amount needed to fund the set prizes shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$40,000,000 per Powerball drawing.

(2) If the sources set forth in paragraph (1) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing, the highest set prize shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining set prizes, the next highest set prize shall become a parimutuel prize. If necessary, and under the same test conditions set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in paragraph (1) shall be divided among the winning plays in proportion to their respective prize percentages.

(3) If all, or any portion of the set prize pool is not awarded in the current Powerball drawing, that portion of the set prize pool shall be carried forward to subsequent Powerball drawings.

Cross References

This section cited in 61 Pa. Code § 871.2 (relating to game description and purpose); 61 Pa. Code § 871.10 (relating to funding of guaranteed prizes); 61 Pa. Code § 871.20 (relating to power play promotion); and 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.9. Powerball prize payments.

(a) Individual ticket prize payments will be paid entirely in cash with the exception of the grand prize category.

(b) A grand prize shall be paid by an annuity except that a player may elect to receive the grand prize in a single cash payment provided the cash election is made by the player within 60 days of the date the Lottery determines that a grand prize winning ticket has been sold and that a player is entitled to the prize.

(1) An election to receive the grand prize by annuity or cash made by the player after the player becomes entitled to the prize is final and cannot be revoked, withdrawn or otherwise changed.

(2) Shares of the grand prize shall be determined by dividing the cash available in the grand prize pool equally among all winners of the grand prize. A winner who elected cash payment shall be paid the share in a single cash payment.

(3) The annuitized prize shall be determined by multiplying a winner's share of the grand prize by the MUSL annuity factor.

(c) The MUSL annuity factor is determined by the best total securities price obtained through a competitive bid of qualified, preapproved brokers made after it is determined that the prize is to be paid as an annuity prize or after the expiration of 60 days of the date that the player becomes entitled to the prize.

(d) Neither the MUSL nor the Lottery shall be responsible or liable for changes in the advertised or estimated annuity prize from the time the drawing occurs and the date that the player makes the election regarding method of prize payment.

(e) Annuitized prizes shall be paid in 30 graduated payments, an initial followed by 29 annual graduated payments increasing each year at a rate determined by the MUSL Powerball Product Group. This rate, once determined, will not change over the life of the payments. The 30 payments will equal 100% of the annuitized prize. Prize payments may be rounded down to the nearest \$1,000.

For example;

If the MUSL Powerball Product Group arrived at a 4% rate of increase for a \$30 million annuitized jackpot the payment schedule would be as follows:

<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
1	\$535,000	1.78300991336613%
2	\$556,000	1.85433030990078%
3	\$578,000	1.92850352229681%
4	\$601,000	2.00564366318868%
5	\$626,000	2.08586940971623%
6	\$651,000	2.16930418610488%

<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
7	\$677,000	2.25607635354907%
8	\$704,000	2.34631940769104%
9	\$732,000	2.44017218399868%
10	\$761,000	2.53777907135862%
11	\$792,000	2.63929023421297%
12	\$823,000	2.74486184358149%
13	\$856,000	2.85465631732475%
14	\$891,000	2.96884257001774%
15	\$926,000	3.08759627281845%
16	\$963,000	3.21110012373119%
17	\$1,002,000	3.33954412868043%
18	\$1,042,000	3.47312589382765%
19	\$1,084,000	3.61205092958076%
20	\$1,127,000	3.75653296676399%
21	\$1,172,000	3.90679428543455%
22	\$1,219,000	4.06306605685193%
23	\$1,268,000	4.22558869912601%
24	\$1,319,000	4.39461224709105%
25	\$1,371,000	4.57039673697469%
26	\$1,426,000	4.75321260645368%
27	\$1,483,000	4.94334111071182%
28	\$1,543,000	5.14107475514030%
29	\$1,604,000	5.34671774534591%
30	<u>\$1,668,000</u>	5.56058645515974%
Payment Total	<u>\$30,000,000</u>	

(f) If the individual shares of the cash held to fund an annuity is less than \$250,000, the MUSL Powerball Product Group, in its sole discretion, may elect to pay the winners their share of the cash held in the grand prize pool as a lump sum.

(g) If more than one winning ticket for the grand prize is determined, upon meeting the requirements of §§ 871.12 and 871.13 (relating to ticket validation requirements; and procedures for claiming and payment of Powerball prizes), each is entitled to a prorated payment share of the total grand prize category.

(h) A winning Powerball play is entitled only to the highest prize won by those numbers.

(i) The number of prize categories, the allocation of prize money among the prize categories and the annuity term may be changed at the discretion of the MUSL and the change will be announced by public notice. These changes will only apply prospectively to Powerball drawings as of the date specified in the public notice.

(j) Retailer incentive and marketing promotion programs, including the use of funded free tickets, may be implemented at the discretion of the Secretary. Funds for the programs, if needed, will be drawn from the Lottery fund.

(k) If the grand prize is not won in a drawing, the prize money allocated for the grand prize shall roll over and be added to the grand prize pool for the following drawing.

(l) Prize claims shall be submitted within 1 year of the drawing date.

(m) Annuitized payment of the grand prize or a share of the grand prize maybe 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. Prizes other than the grand prize, which under this chapter may become single-payment, parimutuel prizes, may be rounded down so that prizes can be paid in multiples of whole dollars. Breakage resulting from rounding these prizes shall be carried forward to the prize pool for the next drawing.

Cross References

This section cited in 61 Pa. Code § 871.13 (relating to procedures for claiming and payment of Powerball prizes); and 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.10. Funding of guaranteed prizes.

The MUSL Powerball Product Group may offer guaranteed minimum grand prize amounts or minimum increases in the grand prize amount between drawings or make other changes in the allocation of prize money where the MUSL Powerball Product Group finds that it would be in the best interest of the game. If a minimum grand prize amount or a minimum increase in the grand prize amount between drawings is offered by the Product Group, the grand prize shares shall be determined as follows:

(1) If there are multiple grand prize winners during a single drawing, each selecting the annuitized option prize, then a winner's share of the guaranteed annuitized grand prize shall be determined by dividing the guaranteed annuitized grand prize by the number of winners.

(2) If there are multiple grand prize winners during a single drawing and at least one of the grand prize winners has elected the annuitized option prize, the best bid submitted by the MUSL's preapproved qualified brokers shall determine the cash pool needed to fund the guaranteed annuitized grand prize.

(3) If no winner of the grand prize during a single drawing has elected the annuitized option prize, the amount of cash in the grand prize pool shall be an amount equal to the guaranteed annuitized amount divided by the average annuity factor of the most recent three best quotes provided by the MUSL's preapproved qualified brokers submitting quotes.

(4) Quotes will not be used which are more than 2 weeks old, and if less than three quotes are submitted, the MUSL shall use the average of all quotes submitted.

(5) Changes in the allocation of prize money shall be designed to retain approximately the same prize allocation percentages, over a year's time, as set forth in § 871.8 (relating to expected prize payout percentages). Minimum

guaranteed prizes or increases may be waived if the alternate funding mechanism as set forth in § 871.8 becomes necessary.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.11. Ticket responsibility.

(a) A ticket is a bearer document deemed to be owned by the person holding the ticket, except that if a signature is contained on the ticket, the person so named will, for all purposes, be considered the owner of the ticket.

(b) The Commonwealth will not be responsible for lost or stolen tickets.

(c) The purchaser of the ticket has the sole responsibility for checking the accuracy and condition of the data printed on the ticket.

(d) The Commonwealth will not be responsible for tickets redeemed in error.

§ 871.12. Ticket validation requirements.

(a) *Valid tickets.* To be a valid ticket, the following conditions shall be met:

(1) The ticket validation number shall be present in its entirety and shall correspond, using the computer validation file, to the selected numbers printed on the ticket for the date printed on the ticket.

(2) The ticket shall be intact.

(3) The ticket may not be mutilated, altered, reconstituted or tampered with.

(4) The ticket may not be counterfeit or an exact duplicate of a winning ticket.

(5) The ticket shall have been issued by the Lottery through a licensed on-line retailer.

(6) The ticket may not have been stolen.

(7) The ticket shall be validated in accordance with § 871.13 (relating to procedures for claiming and payment of Powerball prizes).

(8) The player-selected or computer-selected numbers on the ticket shall be in individual groups of five first set numbers and one second set number each associated with a single letter, A, B, C, D or E. The numbers and the associated letter shall constitute a single play.

(9) The ticket data shall have been recorded on the Lottery's central computer system prior to the drawing and the ticket data shall match this computer record in every respect.

(10) The player-selected or computer-selected numbers, promotion selection, if applicable, the validation number data and the drawing date of an apparent winning ticket shall appear on the official file of the winning tickets; and a ticket with that exact data may not have been previously paid.

(11) The ticket may not be misregistered, defectively printed or printed or produced in error.

(12) The ticket shall pass other confidential security checks of the Lottery.

(13) By submitting a ticket for validation, the player agrees to abide by this chapter.

(14) There may not be another violation of this part in relation to the ticket.

(b) *Invalid or defective tickets—disputes.* A ticket not passing the validation checks in subsection (a) will be considered invalid and will not be paid.

(1) In cases of doubt, the determination of the Secretary is final and binding. The Secretary may replace an invalid ticket with a ticket of equivalent sale price from a current Lottery game.

(2) If a defective ticket is purchased or if the Secretary determines to adjust an error, the sole and exclusive remedy will be the replacement of the defective or erroneous ticket with a ticket of equivalent sale price from a current Lottery game.

(3) If a ticket is not paid by the Lottery and a dispute occurs as to whether the ticket is a winning ticket, the Lottery may replace the ticket as provided in paragraph (2). This is the sole and exclusive remedy of the holder of the ticket.

Cross References

This section cited in 61 Pa. Code § 871.9 (relating to Powerball prize payments); and 61 Pa. Code § 871.13 (relating to procedures for claiming and payment of Powerball prizes).

§ 871.13. Procedures for claiming and payment of Powerball prizes.

(a) Pennsylvania Powerball prizes shall be claimed only through a licensed on-line Pennsylvania Lottery retailer beginning on the day following the drawing. The Lottery is not authorized to accept claims or pay prizes for Powerball tickets purchased in other jurisdictions.

(b) An on-line retailer is authorized and required to make payment of a prize of \$2,500 or less on an individual Powerball winning ticket, if the ticket is presented within a designated time period as announced by the Secretary and if the retailer has sufficient funds available for payment.

(c) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing combined prizes of \$2,500 or less will be paid by participating on-line retailers as provided in subsection (b), if the ticket validation requirements in § 871.12 (relating to ticket validation requirements) have been met, a proper validation pay ticket has been issued by the retailer's computer terminal and other retailer procedures have been met.

(d) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing combined prizes in excess of \$2,500, with the exception of the grand prize category, shall first validate the apparent winning ticket at the participating Pennsylvania Lottery on-line retailer to receive a validation receipt, complete a claim form and display appropriate identification and then surrender the winning ticket and the original claim form to the retailer for transmittal to Lottery Headquarters for payment under Chapter 811 (relating to prizes).

(e) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing a grand prize category prize shall present, in person, the apparent winning ticket to the Pennsylvania Lottery Headquarters for validation under Chapter 811.

(f) In the event of the death of a Powerball grand prize winner and upon petition of the estate of the prize winner, the MUSL Powerball Product Group may accelerate payment of all remaining proceeds from the winning ticket to the estate of the winner by transferring to the estate the securities or cash, or both,

being held to satisfy the prize requirements, or paying the estate the present value of the remaining payments of the winner's prize. The valuation of the securities and determination of the present value of the accelerated lottery payments shall be at the sole discretion of the MUSL Powerball Group. The payment of a set prize to a person who dies before receiving any or all of a particular prize and to a person under 18 years of age will be paid under §§ 811.16 and 811.27 (relating to prizes payable after death of prize winner; and payment of prizes to persons under 18 years of age).

(g) The Commonwealth will be discharged of liability after payment of prizes as provided in § 811.26 (relating to discharge of State liability upon payment).

(h) The Lottery may delay payment of the prize pending a final determination by the Secretary if a dispute occurs, or it appears likely that a dispute may occur, regarding the prize; if there is any question regarding the identity of the claimant; if there is any question regarding the validity of the ticket presented for payment; or if the claim is subject to any setoff for delinquent debts owed by the claimant under Pennsylvania statute. The Lottery may delay payment of a grand prize pending a claimant election of payment method as provided under § 871.9(b) (relating to Powerball prize payments). The Lottery may delay payment of a grand prize for up to 15 days as permitted by the MUSL rules.

Cross References

This section cited in 61 Pa. Code § 871.9 (relating to Powerball prize payments); and 61 Pa. Code § 871.12 (relating to ticket validation requirements).

§ 871.14. Parimutuel prize pool.

(a) The prize pool for all prize categories shall consist of 50% of each drawing period's sales after the prize reserve accounts are funded to the amounts set by the MUSL Powerball Product Group. Any amount remaining in the prize pool at the end of the game shall be carried forward to a replacement game or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(b) An amount equal to up to 2% of a party lottery's sales shall be deducted from a party lottery's grand prize pool and placed in trust in one or more prize reserve accounts until the party lottery's share of the prize reserve accounts reaches the amounts designated by the MUSL Powerball Product Group. Once the party lottery's share of the prize reserve accounts exceeds the designated amounts, the excess shall become part of the grand prize pool. The MUSL Powerball Product Group, with the approval of the Finance and Audit Committee, may establish a maximum balance for the prize reserve accounts. The shares of a party lottery may be adjusted with refunds to the party lottery from the prize reserve accounts 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 MUSL Powerball Product Group in accordance with State law.

(c) If the prize pool for a drawing is not sufficient to fund an announced minimum grand prize, the prize pool will be increased as necessary in accordance with MUSL rules.

§ 871.15. Unclaimed prize money.

Prize money on a winning Powerball play may be retained by the Secretary for payment to the person entitled to it. If within 1 year of the drawing date on the ticket, no claim is made on a winning play, as determined by the Secretary, the right to claim prize money terminates. For set prizes, the prize money will be paid into the State Lottery Fund and used for purposes otherwise provided for by statute. Unclaimed grand prize funds will be distributed among all MUSL Lotteries in proportion to each lottery's sales for the grand prize drawing.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.16. Withholding.

Federal withholding taxes will be withheld by the Lottery for the prize payments in amounts required in accordance with applicable provisions of law.

§ 871.17. Purchase and prize restrictions.

(a) A Powerball ticket may not be purchased in this Commonwealth by, and a prize will not be paid to, an officer or employee of the Pennsylvania Lottery or any of the Lottery's professional services contractors or subcontractors who are involved in the operation of the on-line lottery games system or its associated drawings, or to a spouse, child, brother, sister or parent residing in the same household as these individuals.

(b) In addition to the individuals identified in subsection (a), the following persons are not eligible to purchase a Powerball ticket and are ineligible to be paid a prize for a Powerball ticket:

(1) An employee, officer or director of the MUSL.

(2) A person under contract with the MUSL to conduct a financial or security audit of the MUSL.

(3) An employee, partner, shareholder or owner of an independent accounting firm under contract with the MUSL to observe drawings and site operations.

(4) A relative living in the same household of a person described in paragraph (1), (2) or (3).

(c) Except as provided in subsection (b), the individuals identified in subsection (a) are not prohibited from purchasing a ticket or winning a prize from a MUSL member lottery other than the Pennsylvania Lottery.

(d) A Lottery retailer authorized to sell lottery tickets for on-line games, or an employee of a retailer may not request, demand or accept gratuities or additional compensation from any person, or agent thereof, in exchange for the purchase of Powerball lottery tickets. A retailer authorized to sell lottery tickets for on-line games shall make Powerball lottery tickets available for sale to the public during the hours that sale of Powerball tickets are authorized to be sold and that business is open to the public. A retailer may only sell Powerball lottery tickets

on the premises described in the retailer's contract, except as specially authorized in writing by the Director. No transaction, or any part thereof, of Powerball lottery tickets may be made at the general corporate office of a retailer unless that office is open to the public and has contracted with the Lottery as a separate Lottery retailer. A Lottery retailer authorized to sell lottery tickets for on-line games may not enter into any special agreement with a person, group of persons or agent thereof, for the purchase of over \$500 of Powerball lottery tickets for any one drawing. A retailer shall immediately report to the Lottery an attempt made by a person, or group of persons or an agent thereof, to purchase more than 50% of the number combinations for Powerball for any one drawing. A retailer shall obtain the name and address of any person purchasing more than \$5,000 in Powerball lottery tickets for any one drawing and report the information to the Lottery before the sale. A person may not purchase a ticket or combination of tickets and a lottery retailer may not directly or knowingly sell a ticket or combination of tickets to any person which would guarantee the purchaser a grand prize win.

§ 871.18. Governing law.

(a) In purchasing a ticket, the purchaser agrees to comply with and abide by applicable laws, this part, instructions, conditions, final decisions of the Secretary and procedures established by the Director or by the MUSL for the conduct of Powerball.

(b) Decisions made by the Secretary or the MUSL, including the declaration of prizes and the payment thereof or interpretation of this part are final and binding on players and persons making a claim in respect thereof.

§ 871.19. Probability of winning.

The probability of winning is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:175,223,510
Five first set numbers	Second Prize	1:5,153,632.6471
Four first set numbers and the Powerball number	Third Prize	1:648,975.9630
Four first set numbers	Fourth Prize	1:19,087.5283
Three first set numbers and the Powerball number	Fifth Prize	1:12,244.8295
Three first set numbers	Sixth Prize	1:360.1420
Two first set numbers and the Powerball number	Seventh Prize	1:706.4325

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<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
One first set number and the Powerball number	Eighth Prize	1:110.8129
The Powerball number	Ninth Prize	1:55.4065

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.20. Power play promotion.

(a) The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option to increase set prizes won as a result of a Powerball drawing. The Powerball grand prize will not be eligible for an increase under the power play promotion. The Secretary will on occasion announce, as a special promotion, higher promotional prize amounts to be won with the power play promotion.

(b) At the time of purchasing a Powerball ticket from an on-line Lottery retailer, a player may choose the power play option for one additional \$1 per play for each play on the Powerball ticket. If a player chooses the power play promotion feature for any play on a ticket, every play on that ticket must participate in the promotion.

(c) [Reserved.]

(d) Powerball tickets that contain the power play option and one or more plays eligible for Powerball second through ninth category prize identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize identifies in § 871.20(j) (relating to power play promotion), unless a higher limited promotional prize amount is announced by the Secretary.

(e) The prize pool for power play set prizes shall consist of up to 49.96% of power play sales after Powerball prize reserve accounts are funded to the amounts set by the MUSL. The prize pool percentage allocated to power play set prizes shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the set prizes for the current power play drawing.

(f) An additional 0.04% of power play sales may be collected and placed in prize reserve accounts until the prize reserve accounts meet the amounts designated by the MUSL. Any amount remaining in prize reserve accounts at the end of the power play promotion shall be carried forward to a replacement prize reserve account or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(g) If, with respect to a single Powerball drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to the set prizes and carried forward from previous Powerball drawings and power play drawings, if any.

(2) An amount from the Powerball set prize reserve account, if available, not to exceed \$40,000,000 per drawing.

(h) If the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(i) Power play set prizes which become parimutuel may be rounded down so that they can be paid in multiples of whole dollars. Funds remaining after rounding shall be carried forward to the prize pool for the next power play drawing.

(j) Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments Power play prize levels shall be paid as follows:

<i>Prize Level</i>	<i>Power Play Set Prize Amount</i>
Second Prize	\$2,000,000
Third Prize	\$40,000
Fourth Prize	\$200
Fifth Prize	\$200
Sixth Prize	\$14
Seventh Prize	\$14
Eighth Prize	\$12
Ninth Prize	\$12

(k) When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play prizes for the second through the ninth category prizes shall reduced as announced by the MUSL Powerball Product Group.

(l) [Reserved].

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.21. Future changes to Powerball.

(a) The MUSL reserves the right to modify the Powerball game in order to address changes in player participation or population of member states. If the MUSL decides to make a change, it will be publicly announced by the Secretary at least 30 days before the change takes effect.

(b) The Secretary will publish notice of the change in the *Pennsylvania Bulletin* and the change will be codified in § 871.22 (relating to changes to Powerball).

Authority

The provisions of this § 871.21 amended under section 303 of the State Lottery Law (72 P.S. § 3761-303).

Source

The provisions of this § 871.21 amended November 8, 2002, effective November 9, 2002, 32 Pa.B. 5516. Immediately preceding text appears at serial page (290163).

§ 871.22. Changes to Powerball.

Any change to the Powerball regulations, announced by the Secretary by way of a notice published in the *Pennsylvania Bulletin*, will be codified as a new paragraph in this section.

(1) *Changes effective for Powerball tickets sold on or after October 6, 2002:*

(i) *Section 871.2(a) and (b) (relating to game description and purpose); § 871.3 (relating to definitions) definition of “basic play,” “first set numbers,” “panel or game panel,” “quick pick,” “ticket” and “winning numbers;” § 871.7(c) (relating to time, place and manner of conducting drawing).* Powerball is a five out of 53 plus one out of 42 on-line game. The first set of numbers are selected from 1 through 53.

(ii) *Section 871.9(e) (relating to Powerball prize payments).* All annuitized prizes shall be paid in 30 annual payments with the initial payment being made in cash, to be followed by 29 equal annual payments funded by the annuity. The initial payment of an annuitized prize may be made by the Lottery upon validation of the winning ticket.

(iii) *Section 871.15 (relating to unclaimed prize money).* Unclaimed grand prize and new bonus prize funds will be distributed among all MUSL Lotteries in proportion to each lottery’s sales for the grand prize drawing.

(iv) *Section 871.19 (relating to probability of winning).* The probability of winning is a follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:120,526,770
Five first set numbers	Second Prize	1:2,939,677.317073
Four first set numbers and the Powerball number	Third Prize	1:502,194.875000

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Four first set numbers	Fourth Prize	1:12,248.655488
Three first set numbers and the Powerball number	Fifth Prize	1:10,684.997340
Three first set numbers	Sixth Prize	1:260.609691
Two first set numbers and the Powerball number	Seventh Prize	1:696.847653
One first set number and the Powerball number	Eighth Prize	1:123.884027
The Powerball number	Ninth Prize	1:70.388652

(v) Section 871.20(a), (c), (j) and (l) (relating to power play promotion).

A player may purchase the power play option for the chance to multiply set prizes won as a result of the Powerball drawing by a number ranging from 2 to 5. The power play number will be selected from among the following series of numbers: 2, 2, 2, 3, 3, 3, 4, 4, 4, 5, 5, 5, 5, 5 and 5. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize Amount</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
		<i>5</i>	<i>4</i>	<i>3</i>	<i>2</i>
Second Prize	\$100,000	\$500,000	\$400,000	\$300,000	\$200,000
Third Prize	\$5,000	\$25,000	\$20,000	\$15,000	\$10,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

The odds of various power play numbers being selected in a power play drawing are:

<i>Power Play</i>	<i>Multiplier Odds</i>
2	1:5
3	1:5
4	1:5
5	1:2.5

(2) *Changes effective for Powerball tickets sold on or after August 28, 2005:*

(i) *Section 871.2(a) and (b); § 871.3 definition of “basic play,” “first set numbers,” “panel or game,” “quick pick,” “ticket” and “winning number”; § 871.7(c).* Powerball is a five out of 55 plus one out of 42 on-line game. The first set of numbers are selected from 1 through 55.

(ii) *Section 871.9(e).* Annuitized prizes shall be paid in 30 graduated payments, an initial followed by 29 annual graduated payments increasing each year at a rate determined by the MUSL Powerball Product Group. This rate, once determined, will not change over the life of the payments. The 30 payments will equal 100% of the annuitized prize. Prize payments may be rounded down to the nearest \$1,000.

For example:

If the MUSL Powerball Product Group arrived at a 4% rate of increase for a \$30 million annuitized jackpot the payment schedule would be as follows:

<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
1	\$535,000	1.78300991336613%
2	\$556,000	1.85433030990078%
3	\$578,000	1.92850352229681%
4	\$601,000	2.00564366318868%
5	\$626,000	2.08586940971623%
6	\$651,000	2.16930418610488%
7	\$677,000	2.25607635354907%
8	\$704,000	2.34631940769104%
9	\$732,000	2.44017218399868%
10	\$761,000	2.53777907135862%
11	\$792,000	2.63929023421297%
12	\$823,000	2.74486184358149%
13	\$856,000	2.85465631732475%
14	\$891,000	2.96884257001774%
15	\$926,000	3.08759627281845%
16	\$963,000	3.21110012373119%
17	\$1,002,000	3.33954412868043%
18	\$1,042,000	3.47312589382765%
19	\$1,084,000	3.61205092958076%
20	\$1,127,000	3.75653296676399%
21	\$1,172,000	3.90679428543455%
22	\$1,219,000	4.06306605685193%
23	\$1,268,000	4.22558869912601%
24	\$1,319,000	4.39461224709105%
25	\$1,371,000	4.57039673697469%

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<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
26	\$1,426,000	4.75321260645368%
27	\$1,483,000	4.94334111071182%
28	\$1,543,000	5.14107475514030%
29	\$1,604,000	5.34671774534591%
30	<u>\$1,668,000</u>	5.56058645515974%
Payment Total	<u>\$30,000,000</u>	

(iii) *Section 871.8(a) (relating to expected prize payout percentages).*
Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	60.5770%
Five first set numbers	Second Prize*	\$200,000	11.2246%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	3.4222%
Four first set numbers	Fourth Prize*	\$100	1.4030%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	1.6768%
Three first set numbers	Sixth Prize*	\$7	4.8126%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	1.8780%
One first set number and the Powerball number	Eighth Prize*	\$4	6.3050%
The Powerball number	Ninth Prize*	\$3	8.7008%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(iv) *Section 871.19.* The probability of winning is as follows:

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winnings per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:146,107,962
Five first set numbers	Second Prize	1:3,563,608.8293
Four first set numbers and the Powerball number	Third Prize	1:584,431.8480
Four first set numbers	Fourth Prize	1:14,254.4353
Three first set numbers and the Powerball number	Fifth Prize	1:11,927.1806

*Tickets Containing The Following
In One Single Lettered Game
Section*

	<i>Prize Category</i>	<i>Probability of Winnings per Play</i>
Three first set numbers	Sixth Prize	1:290.9068
Two first set numbers and the Powerball number	Seventh Prize	1:745.4488
One first set number and the Powerball number	Eighth Prize	1:126.8849
The Powerball number	Ninth Prize	1:68.9592

(v) *Section 871.20(a), (c), (j) and (l)*. A player may purchase the power play option for the chance to multiply set prizes won as a result of the Powerball drawing by a number ranging from 2 to 5. The power play number will be selected from among the following series of numbers: 2, 2, 2, 2, 3, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5 and 5. Except as otherwise provided, power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize Amount</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
		<i>5</i>	<i>4</i>	<i>3</i>	<i>2</i>
Second Prize	\$200,000	\$1,000,000	\$800,000	\$600,000	\$400,000
Third Prize	\$ 10,000	\$ 50,000	\$ 40,000	\$ 30,000	\$ 20,000
Fourth Prize	\$ 100	\$ 500	\$ 400	\$ 300	\$ 200
Fifth Prize	\$ 100	\$ 500	\$ 400	\$ 300	\$ 200
Sixth Prize	\$ 7	\$ 35	\$ 28	\$ 21	\$ 14
Seventh Prize	\$ 7	\$ 35	\$ 28	\$ 21	\$ 14
Eighth Prize	\$ 4	\$ 20	\$ 16	\$ 12	\$ 8
Ninth Prize	\$ 3	\$ 15	\$ 12	\$ 9	\$ 6

The odds of various power play numbers being selected in a power play drawing are:

<i>Power Play Multiplier</i>	<i>Odds</i>
2	1:4
3	1:4
4	1:4
5	1:4

(3) *Changes effective for Powerball tickets sold on or after January 4, 2009:*

(i) *Section 871.2(a) (relating to game description and purpose)*. Powerball is a five out of 59 plus one out of 39 on-line lottery game which pays

the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash basis.

(ii) *Section 871.2(b)*. The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 59, and matching the separately drawn Powerball number, or a designated combination thereof, within a single play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted twice a week or as publicly announced by the Secretary.

(iii) *Section 871.3 (relating to definitions)*.

Basic play—Each set of six numbers consisting of five numbers from 1 through 59 and the Powerball number on a ticket purchased without the selection of any promotion, representing a single entry for a Powerball drawing and designated by a letter from A to E on a Powerball ticket.

First set numbers—The first group of numbers, from 1 through 59, appearing in the top grid of a Powerball game panel.

Grand prize winnings pool—An amount constituting 32.5288% of gross sales from all participating States for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 59 squares, each numbered 1 through 59 and the lower grids (second set numbers) contain 39 squares, each numbered 1 through 39. Each panel is lettered either A, B, C, D or E, and when used to purchase a ticket, corresponds to the numbers selected and printed on the ticket adjacent to that letter.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 39, appearing in the lower grid of a Powerball game panel.

Quick pick—The random selection by the Lottery's computer system of five numbers from 1 through 59 and a Powerball number from 1 through 39 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 39, appearing in the lower grid of a Powerball game panel.

Set prize winnings pool—An amount constituting 17.4712% of gross sales for the current drawing and any moneys carried forward from previous draws.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 59 and a single selected Powerball number from 1 through 39 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player.

Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 59, and the Powerball number from 1 through 39, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

Editor's Note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.

(iv) Section 871.7(c) (relating to time, place and manner of conducting drawing). Manner of conducting drawing. The MUSL will draw at random five numbers from a set of balls numbered 1 through 59 and one Powerball number from a set of balls numbered 1 through 39 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

(v) Section 871.8(a) (relating to expected prize payout percentages). Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	65.0576%
Five first set numbers	Second Prize*	\$200,000	7.7850%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	2.7656%
Four first set numbers	Fourth Prize*	\$100	1.0510%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	1.4658%
Three first set numbers	Sixth Prize*	\$7	3.8990%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	1.7786%
One first set number and the Powerball number	Eighth Prize*	\$4	6.4790%
The Powerball number	Ninth Prize*	\$3	9.7184%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(vi) Section 871.8(c)(1) (relating to expected prize payout percentages). If the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 17.4712% of gross sales, the amount needed to fund the set prizes shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$25,000,000 per Powerball drawing.

(vii) Section 871.19 (relating to probability of winning). The probability of winning is as follows:

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winnings per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:195,249,054
Five first set numbers	Second Prize	1:5,138,133
Four first set numbers and the Powerball number	Third Prize	1:723,144.6444
Four first set numbers	Fourth Prize	1:19,030.1222
Three first set numbers and the Powerball number	Fifth Prize	1:13,644.2386
Three first set numbers	Sixth Prize	1:359.0589
Two first set numbers and the Powerball number	Seventh Prize	1:787.1676
One first set number and the Powerball number	Eighth Prize	1:123.4773
The Powerball number	Ninth Prize	1:61.7386

(viii) Section 871.20(a) (relating to power play promotion). The powerplay promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option for the chance to multiply set prizes won as a result of a Powerball drawing by a number ranging from 2 to 5. The Powerball grand prize will not be eligible for multiplication under the power play promotion. The Secretary will on occasion announce, as a special promotion, a multiplier of 10.

(ix) Section 871.20(c). At the time of each Powerball drawing, the MUSL shall conduct a power play drawing, with the aid of mechanical drawing equipment or any other selection methodology as authorized by the Secretary, under the supervision of security and an independent auditor which shall result in the selection of the power play number from among the following series of numbers: 2, 2, 2, 2, 3, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5 and 5.

(x) Section 871.20(d). Powerball tickets that contain the power play option and one or more plays eligible for Powerball set prizes (but not the grand prize) identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize calculated by multiplying each Powerball set prize by the power play number. The second prize category power play multiplier will be fixed at a minimum of 5.

(xi) *Section 871.20(j)*. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

Prize Level	Powerball Set Prize Amount	Power Play Multiplier and Set Prize Amount			
		5	4	3	2
Second Prize	\$200,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

(4) *Changes effective for Powerball tickets sold on or after May 28, 2011:*

(i) *Section 871.20(a)* (relating to power play promotion). The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option for the chance to multiply or increase the third through the ninth category set prizes won as a result of a Powerball drawing by a number ranging from 2 to 5. The Powerball grand prize, the second category prize and the Match 5 Bonus prizes will not be eligible for multiplication under the power play promotion. The Secretary will on occasion announce, as a special promotion, multipliers greater than 5 or a greater second category prize amount. The second category prize shall be \$1,000,000 unless a higher promotional dollar amount is announced by the Secretary.

(ii) *Section 871.20(d)*. Powerball tickets that contain the power play option and one or more plays eligible for Powerball third through ninth category prizes identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize calculated by multiplying each Powerball third through ninth category prize by the power play number. Powerball tickets that contain the power play option and one or more plays eligible for a Powerball second category prize shall be entitled to a prize of \$1,000,000 unless a higher limited promotional dollar amount is announced by the Secretary.

(iii) *Section 871.20(g)*. If, with respect to a single Powerball drawing and associated power play drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set

prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to the set prizes and carried forward from previous Powerball drawings and power play drawings, if any.

(2) An amount from the Powerball set prize reserve account, if available, not to exceed \$25,000,000 per drawing.

(iv) *Section 871.20(h)*. If the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing and associated power play drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(v) *Section 871.20(j)*. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments. Power play prizes for the third through the ninth category prizes shall be determined by multiplying the Powerball set prize by the number selected in the power play drawing. The power play prize for the second category prize level shall be paid \$1,000,000. Power play prize levels shall be paid as follows:

Prize Level	<i>Powerball Set</i>				
	<i>Prize Amount</i>	<i>Regardless of Power Play Number Selected:</i>			
Second Prize	\$200,000	\$1,000,000			
			5X	4X	3X 2X
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

(vi) *Section 871.20(k)*. When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play prizes for the third through the ninth category prizes shall be

a multiple of the new Powerball set prize amount and the power play prize for the second category prize shall be reduced as announced by the MUSL Powerball Product Group.

(5) *Changes effective for Powerball tickets sold on or after January 15, 2012:*

(i) *Section 871.2(a) (relating to game description and purpose).* Powerball is a five out of 59 plus one out of 35 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash basis.

(ii) *Section 871.3 (relating to definitions).*

Grand prize winnings pool—An amount constituting 31.9756% of gross sales from all participating states for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 59 squares, each numbered 1 through 59 and the lower grids (second set numbers) contain 35 squares, each numbered 1 through 35. Each panel is lettered either A, B, C, D or E.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 35, appearing in the lower grid of a Powerball game panel.

Quick pick—The random selection by the Lottery's computer system of five numbers from 1 through 59 and a Powerball number from 1 through 35 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 35, appearing in the lower grid of a Powerball game panel.

Set prize winnings pool—An amount constituting 18.0244% of gross sales for the current drawing and any monies carried forward from previous draws.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 59 and a single selected Powerball number from 1 through 35 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 59, and the Powerball number from 1 through 35, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

(Editor's Note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.)

(iii) *Section 871.5 (relating to ticket price).* A Powerball ticket shall cost \$2 per play. The power play option may be exercised, at the discretion of the player, for an additional \$1 per play.

(iv) *Section 871.6(a) (relating to Powerball bet slip and ticket characteristics and restrictions).* For each basic play the player shall select, or request quick pick selection by the computer, five numbers and a single Powerball number, in one or more of the game panels on a Powerball bet slip. Powerball bet slips shall be available at no cost to the player. The minimum entry is \$2. For \$2, play one game; for \$4, play two games; for \$6, play three games; for \$8, play four games; for \$10, play five games. Players are also given the option to select a promotion verbally or on the bet slip at the time of purchase for an additional \$1 for each play. Game panels shall be played in alphabetical order in accordance with the instructions printed on the Powerball bet slip. A Powerball bet slip has no pecuniary or prize value and does not constitute evidence of the purchase of a ticket or the numbers selected.

(v) *Section 871.6(b).* To purchase a ticket, players shall, in addition to the purchase price, submit a completed Powerball bet slip, or request number selections either by quick pick or manual terminal entry to an on-line retailer to have a ticket issued. To purchase a ticket at a Lottery self-service terminal that dispenses terminal-based Lottery tickets, the player shall designate the drawing date or dates for which the ticket is entered, number selections and may exercise the power play promotion for an additional \$1 per play. The player may use a bet slip or the Quick Pick option at a Lottery self-service terminal that dispenses terminal-based Lottery tickets. The ticket shall contain five selected numbers and a single selected Powerball number for each play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. This ticket shall be the only valid receipt for claiming a prize. The ticket shall only be valid for the drawing date or dates printed on the ticket. Retailers are not permitted to allow the attachment of any remote devices to a lottery terminal to enter plays except as otherwise provided in the MUSL rules.

(vi) *Section 871.6(c).* If Powerball bet slips are unavailable, number selections may be given to an on-line retailer in groups of five number selections and one Powerball number selection per game section for each \$2 wagered as a basic play. The player may exercise the power play promotion for an additional \$1 per play. The retailer shall manually enter the selections into the computer terminal.

(vii) *Section 871.7(b) (relating to time, place and manner of conducting drawing).* Place of drawing. A Powerball drawing will be conducted in a location selected by the MUSL.

(viii) *Section 871.7(c).* Manner of conducting drawing. The MUSL will draw at random five numbers from a set of balls numbered 1 through 59 and one Powerball number from a set of balls numbered 1 through 35 with the

aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

(ix) *Section 871.8(a) (relating to expected prize payout percentages).* Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	63.9511%
Five first set numbers	Second Prize*	\$1,000,000	19.4038%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	1.5409%
Four first set numbers	Fourth Prize*	\$100	.5239%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	.8167%
Three first set numbers	Sixth Prize*	\$7	1.9437%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	.9909%
One first set number and the Powerball number	Eighth Prize*	\$4	3.6097%
The Powerball number	Ninth Prize*	\$4	7.2194%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(x) *Section 871.8(c)(1).* If the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 18.0244% of gross sales, the amount needed to fund the set prizes shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$40,000,000 per Powerball drawing.

(xi) *Section 871.15 (relating to unclaimed prize money).* Prize money on a winning Powerball play may be retained by the Secretary for payment to the person entitled to it. If within 1 year of the drawing date on the ticket, no claim is made on a winning play, as determined by the Secretary, the right to claim prize money terminates. For set prizes, the prize money will be paid into the State Lottery Fund and used for purposes otherwise provided for by statute. Unclaimed grand prize funds will be distributed among all MUSL Lotteries in proportion to each lottery's sales for the grand prize drawing.

(xii) *Section 871.19 (relating to probability of winning).* The probability of winning is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:175,223,510
Five first set numbers	Second Prize	1:5,153,632.6471
Four first set numbers and the Powerball number	Third Prize	1:648,975.9630
Four first set numbers	Fourth Prize	1:19,087.5283
Three first set numbers and the Powerball number	Fifth Prize	1:12,244.8295
Three first set numbers	Sixth Prize	1:360.1420
Two first set numbers and the Powerball number	Seventh Prize	1:706.4325
One first set number and the Powerball number	Eighth Prize	1:110.8129
The Powerball number	Ninth Prize	1:55.4065

(xiii) *Section 871.20(a) (relating to power play promotion)*. The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option to increase set prizes won as a result of a Powerball drawing. The Powerball grand prize will not be eligible for an increase under the power play promotion. The Secretary will on occasion announce, as a special promotion, higher promotional prize amounts to be won with the power play promotion.

(xiv) *Section 871.20(c)* is deleted in its entirety.

(xv) *Section 871.20(d)*. Powerball tickets that contain the power play option and one or more plays eligible for Powerball second through ninth category prizes identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize identified in § 871.20(j) (relating to power play promotion), unless a higher limited promotional prize amount is announced by the Secretary.

(xvi) *Section 871.20(e)*. The prize pool for power play set prizes shall consist of up to 49.96% of power play sales after Powerball prize reserve accounts are funded to the amounts set by the MUSL. The prize pool percentage allocated to power play set prizes shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the set prizes for the current power play drawing.

(xvii) *Section 871.20(f)*. An additional 0.04% of power play sales may be collected and placed in prize reserve accounts until the prize reserve

accounts meet the amounts designated by the MUSL. Any amount remaining in prize reserve accounts at the end of the power play promotion shall be carried forward to a replacement prize reserve account or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(xviii) *Section 871.20(g)*. If, with respect to a single Powerball drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to the set prizes and carried forward from previous Powerball drawings, if any.

(2) An amount from the Powerball set prize reserve account, if available, not to exceed \$40,000,000 per drawing.

(xix) *Section 871.20(h)*. If the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(xx) *Section 871.20(j)*. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments. Power play prize levels shall be paid as follows:

<i>Prize Level</i>	<i>Power Play Set Prize Amount</i>
Second Prize	\$2,000,000
Third Prize	\$40,000
Fourth Prize	\$200
Fifth Prize	\$200
Sixth Prize	\$14
Seventh Prize	\$14
Eighth Prize	\$12
Ninth Prize	\$12

(xxi) *Section 871.20(k)*. When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and

the power play prizes for the second through the ninth category prizes shall be reduced as announced by the MUSL Powerball Product Group.

(xxii) Section 871.20(l) is deleted in its entirety.

(xxiii) Section 871.22(1)(vi) (relating to changes to Powerball) is deleted in its entirety.

(Editor's Note: Section 871.23 effectuated the adoption and subsequent deletion referenced in § 871.22(1)(vi) and (5)(xxiii).)

Source

The provisions of this § 871.22 amended July 12, 2002, effective October 6, 2002, 32 Pa.B. 3396; amended October 11, 2002, and applies to the ticket sales beginning on Sunday, October 6, 2002, for the Powerball drawing on Wednesday, October 9, 2002, 32 Pa.B. 5144; amended July 22, 2005, effective August 28, 2005, 35 Pa.B. 4151; amended November 28, 2008, effective January 4, 2009, 38 Pa.B. 6571; amended May 27, 2011, effective May 28, 2011, 41 Pa.B. 2787; amended December 16, 2011, these changes will affect ticket sales beginning on Sunday, January 15, 2012, for the Powerball drawing on Wednesday, January 18, 2012, 41 Pa.B. 6945.

Cross References

This section cited in 61 Pa. Code § 871.21 (relating to future changes to Powerball).

§ 871.23. [Reserved].

Source

The provisions of this § 871.23 adopted to effectuate § 871.22(1)(vi), effective October 6, 2022, 32 Pa.B. 3396; deleted under § 871.22(5)(xxiii), effective January 15, 2012, 41 Pa.B. 6945.

Source

The provisions of this Appendix E effectuate the changes to Chapter 871 for tickets sold on or after January 15, 2012.

Appendix F
CHAPTER 871. POWERBALL—Version in effect on October 1, 2013,
incorporating changes from January 15, 2012; May 28, 2011;
January 4, 2009; August 28, 2005; and October 6, 2002

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871.1.	Creation.
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871.19.	Probability of winning.
871.20.	Power play promotion.
871.21.	Future changes to Powerball.
871.22.	Changes to Powerball.
871.23.	[Reserved].

Authority

The provisions of this Chapter 871 issued under section 303 of the State Lottery Law (72 P.S. § 3761-303), unless otherwise noted.

Source

The provisions of this Chapter 871 adopted June 7, 2002, effective June 8, 2002, 32 Pa.B. 2758, unless otherwise noted.

Cross References

This chapter cited in 61 Pa. Code § 876.2 (relating to definitions).

§ 871.1. Creation.

Under the act and this part, there is created a numbers game, called Powerball, which will commence at the discretion of the Secretary, and will continue until the Secretary publicly announces a suspension or termination date.

§ 871.2. Game description and purpose.

(a) Powerball is a five out of 59 plus one out of 35 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash basis.

(b) The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 59, and matching the separately drawn Powerball number, or a designated combination thereof, within a single

play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted twice a week or as publicly announced by the Secretary.

(c) The object of the game is for a player to select, in a single play on a ticket, five numbers and the Powerball number that match the numbers and the Powerball number drawn for the game in which the ticket is participating. Correctly matching the six winning numbers consisting of the five numbers drawn plus the Powerball number drawn, and meeting other validation criteria, entitles the ticket holder to the grand prize identified in § 871.8 (relating to expected prize payout percentages).

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.3. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Apparent winning ticket—A ticket which has not been validated by the Lottery.

Basic play—Each set of six numbers consisting of five numbers from 1 through 59 and the Powerball number on a ticket purchased without the selection of any promotion, representing a single entry for a Powerball drawing and designated by a letter from A to E on a Powerball ticket.

Cash election—A method of payment that the player selects, within 60 days of the date the Lottery determines the player is entitled to the Powerball grand prize, to receive a parimutuel share of the prize money allocated to the grand prize category as a one-time, lump-sum cash payment rather than as an annuity.

Drawing—The process of selecting winning numbers that determines the winners for each prize category of the game.

First set numbers—The first group of numbers, from 1 through 59, appearing in the top grid of a Powerball game panel.

Grand prize winnings pool—An amount constituting 31.9756% of gross sales from all participating states for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Gross sales—The total amount of sales from all participating states for a particular Powerball game drawing for the purpose of determining the grand prize winnings pool and the set prize winnings pool in that drawing.

Licensee Lottery—A State lottery or lottery of a political subdivision or entity which is not a Party Lottery but has agreed to comply with all applicable MUSL and MUSL Powerball Product Group requirements and has been authorized by the MUSL and by the MUSL Powerball Product Group to sell the Powerball game.

MUSL—The Multi-State Lottery Association.

MUSL Board—The governing body of the MUSL which is comprised of the chief executive officer of each party lottery.

MUSL Finance and Audit Committee—The committee established by the Multi-State Lottery Association which, among other things, establishes the reserve accounts balances.

MUSL Powerball Product Group—The group of lotteries that have joined together to offer the Powerball lottery game under the terms of the MUSL agreement and MUSL Powerball Product Group rules.

On-line retailer—A person who is properly licensed and authorized by the Lottery to sell Powerball tickets.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 59 squares, each numbered 1 through 59 and the lower grids (second set numbers) contain 35 squares, each numbered 1 through 35. Each panel is lettered either A, B, C, D or E.

Party lottery—A State lottery or lottery of a political subdivision or entity which has joined the MUSL and, in the context of the Powerball Group Rules, which has joined in selling the Powerball game.

Powerball bet slip—A card having five game panels labeled A through E, used by a player to select numbers to play the game.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 35, appearing in the lower grid of a Powerball game panel.

Promotion—A method used by the Lottery to aid in the sale of its products; for example, an option a player may exercise by purchase to increase the prize paid on a winning ticket or to increase the chance of winning a prize.

Quick pick—The random selection by the Lottery's computer system of five numbers from 1 through 59 and a Powerball number from 1 through 35 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 35, appearing in the lower grid of a Powerball game panel.

Set prize tiers—All prizes except the grand prize that are advertised to be paid by a single lump-sum payment and, except in instances outlined in this chapter, will be equal to the prize amount established by the MUSL Board for the prize level.

Set prize winnings pool—An amount constituting 18.0244% of gross sales for the current drawing and any monies carried forward from previous draws.

Terminal—A device which is authorized by the Lottery to function in an on-line, interactive mode with the Lottery’s computer system, for the purpose of issuing lottery tickets and entering, receiving and processing lottery transactions, including making purchases, validating tickets and transmitting reports.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 59 and a single selected Powerball number from 1 through 35 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 59, and the Powerball number from 1 through 35, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

Winnings pool—Constitutes 50% of each prize drawing period gross sales. A portion of the pool is contributed to the grand prize winnings pool. The remainder constitutes the set prize winnings pool. Moneys carried forward from previous draws are combined with the pool as directed in the MUSL rules.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.4. Ticket sales retailers.

(a) Powerball game ticket sales may only be made through licensed on-line retailers the Director will appoint and contract with as provided in § 815.42 (relating to ticket sales agents).

(b) The Lottery may terminate sales by a retailer without prior notice to the retailer if the retailer becomes delinquent in payment of proceeds due the Lottery, fails to handle Lottery funds in the prescribed manner, if the retailer breaches the contract or an addendum thereof, this part or procedures established governing the sale of tickets or if the Lottery deems it to be in the best interest of the Commonwealth.

§ 871.5. Ticket price.

A Powerball ticket shall cost \$2 per play. The power play option may be exercised, at the discretion of the player, for an additional \$1 per play.

§ 871.6. Powerball bet slip and ticket characteristics and restrictions.

(a) For each basic play the player shall select, or request quick pick selection by the computer, five numbers and a single Powerball number, in one or more of the game panels on a Powerball bet slip. Powerball bet slips shall be available at no cost to the player. The minimum entry is \$2. For \$2, play one game; for \$4, play two games; for \$6, play three games; for \$8, play four games; for \$10, play

five games. Players are also given the option to select a promotion verbally or on the bet slip at the time of purchase for an additional \$1 for each play. Game panels shall be played in alphabetical order in accordance with the instructions printed on the Powerball bet slip. A Powerball bet slip has no pecuniary or prize value and does not constitute evidence of the purchase of a ticket or the numbers selected.

(b) To purchase a ticket, players shall, in addition to the purchase price, submit a completed Powerball bet slip, or request number selections either by quick pick or manual terminal entry to an on-line retailer to have a ticket issued. To purchase a ticket at a Lottery self-service terminal that dispenses terminal-based Lottery tickets, the player shall designate the drawing date or dates for which the ticket is entered, number selections and may exercise the power play promotion for an additional \$1 per play. The player may use a bet slip or the Quick Pick option at a Lottery self-service terminal that dispenses terminal-based Lottery tickets. The ticket shall contain five selected numbers and a single selected Powerball number for each play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. This ticket shall be the only valid receipt for claiming a prize. The ticket shall only be valid for the drawing date or dates printed on the ticket. Retailers are not permitted to allow the attachment of any remote devices to a lottery terminal to enter plays except as otherwise provided in the MUSL rules.

(c) If Powerball bet slips are unavailable, number selections may be given to an on-line retailer in groups of five number selections and one Powerball number selection per game section for each \$2 wagered as a basic play. The player may exercise the power play promotion for an additional \$1 per play. The retailer shall manually enter the selections into the computer terminal.

(d) A Powerball ticket may not be canceled or voided once printed by the Lottery terminal, even if the ticket is printed in error.

(e) It shall be the sole responsibility of the player to verify the accuracy of the game play or plays and other data printed on the ticket. The placing of plays is done at the player's own risk through the on-line retailer who is acting on behalf of the player in entering the play or plays.

(f) A player may select numbers for up to 26 drawings, specifically the next drawing and the 25 subsequent drawings.

(g) A ticket may not be issued for a drawing after the specified sales cut-off time prior to the drawing, as announced by the Secretary or a designee.

§ 871.7. Time, place and manner of conducting drawing.

(a) *Time of drawing.* A Powerball drawing will be held twice a week or as publicly announced by the Secretary.

(b) *Place of drawing.* A Powerball drawing will be conducted by the MUSL.

(c) *Manner of conducting drawings.* The MUSL will draw at random five numbers from a set of balls numbered 1 through 59 and one Powerball number from a set of balls numbered 1 through 35 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.8. Expected prize payout percentages.

(a) Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	63.9511%
Five first set numbers	Second Prize*	\$1,000,000	19.4038%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	1.5409%
Four first set numbers	Fourth Prize*	\$100	.5239%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	.8167%
Three first set numbers	Sixth Prize*	\$7	1.9437%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	.9909%
One first set number and the Powerball number	Eighth Prize*	\$4	3.6097%
	Ninth Prize*	\$4	7.2194%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(b) Prize money allocated to the grand prize category will be paid on a parimutuel basis, divided equally by the number of plays determined by the MUSL to be the winners of the grand prize.

(c) The number of plays determined by the MUSL to be winners of the second through ninth prize categories will be paid as set cash prizes, except as provided in paragraphs (1) through (4).

(1) Except as otherwise provided in section 871.8(c)(4), if the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 18.0244% of gross sales, the amount needed to fund the set prizes, including Power play prizes, shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$40,000,000 per Powerball drawing.

(2) Except as otherwise provided in section 871.8(c)(4), if the sources set forth in paragraph (1) are depleted and there still are not sufficient funds to pay the set prizes, including Power play prizes, for a particular Powerball drawing, the highest set prize shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining set prizes, the next highest set prize shall become a parimutuel prize. If necessary, and under the same test conditions set forth in the preceding sen-

tence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel.

(3) Except for winning prizes sold by the California Lottery, if all, or any portion of the set prize pool is not awarded in the current Powerball drawing, that portion of the set prize pool shall be carried forward to subsequent Powerball drawings.

(4) By agreement with the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

Cross References

This section cited in 61 Pa. Code § 871.2 (relating to game description and purpose); 61 Pa. Code § 871.10 (relating to funding of guaranteed prizes); 61 Pa. Code § 871.20 (relating to power play promotion); and 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.9. Powerball prize payments.

(a) Individual ticket prize payments will be paid entirely in cash with the exception of the grand prize category.

(b) A grand prize shall be paid by an annuity except that a player may elect to receive the grand prize in a single cash payment provided the cash election is made by the player within 60 days of the date the Lottery determines that a grand prize winning ticket has been sold and that a player is entitled to the prize.

(1) An election to receive the grand prize by annuity or cash made by the player after the player becomes entitled to the prize is final and cannot be revoked, withdrawn or otherwise changed.

(2) Shares of the grand prize shall be determined by dividing the cash available in the grand prize pool equally among all winners of the grand prize. A winner who elected cash payment shall be paid the share in a single cash payment.

(3) The annuitized prize shall be determined by multiplying a winner's share of the grand prize by the MUSL annuity factor.

(c) The MUSL annuity factor is determined by the best total securities price obtained through a competitive bid of qualified, preapproved brokers made after it is determined that the prize is to be paid as an annuity prize or after the expiration of 60 days of the date that the player becomes entitled to the prize.

(d) Neither the MUSL nor the Lottery shall be responsible or liable for changes in the advertised or estimated annuity prize from the time the drawing occurs and the date that the player makes the election regarding method of prize payment.

(e) Annuitized prizes shall be paid in 30 graduated payments, an initial followed by 29 annual graduated payments increasing each year at a rate determined by the MUSL Powerball Product Group. This rate, once determined, will not change over the life of the payments. The 30 payments will equal 100% of the annuitized prize. Prize payments may be rounded down to the nearest \$1,000.

For example;

If the MUSL Powerball Product Group arrived at a 4% rate of increase for a \$30 million annuitized jackpot the payment schedule would be as follows:

<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
1	\$535,000	1.78300991336613%
2	\$556,000	1.85433030990078%
3	\$578,000	1.92850352229681%
4	\$601,000	2.00564366318868%
5	\$626,000	2.08586940971623%
6	\$651,000	2.16930418610488%
7	\$677,000	2.25607635354907%
8	\$704,000	2.34631940769104%
9	\$732,000	2.44017218399868%
10	\$761,000	2.53777907135862%
11	\$792,000	2.63929023421297%
12	\$823,000	2.74486184358149%
13	\$856,000	2.85465631732475%
14	\$891,000	2.96884257001774%
15	\$926,000	3.08759627281845%
16	\$963,000	3.21110012373119%
17	\$1,002,000	3.33954412868043%
18	\$1,042,000	3.47312589382765%
19	\$1,084,000	3.61205092958076%
20	\$1,127,000	3.75653296676399%
21	\$1,172,000	3.90679428543455%
22	\$1,219,000	4.06306605685193%
23	\$1,268,000	4.22558869912601%
24	\$1,319,000	4.39461224709105%
25	\$1,371,000	4.57039673697469%
26	\$1,426,000	4.75321260645368%
27	\$1,483,000	4.94334111071182%
28	\$1,543,000	5.14107475514030%
29	\$1,604,000	5.34671774534591%
30	<u>\$1,668,000</u>	5.56058645515974%
Payment Total	<u>\$30,000,000</u>	

(f) If the individual shares of the cash held to fund an annuity is less than \$250,000, the MUSL Powerball Product Group, in its sole discretion, may elect to pay the winners their share of the cash held in the grand prize pool as a lump sum.

(g) If more than one winning ticket for the grand prize is determined, upon meeting the requirements of §§ 871.12 and 871.13 (relating to ticket validation requirements; and procedures for claiming and payment of Powerball prizes), each is entitled to a prorated payment share of the total grand prize category.

(h) A winning Powerball play is entitled only to the highest prize won by those numbers.

(i) The number of prize categories, the allocation of prize money among the prize categories and the annuity term may be changed at the discretion of the MUSL and the change will be announced by public notice. These changes will only apply prospectively to Powerball drawings as of the date specified in the public notice.

(j) Retailer incentive and marketing promotion programs, including the use of funded free tickets, may be implemented at the discretion of the Secretary. Funds for the programs, if needed, will be drawn from the Lottery fund.

(k) If the grand prize is not won in a drawing, the prize money allocated for the grand prize shall roll over and be added to the grand prize pool for the following drawing.

(l) Prize claims shall be submitted within 1 year of the drawing date.

(m) Annuitized payment of the grand prize or a share of the grand prize maybe 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. Prizes other than the grand prize, which under this chapter may become single-payment, parimutuel prizes, may be rounded down so that prizes can be paid in multiples of whole dollars. Breakage resulting from rounding these prizes shall be carried forward to the prize pool for the next drawing.

Cross References

This section cited in 61 Pa. Code § 871.13 (relating to procedures for claiming and payment of Powerball prizes); and 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.10. Funding of guaranteed prizes.

The MUSL Powerball Product Group may offer guaranteed minimum grand prize amounts or minimum increases in the grand prize amount between drawings or make other changes in the allocation of prize money where the MUSL Powerball Product Group finds that it would be in the best interest of the game. If a minimum grand prize amount or a minimum increase in the grand prize amount between drawings is offered by the Product Group, the grand prize shares shall be determined as follows:

(1) If there are multiple grand prize winners during a single drawing, each selecting the annuitized option prize, then a winner's share of the guaranteed annuitized grand prize shall be determined by dividing the guaranteed annuitized grand prize by the number of winners.

(2) If there are multiple grand prize winners during a single drawing and at least one of the grand prize winners has elected the annuitized option prize, the best bid submitted by the MUSL's preapproved qualified brokers shall determine the cash pool needed to fund the guaranteed annuitized grand prize.

(3) If no winner of the grand prize during a single drawing has elected the annuitized option prize, the amount of cash in the grand prize pool shall be an amount equal to the guaranteed annuitized amount divided by the average annuity factor of the most recent three best quotes provided by the MUSL's preapproved qualified brokers submitting quotes.

(4) Quotes will not be used which are more than 2 weeks old, and if less than three quotes are submitted, the MUSL shall use the average of all quotes submitted.

(5) Changes in the allocation of prize money shall be designed to retain approximately the same prize allocation percentages, over a year's time, as set forth in § 871.8 (relating to expected prize payout percentages). Minimum guaranteed prizes or increases may be waived if the alternate funding mechanism as set forth in § 871.8 becomes necessary.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.11. Ticket responsibility.

(a) A ticket is a bearer document deemed to be owned by the person holding the ticket, except that if a signature is contained on the ticket, the person so named will, for all purposes, be considered the owner of the ticket.

(b) The Commonwealth will not be responsible for lost or stolen tickets.

(c) The purchaser of the ticket has the sole responsibility for checking the accuracy and condition of the data printed on the ticket.

(d) The Commonwealth will not be responsible for tickets redeemed in error.

§ 871.12. Ticket validation requirements.

(a) *Valid tickets.* To be a valid ticket, the following conditions shall be met:

(1) The ticket validation number shall be present in its entirety and shall correspond, using the computer validation file, to the selected numbers printed on the ticket for the date printed on the ticket.

(2) The ticket shall be intact.

(3) The ticket may not be mutilated, altered, reconstituted or tampered with.

(4) The ticket may not be counterfeit or an exact duplicate of a winning ticket.

(5) The ticket shall have been issued by the Lottery through a licensed on-line retailer.

(6) The ticket may not have been stolen.

(7) The ticket shall be validated in accordance with § 871.13 (relating to procedures for claiming and payment of Powerball prizes).

(8) The player-selected or computer-selected numbers on the ticket shall be in individual groups of five first set numbers and one second set number each associated with a single letter, A, B, C, D or E. The numbers and the associated letter shall constitute a single play.

(9) The ticket data shall have been recorded on the Lottery's central computer system prior to the drawing and the ticket data shall match this computer record in every respect.

(10) The player-selected or computer-selected numbers, promotion selection, if applicable, the validation number data and the drawing date of an apparent winning ticket shall appear on the official file of the winning tickets; and a ticket with that exact data may not have been previously paid.

(11) The ticket may not be misregistered, defectively printed or printed or produced in error.

(12) The ticket shall pass other confidential security checks of the Lottery.

(13) By submitting a ticket for validation, the player agrees to abide by this chapter.

(14) There may not be another violation of this part in relation to the ticket.

(b) *Invalid or defective tickets—disputes.* A ticket not passing the validation checks in subsection (a) will be considered invalid and will not be paid.

(1) In cases of doubt, the determination of the Secretary is final and binding. The Secretary may replace an invalid ticket with a ticket of equivalent sale price from a current Lottery game.

(2) If a defective ticket is purchased or if the Secretary determines to adjust an error, the sole and exclusive remedy will be the replacement of the defective or erroneous ticket with a ticket of equivalent sale price from a current Lottery game.

(3) If a ticket is not paid by the Lottery and a dispute occurs as to whether the ticket is a winning ticket, the Lottery may replace the ticket as provided in paragraph (2). This is the sole and exclusive remedy of the holder of the ticket.

Cross References

This section cited in 61 Pa. Code § 871.9 (relating to Powerball prize payments); and 61 Pa. Code § 871.13 (relating to procedures for claiming and payment of Powerball prizes).

§ 871.13. Procedures for claiming and payment of Powerball prizes.

(a) Pennsylvania Powerball prizes shall be claimed only through a licensed on-line Pennsylvania Lottery retailer beginning on the day following the drawing. The Lottery is not authorized to accept claims or pay prizes for Powerball tickets purchased in other jurisdictions.

(b) An on-line retailer is authorized and required to make payment of a prize of \$2,500 or less on an individual Powerball winning ticket, if the ticket is presented within a designated time period as announced by the Secretary and if the retailer has sufficient funds available for payment.

(c) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing combined prizes of \$2,500 or less will be paid by participating on-line retailers as provided in subsection (b), if the ticket validation requirements in § 871.12 (relating to ticket validation requirements) have been met, a proper validation pay ticket has been issued by the retailer's computer terminal and other retailer procedures have been met.

(d) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing combined prizes in excess of \$2,500, with the exception of the grand prize category, shall first validate the apparent winning ticket at the participating Pennsylvania Lottery on-line retailer to receive a validation receipt, complete a claim form and display appropriate

identification and then surrender the winning ticket and the original claim form to the retailer for transmittal to Lottery Headquarters for payment under Chapter 811 (relating to prizes).

(e) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing a grand prize category prize shall present, in person, the apparent winning ticket to the Pennsylvania Lottery Headquarters for validation under Chapter 811.

(f) In the event of the death of a Powerball grand prize winner and upon petition of the estate of the prize winner, the MUSL Powerball Product Group may accelerate payment of all remaining proceeds from the winning ticket to the estate of the winner by transferring to the estate the securities or cash, or both, being held to satisfy the prize requirements, or paying the estate the present value of the remaining payments of the winner's prize. The valuation of the securities and determination of the present value of the accelerated lottery payments shall be at the sole discretion of the MUSL Powerball Group. The payment of a set prize to a person who dies before receiving any or all of a particular prize and to a person under 18 years of age will be paid under §§ 811.16 and 811.27 (relating to prizes payable after death of prize winner; and payment of prizes to persons under 18 years of age).

(g) The Commonwealth will be discharged of liability after payment of prizes as provided in § 811.26 (relating to discharge of State liability upon payment).

(h) The Lottery may delay payment of the prize pending a final determination by the Secretary if a dispute occurs, or it appears likely that a dispute may occur, regarding the prize; if there is any question regarding the identity of the claimant; if there is any question regarding the validity of the ticket presented for payment; or if the claim is subject to any setoff for delinquent debts owed by the claimant under Pennsylvania statute. The Lottery may delay payment of a grand prize pending a claimant election of payment method as provided under § 871.9(b) (relating to Powerball prize payments). The Lottery may delay payment of a grand prize for up to 15 days as permitted by the MUSL rules.

Cross References

This section cited in 61 Pa. Code § 871.9 (relating to Powerball prize payments); and 61 Pa. Code § 871.12 (relating to ticket validation requirements).

§ 871.14. Parimutuel prize pool.

(a) The prize pool for all prize categories shall consist of 50% of each drawing period's sales after the prize reserve accounts are funded to the amounts set by the MUSL Powerball Product Group. Any amount remaining in the prize pool at the end of the game shall be carried forward to a replacement game or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(b) An amount equal to up to 5% of a party lottery's sales shall be deducted from a party lottery's grand prize pool and placed in trust in one or more prize pool accounts and prize reserve accounts until the prize pool accounts and party lottery's share of the prize reserve accounts reaches the amounts designated by the MUSL Powerball Product Group. The MUSL Powerball Product Group has

established the following prize reserve accounts for the Powerball game: the Prize Reserve Account, which is used to guarantee the payment of valid, but unanticipated, Grand Prize claims that may result from a system error or other reason; and the Set Prize Reserve Account, which is used to fund deficiencies in low-tier prize payments, subject to the limitations of these rules. The MUSL Powerball Product Group has established the following prize pool accounts for the Powerball game; the Grand Prize pool, which is used to fund the immediate Grand Prize, the Set-Aside Account, which is used to guarantee payment of the minimum or starting Grand Prize; the Power play pool account, which is described in § 871.20 (relating to power play promotion) of these rules; and the Low-Tier Prize Pool Account, which holds the temporary balances that may result from having fewer than expected winners in the low-tier prize categories. The source of the Low-Tier Prize Pool is the Party Lottery's weekly prize contributions less actual set prize liability. Once the prize pool accounts and the party lottery's share of the prize reserve accounts exceeds the designated amounts, the excess shall become part of the grand prize pool. The MUSL Powerball Product Group, with the approval of the Finance and Audit Committee, may establish a maximum balance for the prize pool accounts and prize reserve accounts. The MUSL Powerball Product Group may determine to expend all or a portion of the funds in the prize pool accounts, except the Grand Prize pool account, and the prize reserve accounts for the purpose of indemnifying the Party Lotteries and Licensee Lotteries in the payment of prizes to be made by the participating lotteries, subject to the approval of the MUSL Board and for the payment of prizes or special prizes in the game, subject to the approval of the MUSL Finance and Audit Committee. The prize reserve shares of a party lottery may be adjusted with refunds to the party lottery from the prize reserve accounts as may be needed to maintain the approved maximum balance and shares of the party lotteries. Any amount remaining in the prize pool accounts or prize reserve accounts 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 members of the MUSL Powerball Product Group in accordance with State law.

(c) If the prize pool for a drawing is not sufficient to fund an announced minimum grand prize, the prize pool will be increased as necessary in accordance with MUSL rules.

§ 871.15. Unclaimed prize money.

Prize money on a winning Powerball play may be retained by the Secretary for payment to the person entitled to it. If within 1 year of the drawing date on the ticket, no claim is made on a winning play, as determined by the Secretary, the right to claim prize money terminates. For set prizes, the prize money will be paid into the State Lottery Fund and used for purposes otherwise provided for by statute. Unclaimed grand prize funds will be distributed among all MUSL Lotteries in proportion to each lottery's sales for the grand prize drawing.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

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§ 871.16. Withholding.

Federal withholding taxes will be withheld by the Lottery for the prize payments in amounts required in accordance with applicable provisions of law.

§ 871.17. Purchase and prize restrictions.

(a) A Powerball ticket may not be purchased in this Commonwealth by, and a prize will not be paid to, an officer or employee of the Pennsylvania Lottery or any of the Lottery's professional services contractors or subcontractors who are involved in the operation of the on-line lottery games system or its associated drawings, or to a spouse, child, brother, sister or parent residing in the same household as these individuals.

(b) In addition to the individuals identified in subsection (a), the following persons are not eligible to purchase a Powerball ticket and are ineligible to be paid a prize for a Powerball ticket:

(1) An employee, officer or director of the MUSL.

(2) A person under contract with the MUSL to conduct a financial or security audit of the MUSL.

(3) An employee, partner, shareholder or owner of an independent accounting firm under contract with the MUSL to observe drawings and site operations.

(4) A relative living in the same household of a person described in paragraph (1), (2) or (3).

(c) Except as provided in subsection (b), the individuals identified in subsection (a) are not prohibited from purchasing a ticket or winning a prize from a MUSL member lottery other than the Pennsylvania Lottery.

(d) A Lottery retailer authorized to sell lottery tickets for on-line games, or an employee of a retailer may not request, demand or accept gratuities or additional compensation from any person, or agent thereof, in exchange for the purchase of Powerball lottery tickets. A retailer authorized to sell lottery tickets for on-line games shall make Powerball lottery tickets available for sale to the public during the hours that sale of Powerball tickets are authorized to be sold and that business is open to the public. A retailer may only sell Powerball lottery tickets on the premises described in the retailer's contract, except as specially authorized in writing by the Director. No transaction, or any part thereof, of Powerball lottery tickets may be made at the general corporate office of a retailer unless that office is open to the public and has contracted with the Lottery as a separate Lottery retailer. A Lottery retailer authorized to sell lottery tickets for on-line games may not enter into any special agreement with a person, group of persons or agent thereof, for the purchase of over \$500 of Powerball lottery tickets for any one drawing. A retailer shall immediately report to the Lottery an attempt made by a person, or group of persons or an agent thereof, to purchase more than 50% of the number combinations for Powerball for any one drawing. A retailer shall obtain the name and address of any person purchasing more than \$5,000 in Powerball lottery tickets for any one drawing and report the information to the Lottery before the sale. A person may not purchase a ticket or combination of tickets and a lottery retailer may not directly or knowingly sell a ticket or combination of tickets to any person which would guarantee the purchaser a grand prize win.

§ 871.18. Governing law.

(a) In purchasing a ticket, the purchaser agrees to comply with and abide by applicable laws, this part, instructions, conditions, final decisions of the Secretary and procedures established by the Director or by the MUSL for the conduct of Powerball.

(b) Decisions made by the Secretary or the MUSL, including the declaration of prizes and the payment thereof or interpretation of this part are final and binding on players and persons making a claim in respect thereof.

§ 871.19. Probability of winning.

The probability of winning is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:175,223,510
Five first set numbers	Second Prize	1:5,153,632.6471
Four first set numbers and the Powerball number	Third Prize	1:648,975.9630
Four first set numbers	Fourth Prize	1:19,087.5283
Three first set numbers and the Powerball number	Fifth Prize	1:12,244.8295
Three first set numbers	Sixth Prize	1:360.1420
Two first set numbers and the Powerball number	Seventh Prize	1:706.4325
One first set number and the Powerball number	Eighth Prize	1:110.8129
The Powerball number	Ninth Prize	1:55.4065

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.20. Power play promotion.

(a) The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option to increase set prizes won as a result of a Powerball drawing. The Powerball grand prize will not be eligible for an increase under the power play promotion. The Secretary will on occasion announce, as a special promotion, higher promotional prize amounts to be won with the power play promotion.

(b) At the time of purchasing a Powerball ticket from an on-line Lottery retailer, a player may choose the power play option for one additional \$1 per play

for each play on the Powerball ticket. If a player chooses the power play promotion feature for any play on a ticket, every play on that ticket must participate in the promotion.

(c) [Reserved.]

(d) Powerball tickets that contain the power play option and one or more plays eligible for Powerball second through ninth category prize identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize identifies in subsection (j) (relating to power play promotion), unless a higher limited promotional prize amount is announced by the Secretary.

(e) The Power play prize pool for power play set prizes shall consist of up to 49.96% of power play sales. The Power play prize pool shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the power play prizes for the current power play drawing and held in the Power Play Pool Account.

(f) An additional 0.04% of power play sales may be collected and placed in the Power Play Pool Account, for the purpose of paying Power Play prizes. Any amount remaining in the power play pool account at the end of the power play promotion shall be returned to all lotteries participating in the account after the end of all claim periods of all selling lotteries, carried forward to a replacement game, or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(g) Except as otherwise provided in subsection (m), if, with respect to a single Powerball drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to the set prizes and carried forward from previous Powerball drawings, if any.

(2) The amount allocated to the Powerball Set-Prize Reserve Account, if available in the account, not to exceed forty million dollars (\$40,000,000) per drawing.

(h) Except as otherwise provided in subsection (m), if the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes, including the power play prizes, for a particular Powerball drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(i) Power play set prizes which become parimutuel may be rounded down so that they can be paid in multiples of whole dollars. Funds remaining after rounding shall be carried forward to the prize pool for the next power play drawing.

(j) Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments. Power play prize levels shall be paid as follows:

<i>Prize Level</i>	<i>Power Play Set Prize Amount</i>
Second Prize	\$2,000,000
Third Prize	\$40,000
Fourth Prize	\$200
Fifth Prize	\$200
Sixth Prize	\$14
Seventh Prize	\$14
Eighth Prize	\$12
Ninth Prize	\$12

(k) When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play prizes for the second through the ninth category prizes shall be reduced as announced by the MUSL Powerball Product Group.

(l) [Reserved].

(m) By agreement with the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts, including the power play prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the pari-mutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.21. Future changes to Powerball.

(a) The MUSL reserves the right to modify the Powerball game in order to address changes in player participation or population of member states. If the MUSL decides to make a change, it will be publicly announced by the Secretary at least 30 days before the change takes effect.

(b) The Secretary will publish notice of the change in the *Pennsylvania Bulletin* and the change will be codified in § 871.22 (relating to changes to Powerball).

Authority

The provisions of this § 871.21 amended under section 303 of the State Lottery Law (72 P.S. § 3761-303).

Source

The provisions of this § 871.21 amended November 8, 2002, effective November 9, 2002, 32 Pa.B. 5516. Immediately preceding text appears at serial page (290163).

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§ 871.22. Changes to Powerball.

Any change to the Powerball regulations, announced by the Secretary by way of a notice published in the *Pennsylvania Bulletin*, will be codified as a new paragraph in this section.

(1) *Changes effective for Powerball tickets sold on or after October 6, 2002:*

(i) *Section 871.2(a) and (b) (relating to game description and purpose); § 871.3 (relating to definitions) definition of “basic play,” “first set numbers,” “panel or game panel,” “quick pick,” “ticket” and “winning numbers;” § 871.7(c) (relating to time, place and manner of conducting drawing).* Powerball is a five out of 53 plus one out of 42 on-line game. The first set of numbers are selected from 1 through 53.

(ii) *Section 871.9(e) (relating to Powerball prize payments).* All annuitized prizes shall be paid in 30 annual payments with the initial payment being made in cash, to be followed by 29 equal annual payments funded by the annuity. The initial payment of an annuitized prize may be made by the Lottery upon validation of the winning ticket.

(iii) *Section 871.15 (relating to unclaimed prize money).* Unclaimed grand prize and new bonus prize funds will be distributed among all MUSL Lotteries in proportion to each lottery’s sales for the grand prize drawing.

(iv) *Section 871.19 (relating to probability of winning).* The probability of winning is a follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:120,526,770
Five first set numbers	Second Prize	1:2,939,677.317073
Four first set numbers and the Powerball number	Third Prize	1:502,194.875000
Four first set numbers	Fourth Prize	1:12,248.655488
Three first set numbers and the Powerball number	Fifth Prize	1:10,684.997340
Three first set numbers	Sixth Prize	1:260.609691
Two first set numbers and the Powerball number	Seventh Prize	1:696.847653
One first set number and the Powerball number	Eighth Prize	1:123.884027
The Powerball number	Ninth Prize	1:70.388652

(v) *Section 871.20(a), (c), (j) and (l) (relating to power play promotion).* A player may purchase the power play option for the chance to multiply set prizes won as a result of the Powerball drawing by a number ranging from

2 to 5. The power play number will be selected from among the following series of numbers: 2, 2, 2, 3, 3, 3, 4, 4, 4, 5, 5, 5, 5, 5 and 5. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
	<i>Prize Amount</i>	<i>5</i>	<i>4</i>	<i>3</i>	<i>2</i>
Second Prize	\$100,000	\$500,000	\$400,000	\$300,000	\$200,000
Third Prize	\$5,000	\$25,000	\$20,000	\$15,000	\$10,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

The odds of various power play numbers being selected in a power play drawing are:

<i>Power Play</i>	<i>Multiplier Odds</i>
2	1:5
3	1:5
4	1:5
5	1:2.5

(2) *Changes effective for Powerball tickets sold on or after August 28, 2005:*

(i) *Section 871.2(a) and (b); § 871.3 definition of “basic play,” “first set numbers,” “panel or game,” “quick pick,” “ticket” and “winning number”;* § 871.7(c). Powerball is a five out of 55 plus one out of 42 on-line game. The first set of numbers are selected from 1 through 55.

(ii) *Section 871.9(e)*. Annuitized prizes shall be paid in 30 graduated payments, an initial followed by 29 annual graduated payments increasing each year at a rate determined by the MUSL Powerball Product Group. This rate, once determined, will not change over the life of the payments. The 30 payments will equal 100% of the annuitized prize. Prize payments may be rounded down to the nearest \$1,000.

For example:

If the MUSL Powerball Product Group arrived at a 4% rate of increase for a \$30 million annuitized jackpot the payment schedule would be as follows:

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<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
1	\$535,000	1.78300991336613%
2	\$556,000	1.85433030990078%
3	\$578,000	1.92850352229681%
4	\$601,000	2.00564366318868%
5	\$626,000	2.08586940971623%
6	\$651,000	2.16930418610488%
7	\$677,000	2.25607635354907%
8	\$704,000	2.34631940769104%
9	\$732,000	2.44017218399868%
10	\$761,000	2.53777907135862%
11	\$792,000	2.63929023421297%
12	\$823,000	2.74486184358149%
13	\$856,000	2.85465631732475%
14	\$891,000	2.96884257001774%
15	\$926,000	3.08759627281845%
16	\$963,000	3.21110012373119%
17	\$1,002,000	3.33954412868043%
18	\$1,042,000	3.47312589382765%
19	\$1,084,000	3.61205092958076%
20	\$1,127,000	3.75653296676399%
21	\$1,172,000	3.90679428543455%
22	\$1,219,000	4.06306605685193%
23	\$1,268,000	4.22558869912601%
24	\$1,319,000	4.39461224709105%
25	\$1,371,000	4.57039673697469%
26	\$1,426,000	4.75321260645368%
27	\$1,483,000	4.94334111071182%
28	\$1,543,000	5.14107475514030%
29	\$1,604,000	5.34671774534591%
30	<u>\$1,668,000</u>	5.56058645515974%
Payment Total	<u>\$30,000,000</u>	

(iii) *Section 871.8(a) (relating to expected prize payout percentages).*
Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	60.5770%
Five first set numbers	Second Prize*	\$200,000	11.2246%

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winings Pool Allocated to Prize Category**</i>
Four first set numbers and the Powerball number	Third Prize*	\$10,000	3.4222%
Four first set numbers	Fourth Prize*	\$100	1.4030%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	1.6768%
Three first set numbers	Sixth Prize*	\$7	4.8126%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	1.8780%
One first set number and the Powerball number	Eighth Prize*	\$4	6.3050%
The Powerball number	Ninth Prize*	\$3	8.7008%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(iv) *Section 871.19.* The probability of winning is as follows:

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winings per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:146,107,962
Five first set numbers	Second Prize	1:3,563,608.8293
Four first set numbers and the Powerball number	Third Prize	1:584,431.8480
Four first set numbers	Fourth Prize	1:14,254.4353
Three first set numbers and the Powerball number	Fifth Prize	1:11,927.1806
Three first set numbers	Sixth Prize	1:290.9068
Two first set numbers and the Powerball number	Seventh Prize	1:745.4488
One first set number and the Powerball number	Eighth Prize	1:126.8849
The Powerball number	Ninth Prize	1:68.9592

(v) *Section 871.20(a), (c), (j) and (l).* A player may purchase the power play option for the chance to multiply set prizes won as a result of the Powerball drawing by a number ranging from 2 to 5. The power play number will be selected from among the following series of numbers: 2, 2, 2, 2, 3, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5 and 5. Except as otherwise provided, power play set

prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

Prize Level	Powerball Set Prize Amount	Power Play Multiplier and Set Prize Amount			
		5	4	3	2
Second Prize	\$200,000	\$1,000,000	\$800,000	\$600,000	\$400,000
Third Prize	\$ 10,000	\$ 50,000	\$ 40,000	\$ 30,000	\$ 20,000
Fourth Prize	\$ 100	\$ 500	\$ 400	\$ 300	\$ 200
Fifth Prize	\$ 100	\$ 500	\$ 400	\$ 300	\$ 200
Sixth Prize	\$ 7	\$ 35	\$ 28	\$ 21	\$ 14
Seventh Prize	\$ 7	\$ 35	\$ 28	\$ 21	\$ 14
Eighth Prize	\$ 4	\$ 20	\$ 16	\$ 12	\$ 8
Ninth Prize	\$ 3	\$ 15	\$ 12	\$ 9	\$ 6

The odds of various power play numbers being selected in a power play drawing are:

Power Play Multiplier	Odds
2	1:4
3	1:4
4	1:4
5	1:4

(3) *Changes effective for Powerball tickets sold on or after January 4, 2009:*

(i) *Section 871.2(a) (relating to game description and purpose).* Powerball is a five out of 59 plus one out of 39 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash basis.

(ii) *Section 871.2(b).* The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 59, and matching the separately drawn Powerball number, or a designated combination thereof, within a single play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted twice a week or as publicly announced by the Secretary.

(iii) *Section 871.3 (relating to definitions).*

Basic play—Each set of six numbers consisting of five numbers from 1 through 59 and the Powerball number on a ticket purchased without the selection of any promotion, representing a single entry for a Powerball drawing and designated by a letter from A to E on a Powerball ticket.

First set numbers—The first group of numbers, from 1 through 59, appearing in the top grid of a Powerball game panel.

Grand prize winnings pool—An amount constituting 32.5288% of gross sales from all participating States for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 59 squares, each numbered 1 through 59 and the lower grids (second set numbers) contain 39 squares, each numbered 1 through 39. Each panel is lettered either A, B, C, D or E, and when used to purchase a ticket, corresponds to the numbers selected and printed on the ticket adjacent to that letter.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 39, appearing in the lower grid of a Powerball game panel.

Quick pick—The random selection by the Lottery's computer system of five numbers from 1 through 59 and a Powerball number from 1 through 39 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 39, appearing in the lower grid of a Powerball game panel.

Set prize winnings pool—An amount constituting 17.4712% of gross sales for the current drawing and any moneys carried forward from previous draws.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 59 and a single selected Powerball number from 1 through 39 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 59, and the Powerball number from 1 through 39, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

Editor's Note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.

(iv) Section 871.7(c) (relating to time, place and manner of conducting drawing). Manner of conducting drawing. The MUSL will draw at random five numbers from a set of balls numbered 1 through 59 and one Powerball number from a set of balls numbered 1 through 39 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

(v) Section 871.8(a) (relating to expected prize payout percentages).
Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	65.0576%
Five first set numbers	Second Prize*	\$200,000	7.7850%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	2.7656%
Four first set numbers	Fourth Prize*	\$100	1.0510%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	1.4658%
Three first set numbers	Sixth Prize*	\$7	3.8990%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	1.7786%
One first set number and the Powerball number	Eighth Prize*	\$4	6.4790%
The Powerball number	Ninth Prize*	\$3	9.7184%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(vi) Section 871.8(c)(1) (relating to expected prize payout percentages).
If the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 17.4712% of gross sales, the amount needed to fund the set prizes shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$25,000,000 per Powerball drawing.

(vii) Section 871.19 (relating to probability of winning). The probability of winning is as follows:

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winnings per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:195,249,054
Five first set numbers	Second Prize	1:5,138,133
Four first set numbers and the Powerball number	Third Prize	1:723,144.6444
Four first set numbers	Fourth Prize	1:19,030.1222
Three first set numbers and the Powerball number	Fifth Prize	1:13,644.2386
Three first set numbers	Sixth Prize	1:359.0589

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winnings per Play</i>
Two first set numbers and the Powerball number	Seventh Prize	1:787.1676
One first set number and the Powerball number	Eighth Prize	1:123.4773
The Powerball number	Ninth Prize	1:61.7386

(viii) *Section 871.20(a) (relating to power play promotion).* The powerplay promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option for the chance to multiply set prizes won as a result of a Powerball drawing by a number ranging from 2 to 5. The Powerball grand prize will not be eligible for multiplication under the power play promotion. The Secretary will on occasion announce, as a special promotion, a multiplier of 10.

(ix) *Section 871.20(c).* At the time of each Powerball drawing, the MUSL shall conduct a power play drawing, with the aid of mechanical drawing equipment or any other selection methodology as authorized by the Secretary, under the supervision of security and an independent auditor which shall result in the selection of the power play number from among the following series of numbers: 2, 2, 2, 2, 3, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5 and 5.

(x) *Section 871.20(d).* Powerball tickets that contain the power play option and one or more plays eligible for Powerball set prizes (but not the grand prize) identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize calculated by multiplying each Powerball set prize by the power play number. The second prize category power play multiplier will be fixed at a minimum of 5.

(xi) *Section 871.20(j).* Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize Amount</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
		<i>5</i>	<i>4</i>	<i>3</i>	<i>2</i>
Second Prize	\$200,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14

<i>Prize Level</i>	<i>Powerball Set</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

(4) *Changes effective for Powerball tickets sold on or after May 28, 2011:*

(i) *Section 871.20(a) (relating to power play promotion).* The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option for the chance to multiply or increase the third through the ninth category set prizes won as a result of a Powerball drawing by a number ranging from 2 to 5. The Powerball grand prize, the second category prize and the Match 5 Bonus prizes will not be eligible for multiplication under the power play promotion. The Secretary will on occasion announce, as a special promotion, multipliers greater than 5 or a greater second category prize amount. The second category prize shall be \$1,000,000 unless a higher promotional dollar amount is announced by the Secretary.

(ii) *Section 871.20(d).* Powerball tickets that contain the power play option and one or more plays eligible for Powerball third through ninth category prizes identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize calculated by multiplying each Powerball third through ninth category prize by the power play number. Powerball tickets that contain the power play option and one or more plays eligible for a Powerball second category prize shall be entitled to a prize of \$1,000,000 unless a higher limited promotional dollar amount is announced by the Secretary.

(iii) *Section 871.20(g).* If, with respect to a single Powerball drawing and associated power play drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to the set prizes and carried forward from previous Powerball drawings and power play drawings, if any.

(2) An amount from the Powerball set prize reserve account, if available, not to exceed \$25,000,000 per drawing.

(iv) *Section 871.20(h).* If the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing and associated power play drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become

a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(v) *Section 871.20(j)*. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments. Power play prizes for the third through the ninth category prizes shall be determined by multiplying the Powerball set prize by the number selected in the power play drawing. The power play prize for the second category prize level shall be paid \$1,000,000. Power play prize levels shall be paid as follows:

Prize Level	<i>Powerball Set</i>				
	<i>Prize Amount</i>	<i>Regardless of Power Play Number Selected:</i>			
Second Prize	\$200,000	\$1,000,000			
			5X	4X	3X 2X
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

(vi) *Section 871.20(k)*. When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play prizes for the third through the ninth category prizes shall be a multiple of the new Powerball set prize amount and the power play prize for the second category prize shall be reduced as announced by the MUSL Powerball Product Group.

(5) *Changes effective for Powerball tickets sold on or after January 15, 2012:*

(i) *Section 871.2(a) (relating to game description and purpose)*. Powerball is a five out of 59 plus one out of 35 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash basis.

(ii) *Section 871.3 (relating to definitions)*.

Grand prize winnings pool—An amount constituting 31.9756% of gross sales from all participating states for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize

tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 59 squares, each numbered 1 through 59 and the lower grids (second set numbers) contain 35 squares, each numbered 1 through 35. Each panel is lettered either A, B, C, D or E.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 35, appearing in the lower grid of a Powerball game panel.

Quick pick—The random selection by the Lottery's computer system of five numbers from 1 through 59 and a Powerball number from 1 through 35 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 35, appearing in the lower grid of a Powerball game panel.

Set prize winnings pool—An amount constituting 18.0244% of gross sales for the current drawing and any monies carried forward from previous draws.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 59 and a single selected Powerball number from 1 through 35 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 59, and the Powerball number from 1 through 35, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

(Editor's Note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.)

(iii) *Section 871.5 (relating to ticket price)*. A Powerball ticket shall cost \$2 per play. The power play option may be exercised, at the discretion of the player, for an additional \$1 per play.

(iv) *Section 871.6(a) (relating to Powerball bet slip and ticket characteristics and restrictions)*. For each basic play the player shall select, or request quick pick selection by the computer, five numbers and a single Powerball number, in one or more of the game panels on a Powerball bet slip. Powerball bet slips shall be available at no cost to the player. The minimum entry is \$2. For \$2, play one game; for \$4, play two games; for \$6, play three games; for \$8, play four games; for \$10, play five games. Players are also given the option to select a promotion verbally or on the bet slip at the time of purchase for an additional \$1 for each play. Game panels shall be played in alphabetical order in accordance with the instructions printed on

the Powerball bet slip. A Powerball bet slip has no pecuniary or prize value and does not constitute evidence of the purchase of a ticket or the numbers selected.

(v) *Section 871.6(b)*. To purchase a ticket, players shall, in addition to the purchase price, submit a completed Powerball bet slip, or request number selections either by quick pick or manual terminal entry to an on-line retailer to have a ticket issued. To purchase a ticket at a Lottery self-service terminal that dispenses terminal-based Lottery tickets, the player shall designate the drawing date or dates for which the ticket is entered, number selections and may exercise the power play promotion for an additional \$1 per play. The player may use a bet slip or the Quick Pick option at a Lottery self-service terminal that dispenses terminal-based Lottery tickets. The ticket shall contain five selected numbers and a single selected Powerball number for each play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. This ticket shall be the only valid receipt for claiming a prize. The ticket shall only be valid for the drawing date or dates printed on the ticket. Retailers are not permitted to allow the attachment of any remote devices to a lottery terminal to enter plays except as otherwise provided in the MUSL rules.

(vi) *Section 871.6(c)*. If Powerball bet slips are unavailable, number selections may be given to an on-line retailer in groups of five number selections and one Powerball number selection per game section for each \$2 wagered as a basic play. The player may exercise the power play promotion for an additional \$1 per play. The retailer shall manually enter the selections into the computer terminal.

(vii) *Section 871.7(b) (relating to time, place and manner of conducting drawing)*. Place of drawing. A Powerball drawing will be conducted in a location selected by the MUSL.

(viii) *Section 871.7(c)*. Manner of conducting drawing. The MUSL will draw at random five numbers from a set of balls numbered 1 through 59 and one Powerball number from a set of balls numbered 1 through 35 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

(ix) *Section 871.8(a) (relating to expected prize payout percentages)*. Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	63.9511%
Five first set numbers	Second Prize*	\$1,000,000	19.4038%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	1.5409%
Four first set numbers	Fourth Prize*	\$100	.5239%

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Three first set numbers and the Powerball number	Fifth Prize*	\$100	.8167%
Three first set numbers	Sixth Prize*	\$7	1.9437%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	.9909%
One first set number and the Powerball number	Eighth Prize*	\$4	3.6097%
The Powerball number	Ninth Prize*	\$4	7.2194%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(x) *Section 871.8(c)(1)*. If the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 18.0244% of gross sales, the amount needed to fund the set prizes shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$40,000,000 per Powerball drawing.

(xi) *Section 871.15 (relating to unclaimed prize money)*. Prize money on a winning Powerball play may be retained by the Secretary for payment to the person entitled to it. If within 1 year of the drawing date on the ticket, no claim is made on a winning play, as determined by the Secretary, the right to claim prize money terminates. For set prizes, the prize money will be paid into the State Lottery Fund and used for purposes otherwise provided for by statute. Unclaimed grand prize funds will be distributed among all MUSL Lotteries in proportion to each lottery's sales for the grand prize drawing.

(xii) *Section 871.19 (relating to probability of winning)*. The probability of winning is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:175,223,510
Five first set numbers	Second Prize	1:5,153,632.6471
Four first set numbers and the Powerball number	Third Prize	1:648,975.9630
Four first set numbers	Fourth Prize	1:19,087.5283
Three first set numbers and the Powerball number	Fifth Prize	1:12,244.8295
Three first set numbers	Sixth Prize	1:360.1420

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Two first set numbers and the Powerball number	Seventh Prize	1:706.4325
One first set number and the Powerball number	Eighth Prize	1:110.8129
The Powerball number	Ninth Prize	1:55.4065

(xiii) *Section 871.20(a) (relating to power play promotion)*. The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option to increase set prizes won as a result of a Powerball drawing. The Powerball grand prize will not be eligible for an increase under the power play promotion. The Secretary will on occasion announce, as a special promotion, higher promotional prize amounts to be won with the power play promotion.

(xiv) *Section 871.20(c)* is deleted in its entirety.

(xv) *Section 871.20(d)*. Powerball tickets that contain the power play option and one or more plays eligible for Powerball second through ninth category prizes identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize identified in § 871.20(j) (relating to power play promotion), unless a higher limited promotional prize amount is announced by the Secretary.

(xvi) *Section 871.20(e)*. The prize pool for power play set prizes shall consist of up to 49.96% of power play sales after Powerball prize reserve accounts are funded to the amounts set by the MUSL. The prize pool percentage allocated to power play set prizes shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the set prizes for the current power play drawing.

(xvii) *Section 871.20(f)*. An additional 0.04% of power play sales may be collected and placed in prize reserve accounts until the prize reserve accounts meet the amounts designated by the MUSL. Any amount remaining in prize reserve accounts at the end of the power play promotion shall be carried forward to a replacement prize reserve account or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(xviii) *Section 871.20(g)*. If, with respect to a single Powerball drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to the set prizes and carried forward from previous Powerball drawings, if any.

(2) An amount from the Powerball set prize reserve account, if available, not to exceed \$40,000,000 per drawing.

(xix) *Section 871.20(h)*. If the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(xx) *Section 871.20(j)*. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments. Power play prize levels shall be paid as follows:

<i>Prize Level</i>	<i>Power Play Set Prize Amount</i>
Second Prize	\$2,000,000
Third Prize	\$40,000
Fourth Prize	\$200
Fifth Prize	\$200
Sixth Prize	\$14
Seventh Prize	\$14
Eighth Prize	\$12
Ninth Prize	\$12

(xxi) *Section 871.20(k)*. When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play prizes for the second through the ninth category prizes shall be reduced as announced by the MUSL Powerball Product Group.

(xxii) Section 871.20(l) is deleted in its entirety.

(xxiii) Section 871.22(1)(vi) (relating to changes to Powerball) is deleted in its entirety.

(Editor's Note: Section 871.23 effectuated the adoption and subsequent deletion referenced in § 871.22(1)(vi) and (5)(xxiii).)

(6) *Changes effective for Powerball tickets sold on or after October 1, 2013:*

(i) *Section 871.3 (relating to definitions).*

Licensee Lottery—A State lottery or lottery of a political subdivision or entity which is not a Party Lottery but has agreed to comply with all applicable MUSL and MUSL Powerball Product Group requirements and has been authorized by the MUSL and by the MUSL Powerball Product Group to sell the Powerball game.

MUSL Finance and Audit Committee—The committee established by the Multi-State Lottery Association which, among other things, establishes the reserve accounts balances.

Editor's note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.

(ii) *Section 871.8(c) (relating to expected prize payout percentages).*

The number of plays determined by the MUSL to be winners of the second through ninth prize categories will be paid as set cash prizes, except as provided in paragraphs (1) through (4).

(1) Except as otherwise provided in section 871.8(c)(4), if the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 18.0244% of gross sales, the amount needed to fund the set prizes, including Power play prizes, shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$40,000,000 per Powerball drawing.

(2) Except as otherwise provided in section 871.8(c)(4), if the sources set forth in paragraph (1) are depleted and there still are not sufficient funds to pay the set prizes, including Power play prizes, for a particular Powerball drawing, the highest set prize shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining set prizes, the next highest set prize shall become a parimutuel prize. If necessary, and under the same test conditions set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel.

(3) Except for winning prizes sold by the California Lottery, if all, or any portion of the set prize pool is not awarded in the current Powerball drawing, that portion of the set prize pool shall be carried forward to subsequent Powerball drawings.

(4) By agreement with the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

(iii) *Section 871.14(b) (relating to pari-mutuel prize pool).* An amount equal to up to 5% of a party lottery's sales shall be deducted from a party lottery's grand prize pool and placed in trust in one or more prize pool accounts and prize reserve accounts until the prize pool accounts and party

lottery's share of the prize reserve accounts reaches the amounts designated by the MUSL Powerball Product Group. The MUSL Powerball Product Group has established the following prize reserve accounts for the Powerball game: the Prize Reserve Account, which is used to guarantee the payment of valid, but unanticipated, Grand Prize claims that may result from a system error or other reason; and the Set Prize Reserve Account, which is used to fund deficiencies in low-tier prize payments, subject to the limitations of these rules. The MUSL Powerball Product Group has established the following prize pool accounts for the Powerball game; the Grand Prize pool, which is used to fund the immediate Grand Prize, the Set-Aside Account, which is used to guarantee payment of the minimum or starting Grand Prize; the Power play pool account, which is described in § 871.20 (relating to power play promotion) of these rules; and the Low-Tier Prize Pool Account, which holds the temporary balances that may result from having fewer than expected winners in the low-tier prize categories. The source of the Low-Tier Prize Pool is the Party Lottery's weekly prize contributions less actual set prize liability. Once the prize pool accounts and the party lottery's share of the prize reserve accounts exceeds the designated amounts, the excess shall become part of the grand prize pool. The MUSL Powerball Product Group, with the approval of the Finance and Audit Committee, may establish a maximum balance for the prize pool accounts and prize reserve accounts. The MUSL Powerball Product Group may determine to expend all or a portion of the funds in the prize pool accounts, except the Grand Prize pool account, and the prize reserve accounts for the purpose of indemnifying the Party Lotteries and Licensee Lotteries in the payment of prizes to be made by the participating lotteries, subject to the approval of the MUSL Board and for the payment of prizes or special prizes in the game, subject to the approval of the MUSL Finance and Audit Committee. The prize reserve shares of a party lottery may be adjusted with refunds to the party lottery from the prize reserve accounts as may be needed to maintain the approved maximum balance and shares of the party lotteries. Any amount remaining in the prize pool accounts or prize reserve accounts 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 members of the MUSL Powerball Product Group in accordance with State law.

(iv) *Section 871.20(e) (relating to power play promotion)*. The Power play prize pool for power play set prizes shall consist of up to 49.96% of power play sales. The Power play prize pool shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the power play prizes for the current power play drawing and held in the Power Play Pool Account.

(v) *Section 871.20(f) (relating to power play promotion)*. An additional 0.04% of power play sales may be collected and placed in the power play pool account, for the purpose of paying Power Play prizes. Any amount remaining in the power play pool account at the end of the power play promotion shall be returned to all lotteries participating in the account after the

end of all claim periods of all selling lotteries, carried forward to a replacement game, or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(vi) *Section 871.20(g) (relating to power play promotion)*. Except as otherwise provided in section 871.20(m), if, with respect to a single Powerball drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to the set prizes and carried forward from previous Powerball drawings, if any.

(2) The amount allocated to the Powerball Set-Prize Reserve Account, if available in the account, not to exceed forty million dollars (\$40,000,000.00) per drawing.

(vii) *Section 871.20(h) (relating to power play promotion)*. Except as otherwise provided in section 871.20(m), if the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes, including the power play prizes, for a particular Powerball drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(viii) *Section 871.20(m) (relating to power play promotion)*. By agreement with the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts, including the power play prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the pari-mutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

Source

The provisions of this § 871.22 amended July 12, 2002, effective October 6, 2002, 32 Pa.B. 3396; amended October 11, 2002, and applies to the ticket sales beginning on Sunday, October 6, 2002, for the Powerball drawing on Wednesday, October 9, 2002, 32 Pa.B. 5144; amended July 22, 2005, effective August 28, 2005, 35 Pa.B. 4151; amended November 28, 2008, effective January 4, 2009, 38 Pa.B. 6571; amended May 27, 2011, effective May 28, 2011, 41 Pa.B. 2787; amended December 16, 2011, these changes will affect ticket sales beginning on Sunday, January 15, 2012, for the Powerball drawing on Wednesday, January 18, 2012, 41 Pa.B. 6945; amended September 27, 2013, these changes will affect ticket sales beginning October 1, 2013, 43 Pa.B. 5776.

Cross References

This section cited in 61 Pa. Code § 871.21 (relating to future changes to Powerball).

§ 871.23. [Reserved].

Source

The provisions of this § 871.23 adopted to effectuate § 871.22(1)(vi), effective October 6, 2022, 32 Pa.B. 3396; deleted under § 871.22(5)(xxiii), effective January 15, 2012, 41 Pa.B. 6945.

Source

The provisions of this Appendix F effectuate the changes to Chapter 871 for tickets sold on or after October 1, 2013.

Appendix G**CHAPTER 871. POWERBALL—Version in effect on January 19, 2014, incorporating changes from January 15, 2012; May 28, 2011; January 4, 2009; August 28, 2005; October 6, 2002; and October 1, 2013**

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871.21.	Future changes to Powerball.
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871.23.	[Reserved].

Authority

The provisions of this Chapter 871 issued under section 303 of the State Lottery Law (72 P.S. § 3761-303), unless otherwise noted.

Source

The provisions of this Chapter 871 adopted June 7, 2002, effective June 8, 2002, 32 Pa.B. 2758, unless otherwise noted.

Cross References

This chapter cited in 61 Pa. Code § 876.2 (relating to definitions).

§ 871.1. Creation.

Under the act and this part, there is created a numbers game, called Powerball, which will commence at the discretion of the Secretary, and will continue until the Secretary publicly announces a suspension or termination date.

§ 871.2. Game description and purpose.

(a) Powerball is a five out of 59 plus one out of 35 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash basis.

(b) The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 59, and matching the separately drawn Powerball number, or a designated combination thereof, within a single

play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted twice a week or as publicly announced by the Secretary.

(c) The object of the game is for a player to select, in a single play on a ticket, five numbers and the Powerball number that match the numbers and the Powerball number drawn for the game in which the ticket is participating. Correctly matching the six winning numbers consisting of the five numbers drawn plus the Powerball number drawn, and meeting other validation criteria, entitles the ticket holder to the grand prize identified in § 871.8 (relating to expected prize payout percentages).

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.3. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Apparent winning ticket—A ticket which has not been validated by the Lottery.

Basic play—Each set of six numbers consisting of five numbers from 1 through 59 and the Powerball number on a ticket purchased without the selection of any promotion, representing a single entry for a Powerball drawing and designated by a letter from A to E on a Powerball ticket.

Cash election—A method of payment that the player selects, within 60 days of the date the Lottery determines the player is entitled to the Powerball grand prize, to receive a parimutuel share of the prize money allocated to the grand prize category as a one-time, lump-sum cash payment rather than as an annuity.

Drawing—The process of selecting winning numbers that determines the winners for each prize category of the game.

First set numbers—The first group of numbers, from 1 through 59, appearing in the top grid of a Powerball game panel.

Grand prize winnings pool—An amount constituting 31.9756% of gross sales from all participating states for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Gross sales—The total amount of sales from all participating states for a particular Powerball game drawing for the purpose of determining the grand prize winnings pool and the set prize winnings pool in that drawing.

Licensee Lottery—A State lottery or lottery of a political subdivision or entity which is not a Party Lottery but has agreed to comply with all applicable

MUSL and MUSL Powerball Product Group requirements and has been authorized by the MUSL and by the MUSL Powerball Product Group to sell the Powerball game.

MUSL—The Multi-State Lottery Association.

MUSL Board—The governing body of the MUSL which is comprised of the chief executive officer of each party lottery.

MUSL Finance and Audit Committee—The committee established by the Multi-State Lottery Association which, among other things, establishes the reserve accounts balances.

MUSL Powerball Product Group—The group of lotteries that have joined together to offer the Powerball lottery game under the terms of the MUSL agreement and MUSL Powerball Product Group rules.

On-line retailer—A person who is properly licensed and authorized by the Lottery to sell Powerball tickets.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 59 squares, each numbered 1 through 59 and the lower grids (second set numbers) contain 35 squares, each numbered 1 through 35. Each panel is lettered either A, B, C, D or E.

Party lottery—A State lottery or lottery of a political subdivision or entity which has joined the MUSL and, in the context of the Powerball Group Rules, which has joined in selling the Powerball game.

Powerball bet slip—A card having five game panels labeled A through E, used by a player to select numbers to play the game.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 35, appearing in the lower grid of a Powerball game panel.

Promotion—A method used by the Lottery to aid in the sale of its products; for example, an option a player may exercise by purchase to increase the prize paid on a winning ticket or to increase the chance of winning a prize.

Quick pick—The random selection by the Lottery's computer system of five numbers from 1 through 59 and a Powerball number from 1 through 35 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 35, appearing in the lower grid of a Powerball game panel.

Set prize tiers—All prizes except the grand prize that are advertised to be paid by a single lump-sum payment and, except in instances outlined in this chapter, will be equal to the prize amount established by the MUSL Board for the prize level.

Set prize winnings pool—An amount constituting 18.0244% of gross sales for the current drawing and any monies carried forward from previous draws.

Terminal—A device which is authorized by the Lottery to function in an on-line, interactive mode with the Lottery's computer system, for the purpose

of issuing lottery tickets and entering, receiving and processing lottery transactions, including making purchases, validating tickets and transmitting reports.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 59 and a single selected Powerball number from 1 through 35 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 59, and the Powerball number from 1 through 35, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

Winnings pool—Constitutes 50% of each prize drawing period gross sales. A portion of the pool is contributed to the grand prize winnings pool. The remainder constitutes the set prize winnings pool. Moneys carried forward from previous draws are combined with the pool as directed in the MUSL rules.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.4. Ticket sales retailers.

(a) Powerball game ticket sales may only be made through licensed on-line retailers the Director will appoint and contract with as provided in § 815.42 (relating to ticket sales agents).

(b) The Lottery may terminate sales by a retailer without prior notice to the retailer if the retailer becomes delinquent in payment of proceeds due the Lottery, fails to handle Lottery funds in the prescribed manner, if the retailer breaches the contract or an addendum thereof, this part or procedures established governing the sale of tickets or if the Lottery deems it to be in the best interest of the Commonwealth.

§ 871.5. Ticket price.

A Powerball ticket shall cost \$2 per play. The power play option may be exercised, at the discretion of the player, for an additional \$1 per play.

§ 871.6. Powerball bet slip and ticket characteristics and restrictions.

(a) For each basic play the player shall select, or request quick pick selection by the computer, five numbers and a single Powerball number, in one or more of the game panels on a Powerball bet slip. Powerball bet slips shall be available at no cost to the player. The minimum entry is \$2. For \$2, play one game; for \$4, play two games; for \$6, play three games; for \$8, play four games; for \$10, play five games. Players are also given the option to select a promotion verbally or on the bet slip at the time of purchase for an additional \$1 for each play. Game pan-

els shall be played in alphabetical order in accordance with the instructions printed on the Powerball bet slip. A Powerball bet slip has no pecuniary or prize value and does not constitute evidence of the purchase of a ticket or the numbers selected.

(b) To purchase a ticket, players shall, in addition to the purchase price, submit a completed Powerball bet slip, or request number selections either by quick pick or manual terminal entry to an on-line retailer to have a ticket issued. To purchase a ticket at a Lottery self-service terminal that dispenses terminal-based Lottery tickets, the player shall designate the drawing date or dates for which the ticket is entered, number selections and may exercise the power play promotion for an additional \$1 per play. The player may use a bet slip or the Quick Pick option at a Lottery self-service terminal that dispenses terminal-based Lottery tickets. The ticket shall contain five selected numbers and a single selected Powerball number for each play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. This ticket shall be the only valid receipt for claiming a prize. The ticket shall only be valid for the drawing date or dates printed on the ticket. Retailers are not permitted to allow the attachment of any remote devices to a lottery terminal to enter plays except as otherwise provided in the MUSL rules.

(c) If Powerball bet slips are unavailable, number selections may be given to an on-line retailer in groups of five number selections and one Powerball number selection per game section for each \$2 wagered as a basic play. The player may exercise the power play promotion for an additional \$1 per play. The retailer shall manually enter the selections into the computer terminal.

(d) A Powerball ticket may not be canceled or voided once printed by the Lottery terminal, even if the ticket is printed in error.

(e) It shall be the sole responsibility of the player to verify the accuracy of the game play or plays and other data printed on the ticket. The placing of plays is done at the player's own risk through the on-line retailer who is acting on behalf of the player in entering the play or plays.

(f) A player may select numbers for up to 26 drawings, specifically the next drawing and the 25 subsequent drawings.

(g) A ticket may not be issued for a drawing after the specified sales cut-off time prior to the drawing, as announced by the Secretary or a designee.

§ 871.7. Time, place and manner of conducting drawing.

(a) *Time of drawing.* A Powerball drawing will be held twice a week or as publicly announced by the Secretary.

(b) *Place of drawing.* A Powerball drawing will be conducted by the MUSL.

(c) *Manner of conducting drawings.* The MUSL will draw at random five numbers from a set of balls numbered 1 through 59 and one Powerball number from a set of balls numbered 1 through 35 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.8. Expected prize payout percentages.

(a) Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	63.9511%
Five first set numbers	Second Prize*	\$1,000,000	19.4038%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	1.5409%
Four first set numbers	Fourth Prize*	\$100	.5239%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	.8167%
Three first set numbers	Sixth Prize*	\$7	1.9437%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	.9909%
One first set number and the Powerball number	Eighth Prize*	\$4	3.6097%
	Ninth Prize*	\$4	7.2194%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(b) Prize money allocated to the grand prize category will be paid on a parimutuel basis, divided equally by the number of plays determined by the MUSL to be the winners of the grand prize.

(c) The number of plays determined by the MUSL to be winners of the second through ninth prize categories will be paid as set cash prizes, except as provided in paragraphs (1) through (4).

(1) Except as otherwise provided in section 871.8(c)(4), if the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 18.0244% of gross sales, the amount needed to fund the set prizes, including Power play prizes, shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$40,000,000 per Powerball drawing.

(2) Except as otherwise provided in section 871.8(c)(4), if the sources set forth in paragraph (1) are depleted and there still are not sufficient funds to pay the set prizes, including Power play prizes, for a particular Powerball drawing, the highest set prize shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining set prizes, the next highest set prize shall become a parimutuel prize. If necessary, and under the same test conditions set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel.

(3) Except for winning prizes sold by the California Lottery, if all, or any portion of the set prize pool is not awarded in the current Powerball drawing, that portion of the set prize pool shall be carried forward to subsequent Powerball drawings.

(4) By agreement between Party Lotteries and the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

Cross References

This section cited in 61 Pa. Code § 871.2 (relating to game description and purpose); 61 Pa. Code § 871.10 (relating to funding of guaranteed prizes); 61 Pa. Code § 871.20 (relating to power play promotion); and 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.9. Powerball prize payments.

(a) Individual ticket prize payments will be paid entirely in cash with the exception of the grand prize category.

(b) A grand prize shall be paid by an annuity except that a player may elect to receive the grand prize in a single cash payment provided the cash election is made by the player within 60 days of the date the Lottery determines that a grand prize winning ticket has been sold and that a player is entitled to the prize.

(1) An election to receive the grand prize by annuity or cash made by the player after the player becomes entitled to the prize is final and cannot be revoked, withdrawn or otherwise changed.

(2) Shares of the grand prize shall be determined by dividing the cash available in the grand prize pool equally among all winners of the grand prize. A winner who elected cash payment shall be paid the share in a single cash payment.

(3) The annuitized prize shall be determined by multiplying a winner's share of the grand prize by the MUSL annuity factor.

(c) The MUSL annuity factor is determined by the best total securities price obtained through a competitive bid of qualified, preapproved brokers made after it is determined that the prize is to be paid as an annuity prize or after the expiration of 60 days of the date that the player becomes entitled to the prize.

(d) Neither the MUSL nor the Lottery shall be responsible or liable for changes in the advertised or estimated annuity prize from the time the drawing occurs and the date that the player makes the election regarding method of prize payment.

(e) Annuitized prizes shall be paid in 30 graduated payments, an initial followed by 29 annual graduated payments increasing each year at a rate determined by the MUSL Powerball Product Group. This rate, once determined, will not change over the life of the payments. The 30 payments will equal 100% of the annuitized prize. Prize payments may be rounded down to the nearest \$1,000.

For example;

If the MUSL Powerball Product Group arrived at a 4% rate of increase for a \$30 million annuitized jackpot the payment schedule would be as follows:

<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
1	\$535,000	1.78300991336613%
2	\$556,000	1.85433030990078%
3	\$578,000	1.92850352229681%
4	\$601,000	2.00564366318868%
5	\$626,000	2.08586940971623%
6	\$651,000	2.16930418610488%
7	\$677,000	2.25607635354907%
8	\$704,000	2.34631940769104%
9	\$732,000	2.44017218399868%
10	\$761,000	2.53777907135862%
11	\$792,000	2.63929023421297%
12	\$823,000	2.74486184358149%
13	\$856,000	2.85465631732475%
14	\$891,000	2.96884257001774%
15	\$926,000	3.08759627281845%
16	\$963,000	3.21110012373119%
17	\$1,002,000	3.33954412868043%
18	\$1,042,000	3.47312589382765%
19	\$1,084,000	3.61205092958076%
20	\$1,127,000	3.75653296676399%
21	\$1,172,000	3.90679428543455%
22	\$1,219,000	4.06306605685193%
23	\$1,268,000	4.22558869912601%
24	\$1,319,000	4.39461224709105%
25	\$1,371,000	4.57039673697469%
26	\$1,426,000	4.75321260645368%
27	\$1,483,000	4.94334111071182%
28	\$1,543,000	5.14107475514030%
29	\$1,604,000	5.34671774534591%
30	<u>\$1,668,000</u>	5.56058645515974%
Payment Total	<u>\$30,000,000</u>	

(f) If the individual shares of the cash held to fund an annuity is less than \$250,000, the MUSL Powerball Product Group, in its sole discretion, may elect to pay the winners their share of the cash held in the grand prize pool as a lump sum.

(g) If more than one winning ticket for the grand prize is determined, upon meeting the requirements of §§ 871.12 and 871.13 (relating to ticket validation requirements; and procedures for claiming and payment of Powerball prizes), each is entitled to a prorated payment share of the total grand prize category.

(h) A winning Powerball play is entitled only to the highest prize won by those numbers.

(i) The number of prize categories, the allocation of prize money among the prize categories and the annuity term may be changed at the discretion of the MUSL and the change will be announced by public notice. These changes will only apply prospectively to Powerball drawings as of the date specified in the public notice.

(j) Retailer incentive and marketing promotion programs, including the use of funded free tickets, may be implemented at the discretion of the Secretary. Funds for the programs, if needed, will be drawn from the Lottery fund.

(k) If the grand prize is not won in a drawing, the prize money allocated for the grand prize shall roll over and be added to the grand prize pool for the following drawing.

(l) Prize claims shall be submitted within 1 year of the drawing date.

(m) Annuitized payment of the grand prize or a share of the grand prize may be rounded to facilitate the purchase of an appropriate funding mechanism. Breakage on an annuitized grand prize win shall be added to the first cash payment to the winner or winners. Prizes other than the grand prize, which under this chapter may become single-payment, parimutuel prizes, may be rounded down so that prizes can be paid in multiples of whole dollars. Breakage resulting from rounding these prizes shall be carried forward to the prize pool for the next drawing.

(n) The Pennsylvania Lottery may conduct promotional drawings associated with the Powerball game. Powerball game tickets will be imprinted with a unique code to be used by players to enter the promotional drawings. The promotional drawings may be held independently of or in conjunction with the regular Powerball drawings. The Secretary will announce the existence of the promotional drawings. Winners of promotional drawings will be randomly selected from the group of qualified entries. A description of the available prize(s) and the specific rules and other information necessary for the conduct of the promotional drawings will be posted to the Lottery's publicly accessible website. A copy of the same will also be kept on file with the Lottery and will be available upon request.

Cross References

This section cited in 61 Pa. Code § 871.13 (relating to procedures for claiming and payment of Powerball prizes); and 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.10. Funding of guaranteed prizes.

The MUSL Powerball Product Group may offer guaranteed minimum grand prize amounts or minimum increases in the grand prize amount between drawings or make other changes in the allocation of prize money where the MUSL Powerball Product Group finds that it would be in the best interest of the game. If a

minimum grand prize amount or a minimum increase in the grand prize amount between drawings is offered by the Product Group, the grand prize shares shall be determined as follows:

(1) If there are multiple grand prize winners during a single drawing, each selecting the annuitized option prize, then a winner's share of the guaranteed annuitized grand prize shall be determined by dividing the guaranteed annuitized grand prize by the number of winners.

(2) If there are multiple grand prize winners during a single drawing and at least one of the grand prize winners has elected the annuitized option prize, the best bid submitted by the MUSL's preapproved qualified brokers shall determine the cash pool needed to fund the guaranteed annuitized grand prize.

(3) If no winner of the grand prize during a single drawing has elected the annuitized option prize, the amount of cash in the grand prize pool shall be an amount equal to the guaranteed annuitized amount divided by the average annuity factor of the most recent three best quotes provided by the MUSL's preapproved qualified brokers submitting quotes.

(4) Quotes will not be used which are more than 2 weeks old, and if less than three quotes are submitted, the MUSL shall use the average of all quotes submitted.

(5) Changes in the allocation of prize money shall be designed to retain approximately the same prize allocation percentages, over a year's time, as set forth in § 871.8 (relating to expected prize payout percentages). Minimum guaranteed prizes or increases may be waived if the alternate funding mechanism as set forth in § 871.8 becomes necessary.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.11. Ticket responsibility.

(a) A ticket is a bearer document deemed to be owned by the person holding the ticket, except that if a signature is contained on the ticket, the person so named will, for all purposes, be considered the owner of the ticket.

(b) The Commonwealth will not be responsible for lost or stolen tickets.

(c) The purchaser of the ticket has the sole responsibility for checking the accuracy and condition of the data printed on the ticket.

(d) The Commonwealth will not be responsible for tickets redeemed in error.

§ 871.12. Ticket validation requirements.

(a) *Valid tickets.* To be a valid ticket, the following conditions shall be met:

(1) The ticket validation number shall be present in its entirety and shall correspond, using the computer validation file, to the selected numbers printed on the ticket for the date printed on the ticket.

(2) The ticket shall be intact.

(3) The ticket may not be mutilated, altered, reconstituted or tampered with.

(4) The ticket may not be counterfeit or an exact duplicate of a winning ticket.

(5) The ticket shall have been issued by the Lottery through a licensed on-line retailer.

(6) The ticket may not have been stolen.

(7) The ticket shall be validated in accordance with § 871.13 (relating to procedures for claiming and payment of Powerball prizes).

(8) The player-selected or computer-selected numbers on the ticket shall be in individual groups of five first set numbers and one second set number each associated with a single letter, A, B, C, D or E. The numbers and the associated letter shall constitute a single play.

(9) The ticket data shall have been recorded on the Lottery's central computer system prior to the drawing and the ticket data shall match this computer record in every respect.

(10) The player-selected or computer-selected numbers, promotion selection, if applicable, the validation number data and the drawing date of an apparent winning ticket shall appear on the official file of the winning tickets; and a ticket with that exact data may not have been previously paid.

(11) The ticket may not be misregistered, defectively printed or printed or produced in error.

(12) The ticket shall pass other confidential security checks of the Lottery.

(13) By submitting a ticket for validation, the player agrees to abide by this chapter.

(14) There may not be another violation of this part in relation to the ticket.

(b) *Invalid or defective tickets—disputes.* A ticket not passing the validation checks in subsection (a) will be considered invalid and will not be paid.

(1) In cases of doubt, the determination of the Secretary is final and binding. The Secretary may replace an invalid ticket with a ticket of equivalent sale price from a current Lottery game.

(2) If a defective ticket is purchased or if the Secretary determines to adjust an error, the sole and exclusive remedy will be the replacement of the defective or erroneous ticket with a ticket of equivalent sale price from a current Lottery game.

(3) If a ticket is not paid by the Lottery and a dispute occurs as to whether the ticket is a winning ticket, the Lottery may replace the ticket as provided in paragraph (2). This is the sole and exclusive remedy of the holder of the ticket.

Cross References

This section cited in 61 Pa. Code § 871.9 (relating to Powerball prize payments); and 61 Pa. Code § 871.13 (relating to procedures for claiming and payment of Powerball prizes).

§ 871.13. Procedures for claiming and payment of Powerball prizes.

(a) Pennsylvania Powerball prizes shall be claimed only through a licensed on-line Pennsylvania Lottery retailer beginning on the day following the drawing. The Lottery is not authorized to accept claims or pay prizes for Powerball tickets purchased in other jurisdictions.

(b) An on-line retailer is authorized and required to make payment of a prize of \$2,500 or less on an individual Powerball winning ticket, if the ticket is pre-

sented within a designated time period as announced by the Secretary and if the retailer has sufficient funds available for payment.

(c) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing combined prizes of \$2,500 or less will be paid by participating on-line retailers as provided in subsection (b), if the ticket validation requirements in § 871.12 (relating to ticket validation requirements) have been met, a proper validation pay ticket has been issued by the retailer's computer terminal and other retailer procedures have been met.

(d) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing combined prizes in excess of \$2,500, with the exception of the grand prize category, shall first validate the apparent winning ticket at the participating Pennsylvania Lottery on-line retailer to receive a validation receipt, complete a claim form and display appropriate identification and then surrender the winning ticket and the original claim form to the retailer for transmittal to Lottery Headquarters for payment under Chapter 811 (relating to prizes).

(e) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing a grand prize category prize shall present, in person, the apparent winning ticket to the Pennsylvania Lottery Headquarters for validation under Chapter 811.

(f) In the event of the death of a Powerball grand prize winner and upon petition of the estate of the prize winner, the MUSL Powerball Product Group may accelerate payment of all remaining proceeds from the winning ticket to the estate of the winner by transferring to the estate the securities or cash, or both, being held to satisfy the prize requirements, or paying the estate the present value of the remaining payments of the winner's prize. The valuation of the securities and determination of the present value of the accelerated lottery payments shall be at the sole discretion of the MUSL Powerball Group. The payment of a set prize to a person who dies before receiving any or all of a particular prize and to a person under 18 years of age will be paid under §§ 811.16 and 811.27 (relating to prizes payable after death of prize winner; and payment of prizes to persons under 18 years of age).

(g) The Commonwealth will be discharged of liability after payment of prizes as provided in § 811.26 (relating to discharge of State liability upon payment).

(h) The Lottery may delay payment of the prize pending a final determination by the Secretary if a dispute occurs, or it appears likely that a dispute may occur, regarding the prize; if there is any question regarding the identity of the claimant; if there is any question regarding the validity of the ticket presented for payment; or if the claim is subject to any setoff for delinquent debts owed by the claimant under Pennsylvania statute. The Lottery may delay payment of a grand prize pending a claimant election of payment method as provided under § 871.9(b) (relating to Powerball prize payments). The Lottery may delay payment of a grand prize for up to 15 days as permitted by the MUSL rules.

Cross References

This section cited in 61 Pa. Code § 871.9 (relating to Powerball prize payments); and 61 Pa. Code § 871.12 (relating to ticket validation requirements).

§ 871.14. Parimutuel prize pool.

(a) The prize pool for all prize categories shall consist of 50% of each drawing period's sales after the prize reserve accounts are funded to the amounts set by the MUSL Powerball Product Group. Any amount remaining in the prize pool at the end of the game shall be carried forward to a replacement game or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(b) An amount equal to up to 5% of a party lottery's sales shall be deducted from a party lottery's grand prize pool and placed in trust in one or more prize pool accounts and prize reserve accounts until the prize pool accounts and party lottery's share of the prize reserve accounts reaches the amounts designated by the MUSL Powerball Product Group. The MUSL Powerball Product Group has established the following prize reserve accounts for the Powerball game: the Prize Reserve Account, which is used to guarantee the payment of valid, but unanticipated, Grand Prize claims that may result from a system error or other reason; and the Set Prize Reserve Account, which is used to fund deficiencies in low-tier prize payments, subject to the limitations of these rules. The MUSL Powerball Product Group has established the following prize pool accounts for the Powerball game; the Grand Prize pool, which is used to fund the immediate Grand Prize, the Set-Aside Account, which is used to guarantee payment of the minimum or starting Grand Prize; the Power play pool account, which is described in § 871.20 (relating to power play promotion) of these rules; and the Low-Tier Prize Pool Account, which holds the temporary balances that may result from having fewer than expected winners in the low-tier prize categories. The source of the Low-Tier Prize Pool is the Party Lottery's weekly prize contributions less actual set prize liability. Once the prize pool accounts and the party lottery's share of the prize reserve accounts exceeds the designated amounts, the excess shall become part of the grand prize pool. The MUSL Powerball Product Group, with the approval of the Finance and Audit Committee, may establish a maximum balance for the prize pool accounts and prize reserve accounts. The MUSL Powerball Product Group may determine to expend all or a portion of the funds in the prize pool accounts, except the Grand Prize pool account, and the prize reserve accounts for the purpose of indemnifying the Party Lotteries and Licensee Lotteries in the payment of prizes to be made by the participating lotteries, subject to the approval of the MUSL Board and for the payment of prizes or special prizes in the game, subject to the approval of the MUSL Finance and Audit Committee. The prize reserve shares of a party lottery may be adjusted with refunds to the party lottery from the prize reserve accounts as may be needed to maintain the approved maximum balance and shares of the party lotteries. Any amount remaining in the prize pool accounts or prize reserve accounts 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 members of the MUSL Powerball Product Group in accordance with State law.

(c) If the prize pool for a drawing is not sufficient to fund an announced minimum grand prize, the prize pool will be increased as necessary in accordance with MUSL rules.

§ 871.15. Unclaimed prize money.

Prize money on a winning Powerball play may be retained by the Secretary for payment to the person entitled to it. If within 1 year of the drawing date on the ticket, no claim is made on a winning play, as determined by the Secretary, the right to claim prize money terminates. For set prizes, the prize money will be paid into the State Lottery Fund and used for purposes otherwise provided for by statute. Unclaimed grand prize funds will be distributed among all MUSL Lotteries in proportion to each lottery's sales for the grand prize drawing.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.16. Withholding.

Federal withholding taxes will be withheld by the Lottery for the prize payments in amounts required in accordance with applicable provisions of law.

§ 871.17. Purchase and prize restrictions.

(a) A Powerball ticket may not be purchased in this Commonwealth by, and a prize will not be paid to, an officer or employee of the Pennsylvania Lottery or any of the Lottery's professional services contractors or subcontractors who are involved in the operation of the on-line lottery games system or its associated drawings, or to a spouse, child, brother, sister or parent residing in the same household as these individuals.

(b) In addition to the individuals identified in subsection (a), the following persons are not eligible to purchase a Powerball ticket and are ineligible to be paid a prize for a Powerball ticket:

- (1) An employee, officer or director of the MUSL.
- (2) A person under contract with the MUSL to conduct a financial or security audit of the MUSL.
- (3) An employee, partner, shareholder or owner of an independent accounting firm under contract with the MUSL to observe drawings and site operations.
- (4) A relative living in the same household of a person described in paragraph (1), (2) or (3).

(c) Except as provided in subsection (b), the individuals identified in subsection (a) are not prohibited from purchasing a ticket or winning a prize from a MUSL member lottery other than the Pennsylvania Lottery.

(d) A Lottery retailer authorized to sell lottery tickets for on-line games, or an employee of a retailer may not request, demand or accept gratuities or additional compensation from any person, or agent thereof, in exchange for the purchase of Powerball lottery tickets. A retailer authorized to sell lottery tickets for on-line games shall make Powerball lottery tickets available for sale to the public during the hours that sale of Powerball tickets are authorized to be sold and that business is open to the public. A retailer may only sell Powerball lottery tickets

on the premises described in the retailer's contract, except as specially authorized in writing by the Director. No transaction, or any part thereof, of Powerball lottery tickets may be made at the general corporate office of a retailer unless that office is open to the public and has contracted with the Lottery as a separate Lottery retailer. A Lottery retailer authorized to sell lottery tickets for on-line games may not enter into any special agreement with a person, group of persons or agent thereof, for the purchase of over \$500 of Powerball lottery tickets for any one drawing. A retailer shall immediately report to the Lottery an attempt made by a person, or group of persons or an agent thereof, to purchase more than 50% of the number combinations for Powerball for any one drawing. A retailer shall obtain the name and address of any person purchasing more than \$5,000 in Powerball lottery tickets for any one drawing and report the information to the Lottery before the sale. A person may not purchase a ticket or combination of tickets and a lottery retailer may not directly or knowingly sell a ticket or combination of tickets to any person which would guarantee the purchaser a grand prize win.

§ 871.18. Governing law.

(a) In purchasing a ticket, the purchaser agrees to comply with and abide by applicable laws, this part, instructions, conditions, final decisions of the Secretary and procedures established by the Director or by the MUSL for the conduct of Powerball.

(b) Decisions made by the Secretary or the MUSL, including the declaration of prizes and the payment thereof or interpretation of this part are final and binding on players and persons making a claim in respect thereof.

§ 871.19. Probability of winning.

The probability of winning is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:175,223,510
Five first set numbers	Second Prize	1:5,153,632.6471
Four first set numbers and the Powerball number	Third Prize	1:648,975.9630
Four first set numbers	Fourth Prize	1:19,087.5283
Three first set numbers and the Powerball number	Fifth Prize	1:12,244.8295
Three first set numbers	Sixth Prize	1:360.1420
Two first set numbers and the Powerball number	Seventh Prize	1:706.4325
One first set number and the Powerball number	Eighth Prize	1:110.8129

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<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
The Powerball number	Ninth Prize	1:55.4065

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.20. Power play promotion.

(a) The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option to increase set prizes won as a result of a Powerball drawing. The Powerball grand prize will not be eligible for an increase under the power play promotion. The Secretary will on occasion announce, as a special promotion, higher promotional prize amounts to be won with the power play promotion.

(b) At the time of purchasing a Powerball ticket from an on-line Lottery retailer, a player may choose the power play option for one additional \$1 per play for each play on the Powerball ticket. If a player chooses the power play promotion feature for any play on a ticket, every play on that ticket must participate in the promotion.

(c) The MUSL shall conduct a power play drawing and will announce results during each of the regular Powerball drawings held during the power play promotion. During each power play drawing a single number (2, 3, 4 or 5) shall be randomly drawn.

(d) Powerball tickets that contain the power play option and one or more plays eligible for Powerball second through ninth category prize identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize identifies in subsection (j) (relating to power play promotion), unless a higher limited promotional prize amount is announced by the Secretary.

(e) The power play prize pool for power play set prizes shall consist of up to 49.36% of power play sales. The power play prize pool shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the power play prizes for the current power play drawing and held in the Power Play Pool Account.

(f) An additional 0.64% of power play sales may be collected and placed in the power play pool account, for the purpose of paying power play prizes. Any amount remaining in the power play pool account at the end of the power play promotion shall be returned to all lotteries participating in the account after the end of all claim periods of all selling lotteries, carried forward to a replacement game, or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(g) Except as otherwise provided in subsection (m), if, with respect to a single Powerball drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to the set prizes and carried forward from previous Powerball drawings, if any.

(2) The amount allocated to the Powerball Set-Prize Reserve Account, if available in the account, not to exceed forty million dollars (\$40,000,000) per drawing.

(h) Except as otherwise provided in subsection (m), if the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes, including the power play prizes, for a particular Powerball drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(i) Power play set prizes which become parimutuel may be rounded down so that they can be paid in multiples of whole dollars. Funds remaining after rounding shall be carried forward to the prize pool for the next power play drawing.

(j) Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

Prize Level	<i>Powerball Set</i>				
	<i>Prize Amount</i>	<i>Regardless of Power Play Number Selected</i>			
Second Prize	\$1,000,000	\$2,000,000			
			5X	4X	3X 2X
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$4	\$20	\$16	\$12	\$8

(k) When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play prizes for the second through the ninth category prizes shall reduced as announced by the MUSL Powerball Product Group.

(l) The odds of the various power play numbers being selected in a power play drawing are:

<i>Power Play Multiplier</i>	<i>Odds</i>
2	1:2
3	1:3.33
4	1:10
5	1:10

(m) By agreement between the Party Lotteries and the Licensees Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts, including the power play prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the pari-mutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.21. Future changes to Powerball.

(a) The MUSL reserves the right to modify the Powerball game in order to address changes in player participation or population of member states. If the MUSL decides to make a change, it will be publicly announced by the Secretary at least 30 days before the change takes effect.

(b) The Secretary will publish notice of the change in the *Pennsylvania Bulletin* and the change will be codified in § 871.22 (relating to changes to Powerball).

Authority

The provisions of this § 871.21 amended under section 303 of the State Lottery Law (72 P.S. § 3761-303).

Source

The provisions of this § 871.21 amended November 8, 2002, effective November 9, 2002, 32 Pa.B. 5516. Immediately preceding text appears at serial page (290163).

§ 871.22. Changes to Powerball.

Any change to the Powerball regulations, announced by the Secretary by way of a notice published in the *Pennsylvania Bulletin*, will be codified as a new paragraph in this section.

(1) *Changes effective for Powerball tickets sold on or after October 6, 2002:*

(i) *Section 871.2(a) and (b) (relating to game description and purpose); § 871.3 (relating to definitions) definition of “basic play,” “first set numbers,” “panel or game panel,” “quick pick,” “ticket” and “winning numbers;” § 871.7(c) (relating to time, place and manner of conducting drawing).* Powerball is a five out of 53 plus one out of 42 on-line game. The first set of numbers are selected from 1 through 53.

(ii) *Section 871.9(e) (relating to Powerball prize payments).* All annuitized prizes shall be paid in 30 annual payments with the initial payment being made in cash, to be followed by 29 equal annual payments funded by

the annuity. The initial payment of an annuitized prize may be made by the Lottery upon validation of the winning ticket.

(iii) *Section 871.15 (relating to unclaimed prize money)*. Unclaimed grand prize and new bonus prize funds will be distributed among all MUSL Lotteries in proportion to each lottery’s sales for the grand prize drawing.

(iv) *Section 871.19 (relating to probability of winning)*. The probability of winning is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:120,526,770
Five first set numbers	Second Prize	1:2,939,677.317073
Four first set numbers and the Powerball number	Third Prize	1:502,194.875000
Four first set numbers	Fourth Prize	1:12,248.655488
Three first set numbers and the Powerball number	Fifth Prize	1:10,684.997340
Three first set numbers	Sixth Prize	1:260.609691
Two first set numbers and the Powerball number	Seventh Prize	1:696.847653
One first set number and the Powerball number	Eighth Prize	1:123.884027
The Powerball number	Ninth Prize	1:70.388652

(v) *Section 871.20(a), (c), (j) and (l) (relating to power play promotion)*.

A player may purchase the power play option for the chance to multiply set prizes won as a result of the Powerball drawing by a number ranging from 2 to 5. The power play number will be selected from among the following series of numbers: 2, 2, 2, 3, 3, 3, 4, 4, 4, 5, 5, 5, 5, 5 and 5. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize Amount</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
		<i>5</i>	<i>4</i>	<i>3</i>	<i>2</i>
Second Prize	\$100,000	\$500,000	\$400,000	\$300,000	\$200,000
Third Prize	\$5,000	\$25,000	\$20,000	\$15,000	\$10,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14

Prize Level	Powerball Set	Power Play Multiplier and Set Prize Amount			
	Prize Amount	5	4	3	2
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

The odds of various power play numbers being selected in a power play drawing are:

Power Play	Multiplier Odds
2	1:5
3	1:5
4	1:5
5	1:2.5

(2) *Changes effective for Powerball tickets sold on or after August 28, 2005:*

(i) *Section 871.2(a) and (b); § 871.3 definition of “basic play,” “first set numbers,” “panel or game,” “quick pick,” “ticket” and “winning number”;* § 871.7(c). Powerball is a five out of 55 plus one out of 42 on-line game. The first set of numbers are selected from 1 through 55.

(ii) *Section 871.9(e).* Annuitized prizes shall be paid in 30 graduated payments, an initial followed by 29 annual graduated payments increasing each year at a rate determined by the MUSL Powerball Product Group. This rate, once determined, will not change over the life of the payments. The 30 payments will equal 100% of the annuitized prize. Prize payments may be rounded down to the nearest \$1,000.

For example:

If the MUSL Powerball Product Group arrived at a 4% rate of increase for a \$30 million annuitized jackpot the payment schedule would be as follows:

Payment No.	Graduated Payments	
	(Rounded)	% of Total Annuity Prize
1	\$535,000	1.78300991336613%
2	\$556,000	1.85433030990078%
3	\$578,000	1.92850352229681%
4	\$601,000	2.00564366318868%
5	\$626,000	2.08586940971623%
6	\$651,000	2.16930418610488%
7	\$677,000	2.25607635354907%
8	\$704,000	2.34631940769104%
9	\$732,000	2.44017218399868%
10	\$761,000	2.53777907135862%

<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
11	\$792,000	2.63929023421297%
12	\$823,000	2.74486184358149%
13	\$856,000	2.85465631732475%
14	\$891,000	2.96884257001774%
15	\$926,000	3.08759627281845%
16	\$963,000	3.21110012373119%
17	\$1,002,000	3.33954412868043%
18	\$1,042,000	3.47312589382765%
19	\$1,084,000	3.61205092958076%
20	\$1,127,000	3.75653296676399%
21	\$1,172,000	3.90679428543455%
22	\$1,219,000	4.06306605685193%
23	\$1,268,000	4.22558869912601%
24	\$1,319,000	4.39461224709105%
25	\$1,371,000	4.57039673697469%
26	\$1,426,000	4.75321260645368%
27	\$1,483,000	4.94334111071182%
28	\$1,543,000	5.14107475514030%
29	\$1,604,000	5.34671774534591%
30	\$1,668,000	5.56058645515974%
Payment Total	<u>\$30,000,000</u>	

(iii) Section 871.8(a) (relating to expected prize payout percentages).
Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	60.5770%
Five first set numbers	Second Prize*	\$200,000	11.2246%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	3.4222%
Four first set numbers	Fourth Prize*	\$100	1.4030%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	1.6768%
Three first set numbers	Sixth Prize*	\$7	4.8126%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	1.8780%
One first set number and the Powerball number	Eighth Prize*	\$4	6.3050%
The Powerball number	Ninth Prize*	\$3	8.7008%

* Indicates a set prize.

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
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** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(iv) Section 871.19. The probability of winning is as follows:

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winnings per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:146,107,962
Five first set numbers	Second Prize	1:3,563,608.8293
Four first set numbers and the Powerball number	Third Prize	1:584,431.8480
Four first set numbers	Fourth Prize	1:14,254.4353
Three first set numbers and the Powerball number	Fifth Prize	1:11,927.1806
Three first set numbers	Sixth Prize	1:290.9068
Two first set numbers and the Powerball number	Seventh Prize	1:745.4488
One first set number and the Powerball number	Eighth Prize	1:126.8849
The Powerball number	Ninth Prize	1:68.9592

(v) Section 871.20(a), (c), (j) and (l). A player may purchase the power play option for the chance to multiply set prizes won as a result of the Powerball drawing by a number ranging from 2 to 5. The power play number will be selected from among the following series of numbers: 2, 2, 2, 2, 3, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5 and 5. Except as otherwise provided, power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize Amount</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
		<i>5</i>	<i>4</i>	<i>3</i>	<i>2</i>
Second Prize	\$200,000	\$1,000,000	\$800,000	\$600,000	\$400,000
Third Prize	\$ 10,000	\$ 50,000	\$ 40,000	\$ 30,000	\$ 20,000
Fourth Prize	\$ 100	\$ 500	\$ 400	\$ 300	\$ 200
Fifth Prize	\$ 100	\$ 500	\$ 400	\$ 300	\$ 200
Sixth Prize	\$ 7	\$ 35	\$ 28	\$ 21	\$ 14

	<i>Powerball Set</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
Seventh Prize	\$ 7	\$ 35	\$ 28	\$ 21	\$ 14
Eighth Prize	\$ 4	\$ 20	\$ 16	\$ 12	\$ 8
Ninth Prize	\$ 3	\$ 15	\$ 12	\$ 9	\$ 6

The odds of various power play numbers being selected in a power play drawing are:

<i>Power Play Multiplier</i>	<i>Odds</i>
2	1:4
3	1:4
4	1:4
5	1:4

(3) *Changes effective for Powerball tickets sold on or after January 4, 2009:*

(i) *Section 871.2(a) (relating to game description and purpose).* Powerball is a five out of 59 plus one out of 39 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash basis.

(ii) *Section 871.2(b).* The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 59, and matching the separately drawn Powerball number, or a designated combination thereof, within a single play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted twice a week or as publicly announced by the Secretary.

(iii) *Section 871.3 (relating to definitions).*

Basic play—Each set of six numbers consisting of five numbers from 1 through 59 and the Powerball number on a ticket purchased without the selection of any promotion, representing a single entry for a Powerball drawing and designated by a letter from A to E on a Powerball ticket.

First set numbers—The first group of numbers, from 1 through 59, appearing in the top grid of a Powerball game panel.

Grand prize winnings pool—An amount constituting 32.5288% of gross sales from all participating States for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 59 squares, each numbered 1 through 59 and the lower grids (second set numbers) contain 39 squares, each numbered 1 through 39. Each panel is lettered either A, B, C,

D or E, and when used to purchase a ticket, corresponds to the numbers selected and printed on the ticket adjacent to that letter.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 39, appearing in the lower grid of a Powerball game panel.

Quick pick—The random selection by the Lottery’s computer system of five numbers from 1 through 59 and a Powerball number from 1 through 39 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 39, appearing in the lower grid of a Powerball game panel.

Set prize winnings pool—An amount constituting 17.4712% of gross sales for the current drawing and any moneys carried forward from previous draws.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 59 and a single selected Powerball number from 1 through 39 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 59, and the Powerball number from 1 through 39, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

(Editor’s Note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.)

(iv) *Section 871.7(c) (relating to time, place and manner of conducting drawing).* Manner of conducting drawing. The MUSL will draw at random five numbers from a set of balls numbered 1 through 59 and one Powerball number from a set of balls numbered 1 through 39 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

(v) *Section 871.8(a) (relating to expected prize payout percentages).* Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	65.0576%
Five first set numbers	Second Prize*	\$200,000	7.7850%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	2.7656%
Four first set numbers	Fourth Prize*	\$100	1.0510%

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Three first set numbers and the Powerball number	Fifth Prize*	\$100	1.4658%
Three first set numbers	Sixth Prize*	\$7	3.8990%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	1.7786%
One first set number and the Powerball number	Eighth Prize*	\$4	6.4790%
The Powerball number	Ninth Prize*	\$3	9.7184%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(vi) *Section 871.8(c)(1) (relating to expected prize payout percentages).* If the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 17.4712% of gross sales, the amount needed to fund the set prizes shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$25,000,000 per Powerball drawing.

(vii) *Section 871.19 (relating to probability of winning).* The probability of winning is as follows:

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winnings per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:195,249,054
Five first set numbers	Second Prize	1:5,138,133
Four first set numbers and the Powerball number	Third Prize	1:723,144.6444
Four first set numbers	Fourth Prize	1:19,030.1222
Three first set numbers and the Powerball number	Fifth Prize	1:13,644.2386
Three first set numbers	Sixth Prize	1:359.0589
Two first set numbers and the Powerball number	Seventh Prize	1:787.1676
One first set number and the Powerball number	Eighth Prize	1:123.4773
The Powerball number	Ninth Prize	1:61.7386

(viii) *Section 871.20(a) (relating to power play promotion).* The powerplay promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option for the chance to multiply set prizes won as a result of a Powerball drawing by a number ranging from 2 to 5. The Powerball grand prize will not be eligible for multiplication under the power play promotion. The Secretary will on occasion announce, as a special promotion, a multiplier of 10.

(ix) *Section 871.20(c).* At the time of each Powerball drawing, the MUSL shall conduct a power play drawing, with the aid of mechanical drawing equipment or any other selection methodology as authorized by the Secretary, under the supervision of security and an independent auditor which shall result in the selection of the power play number from among the following series of numbers: 2, 2, 2, 2, 3, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5 and 5.

(x) *Section 871.20(d).* Powerball tickets that contain the power play option and one or more plays eligible for Powerball set prizes (but not the grand prize) identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize calculated by multiplying each Powerball set prize by the power play number. The second prize category power play multiplier will be fixed at a minimum of 5.

(xi) *Section 871.20(j).* Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

Prize Level	Powerball Set Prize Amount	Power Play Multiplier and Set Prize Amount			
		5	4	3	2
Second Prize	\$200,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

(4) *Changes effective for Powerball tickets sold on or after May 28, 2011:*

(i) *Section 871.20(a) (relating to power play promotion).* The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play

option for the chance to multiply or increase the third through the ninth category set prizes won as a result of a Powerball drawing by a number ranging from 2 to 5. The Powerball grand prize, the second category prize and the Match 5 Bonus prizes will not be eligible for multiplication under the power play promotion. The Secretary will on occasion announce, as a special promotion, multipliers greater than 5 or a greater second category prize amount. The second category prize shall be \$1,000,000 unless a higher promotional dollar amount is announced by the Secretary.

(ii) *Section 871.20(d)*. Powerball tickets that contain the power play option and one or more plays eligible for Powerball third through ninth category prizes identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize calculated by multiplying each Powerball third through ninth category prize by the power play number. Powerball tickets that contain the power play option and one or more plays eligible for a Powerball second category prize shall be entitled to a prize of \$1,000,000 unless a higher limited promotional dollar amount is announced by the Secretary.

(iii) *Section 871.20(g)*. If, with respect to a single Powerball drawing and associated power play drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

- (1) The amount allocated to the set prizes and carried forward from previous Powerball drawings and power play drawings, if any.
- (2) An amount from the Powerball set prize reserve account, if available, not to exceed \$25,000,000 per drawing.

(iv) *Section 871.20(h)*. If the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing and associated power play drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(v) *Section 871.20(j)*. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments. Power play prizes for the third through the ninth category prizes shall be determined by multiplying the Powerball set prize by the number selected in the power play drawing.

The power play prize for the second category prize level shall be paid \$1,000,000. Power play prize levels shall be paid as follows:

Prize Level	Powerball Set				
	Prize Amount	Regardless of Power Play Number Selected:			
Second Prize	\$200,000	\$1,000,000			
		5X	4X	3X	2X
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

(vi) *Section 871.20(k)*. When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play prizes for the third through the ninth category prizes shall be a multiple of the new Powerball set prize amount and the power play prize for the second category prize shall be reduced as announced by the MUSL Powerball Product Group.

(5) *Changes effective for Powerball tickets sold on or after January 15, 2012:*

(i) *Section 871.2(a) (relating to game description and purpose)*. Powerball is a five out of 59 plus one out of 35 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash basis.

(ii) *Section 871.3 (relating to definitions)*.

Grand prize winnings pool—An amount constituting 31.9756% of gross sales from all participating states for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 59 squares, each numbered 1 through 59 and the lower grids (second set numbers) contain 35 squares, each numbered 1 through 35. Each panel is lettered either A, B, C, D or E.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 35, appearing in the lower grid of a Powerball game panel.

Quick pick—The random selection by the Lottery's computer system of five numbers from 1 through 59 and a Powerball number from 1 through 35 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 35, appearing in the lower grid of a Powerball game panel.

Set prize winnings pool—An amount constituting 18.0244% of gross sales for the current drawing and any monies carried forward from previous draws.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 59 and a single selected Powerball number from 1 through 35 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 59, and the Powerball number from 1 through 35, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

(Editor's Note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.)

(iii) *Section 871.5 (relating to ticket price).* A Powerball ticket shall cost \$2 per play. The power play option may be exercised, at the discretion of the player, for an additional \$1 per play.

(iv) *Section 871.6(a) (relating to Powerball bet slip and ticket characteristics and restrictions).* For each basic play the player shall select, or request quick pick selection by the computer, five numbers and a single Powerball number, in one or more of the game panels on a Powerball bet slip. Powerball bet slips shall be available at no cost to the player. The minimum entry is \$2. For \$2, play one game; for \$4, play two games; for \$6, play three games; for \$8, play four games; for \$10, play five games. Players are also given the option to select a promotion verbally or on the bet slip at the time of purchase for an additional \$1 for each play. Game panels shall be played in alphabetical order in accordance with the instructions printed on the Powerball bet slip. A Powerball bet slip has no pecuniary or prize value and does not constitute evidence of the purchase of a ticket or the numbers selected.

(v) *Section 871.6(b).* To purchase a ticket, players shall, in addition to the purchase price, submit a completed Powerball bet slip, or request number selections either by quick pick or manual terminal entry to an on-line retailer to have a ticket issued. To purchase a ticket at a Lottery self-service terminal that dispenses terminal-based Lottery tickets, the player shall designate the drawing date or dates for which the ticket is entered, number selec-

tions and may exercise the power play promotion for an additional \$1 per play. The player may use a bet slip or the Quick Pick option at a Lottery self-service terminal that dispenses terminal-based Lottery tickets. The ticket shall contain five selected numbers and a single selected Powerball number for each play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. This ticket shall be the only valid receipt for claiming a prize. The ticket shall only be valid for the drawing date or dates printed on the ticket. Retailers are not permitted to allow the attachment of any remote devices to a lottery terminal to enter plays except as otherwise provided in the MUSL rules.

(vi) *Section 871.6(c)*. If Powerball bet slips are unavailable, number selections may be given to an on-line retailer in groups of five number selections and one Powerball number selection per game section for each \$2 wagered as a basic play. The player may exercise the power play promotion for an additional \$1 per play. The retailer shall manually enter the selections into the computer terminal.

(vii) *Section 871.7(b) (relating to time, place and manner of conducting drawing)*. Place of drawing. A Powerball drawing will be conducted in a location selected by the MUSL.

(viii) *Section 871.7(c)*. Manner of conducting drawing. The MUSL will draw at random five numbers from a set of balls numbered 1 through 59 and one Powerball number from a set of balls numbered 1 through 35 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

(ix) *Section 871.8(a) (relating to expected prize payout percentages)*. Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	63.9511%
Five first set numbers	Second Prize*	\$1,000,000	19.4038%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	1.5409%
Four first set numbers	Fourth Prize*	\$100	.5239%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	.8167%
Three first set numbers	Sixth Prize*	\$7	1.9437%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	.9909%
One first set number and the Powerball number	Eighth Prize*	\$4	3.6097%
The Powerball number	Ninth Prize*	\$4	7.2194%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(x) *Section 871.8(c)(1)*. If the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 18.0244% of gross sales, the amount needed to fund the set prizes shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$40,000,000 per Powerball drawing.

(xi) *Section 871.15 (relating to unclaimed prize money)*. Prize money on a winning Powerball play may be retained by the Secretary for payment to the person entitled to it. If within 1 year of the drawing date on the ticket, no claim is made on a winning play, as determined by the Secretary, the right to claim prize money terminates. For set prizes, the prize money will be paid into the State Lottery Fund and used for purposes otherwise provided for by statute. Unclaimed grand prize funds will be distributed among all MUSL Lotteries in proportion to each lottery's sales for the grand prize drawing.

(xii) *Section 871.19 (relating to probability of winning)*. The probability of winning is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:175,223,510
Five first set numbers	Second Prize	1:5,153,632.6471
Four first set numbers and the Powerball number	Third Prize	1:648,975.9630
Four first set numbers	Fourth Prize	1:19,087.5283
Three first set numbers and the Powerball number	Fifth Prize	1:12,244.8295
Three first set numbers	Sixth Prize	1:360.1420
Two first set numbers and the Powerball number	Seventh Prize	1:706.4325
One first set number and the Powerball number	Eighth Prize	1:110.8129
The Powerball number	Ninth Prize	1:55.4065

(xiii) *Section 871.20(a) (relating to power play promotion)*. The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option to increase set prizes won as a result of a Powerball drawing. The Powerball grand prize will not be eligible for an increase under the power

play promotion. The Secretary will on occasion announce, as a special promotion, higher promotional prize amounts to be won with the power play promotion.

(xiv) Section 871.20(c) is deleted in its entirety.

(xv) *Section 871.20(d)*. Powerball tickets that contain the power play option and one or more plays eligible for Powerball second through ninth category prizes identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize identified in § 871.20(j) (relating to power play promotion), unless a higher limited promotional prize amount is announced by the Secretary.

(xvi) *Section 871.20(e)*. The prize pool for power play set prizes shall consist of up to 49.96% of power play sales after Powerball prize reserve accounts are funded to the amounts set by the MUSL. The prize pool percentage allocated to power play set prizes shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the set prizes for the current power play drawing.

(xvii) *Section 871.20(f)*. An additional 0.04% of power play sales may be collected and placed in prize reserve accounts until the prize reserve accounts meet the amounts designated by the MUSL. Any amount remaining in prize reserve accounts at the end of the power play promotion shall be carried forward to a replacement prize reserve account or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(xviii) *Section 871.20(g)*. If, with respect to a single Powerball drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

- (1) The amount allocated to the set prizes and carried forward from previous Powerball drawings, if any.
- (2) An amount from the Powerball set prize reserve account, if available, not to exceed \$40,000,000 per drawing.

(xix) *Section 871.20(h)*. If the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the

money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(xx) *Section 871.20(j)*. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments. Power play prize levels shall be paid as follows:

<i>Prize Level</i>	<i>Power Play Set Prize Amount</i>
Second Prize	\$2,000,000
Third Prize	\$40,000
Fourth Prize	\$200
Fifth Prize	\$200
Sixth Prize	\$14
Seventh Prize	\$14
Eighth Prize	\$12
Ninth Prize	\$12

(xxi) *Section 871.20(k)*. When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play prizes for the second through the ninth category prizes shall be reduced as announced by the MUSL Powerball Product Group.

(xxii) Section 871.20(l) is deleted in its entirety.

(xxiii) Section 871.22(1)(vi) (relating to changes to Powerball) is deleted in its entirety.

(Editor's Note: Section 871.23 effectuated the adoption and subsequent deletion referenced in § 871.22(1)(vi) and (5)(xxiii).)

(6) *Changes effective for Powerball tickets sold on or after October 1, 2013:*

(i) *Section 871.3 (relating to definitions)*.

Licensee Lottery—A State lottery or lottery of a political subdivision or entity which is not a Party Lottery but has agreed to comply with all applicable MUSL and MUSL Powerball Product Group requirements and has been authorized by the MUSL and by the MUSL Powerball Product Group to sell the Powerball game.

MUSL Finance and Audit Committee—The committee established by the Multi-State Lottery Association which, among other things, establishes the reserve accounts balances.

(Editor's Note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.)

(ii) *Section 871.8(c) (relating to expected prize payout percentages)*.

The number of plays determined by the MUSL to be winners of the second through ninth prize categories will be paid as set cash prizes, except as provided in paragraphs (1) through (4).

(1) Except as otherwise provided in section 871.8(c)(4), if the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool

which is 18.0244% of gross sales, the amount needed to fund the set prizes, including Power play prizes, shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$40,000,000 per Powerball drawing.

(2) Except as otherwise provided in section 871.8(c)(4), if the sources set forth in paragraph (1) are depleted and there still are not sufficient funds to pay the set prizes, including Power play prizes, for a particular Powerball drawing, the highest set prize shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining set prizes, the next highest set prize shall become a parimutuel prize. If necessary, and under the same test conditions set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel.

(3) Except for winning prizes sold by the California Lottery, if all, or any portion of the set prize pool is not awarded in the current Powerball drawing, that portion of the set prize pool shall be carried forward to subsequent Powerball drawings.

(4) By agreement with the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

(iii) *Section 871.14(b) (relating to pari-mutuel prize pool).* An amount equal to up to 5% of a party lottery's sales shall be deducted from a party lottery's grand prize pool and placed in trust in one or more prize pool accounts and prize reserve accounts until the prize pool accounts and party lottery's share of the prize reserve accounts reaches the amounts designated by the MUSL Powerball Product Group. The MUSL Powerball Product Group has established the following prize reserve accounts for the Powerball game: the Prize Reserve Account, which is used to guarantee the payment of valid, but unanticipated, Grand Prize claims that may result from a system error or other reason; and the Set Prize Reserve Account, which is used to fund deficiencies in low-tier prize payments, subject to the limitations of these rules. The MUSL Powerball Product Group has established the following prize pool accounts for the Powerball game; the Grand Prize pool, which is used to fund the immediate Grand Prize, the Set-Aside Account, which is used to guarantee payment of the minimum or starting Grand Prize; the Power play pool account, which is described in § 871.20 (relating to power play promotion) of these rules; and the Low-Tier Prize Pool Account, which holds the temporary balances that may result from having fewer than expected winners in the low-tier prize categories. The source of the Low-Tier Prize Pool is the Party Lottery's weekly prize contributions less actual set

prize liability. Once the prize pool accounts and the party lottery's share of the prize reserve accounts exceeds the designated amounts, the excess shall become part of the grand prize pool. The MUSL Powerball Product Group, with the approval of the Finance and Audit Committee, may establish a maximum balance for the prize pool accounts and prize reserve accounts. The MUSL Powerball Product Group may determine to expend all or a portion of the funds in the prize pool accounts, except the Grand Prize pool account, and the prize reserve accounts for the purpose of indemnifying the Party Lotteries and Licensee Lotteries in the payment of prizes to be made by the participating lotteries, subject to the approval of the MUSL Board and for the payment of prizes or special prizes in the game, subject to the approval of the MUSL Finance and Audit Committee. The prize reserve shares of a party lottery may be adjusted with refunds to the party lottery from the prize reserve accounts as may be needed to maintain the approved maximum balance and shares of the party lotteries. Any amount remaining in the prize pool accounts or prize reserve accounts 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 members of the MUSL Powerball Product Group in accordance with State law.

(iv) *Section 871.20(e) (relating to power play promotion)*. The Power play prize pool for power play set prizes shall consist of up to 49.96% of power play sales. The Power play prize pool shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the power play prizes for the current power play drawing and held in the Power Play Pool Account.

(v) *Section 871.20(f) (relating to power play promotion)*. An additional 0.04% of power play sales may be collected and placed in the power play pool account, for the purpose of paying Power Play prizes. Any amount remaining in the power play pool account at the end of the power play promotion shall be returned to all lotteries participating in the account after the end of all claim periods of all selling lotteries, carried forward to a replacement game, or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(vi) *Section 871.20(g) (relating to power play promotion)*. Except as otherwise provided in section 871.20(m), if, with respect to a single Powerball drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

- (1) The amount allocated to the set prizes and carried forward from previous Powerball drawings, if any.
- (2) The amount allocated to the Powerball Set-Prize Reserve Account, if available in the account, not to exceed forty million dollars (\$40,000,000.00) per drawing.

(vii) *Section 871.20(h) (relating to power play promotion)*. Except as otherwise provided in section 871.20(m), if the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes, including the power play prizes, for a particular Powerball drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(viii) *Section 871.20(m) (relating to power play promotion)*. By agreement with the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts, including the power play prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the pari-mutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

(7) *Changes effective for Powerball tickets sold on or after January 19, 2014:*

(i) *Section 871.8(c)(4) (relating to expected prize payout percentages)*. By agreement between the Party Lotteries and the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

(ii) *Section 871.9(n) (relating to Powerball prize payments)*. The Pennsylvania Lottery may conduct promotional drawings associated with the Powerball game. Powerball game tickets will be imprinted with a unique code to be used by players to enter the promotional drawings. The promotional drawings may be held independently of or in conjunction with the regular Powerball drawings. The Secretary will announce the existence of the promotional drawings. Winners of promotional drawings will be randomly selected from the group of qualified entries. A description of the available prize(s) and the specific rules and other information necessary for the conduct of the promotional drawings will be posted to the Lottery's publicly accessible website. A copy of the same will also be kept on file with the Lottery and will be available upon request.

(iii) *Section 871.20(c) (relating to power play promotion)*. The MUSL shall conduct a power play drawing and will announce results during each of the regular Powerball drawings held during the power play promotion. During each power play drawing a single number (2, 3, 4 or 5) shall be randomly drawn.

(iv) *Section 871.20(e) (relating to power play promotion).* The power play prize pool for power play set prizes shall consist of up to 49.36% of power play sales. The power play prize pool shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the power play prizes for the current power play drawing and held in the Power Play Pool Account.

(v) *Section 871.20(f) (relating to power play promotion).* An additional 0.64% of power play sales may be collected and placed in the power play pool account, for the purpose of paying power play prizes. Any amount remaining in the power play pool account at the end of the power play promotion shall be returned to all lotteries participating in the account after the end of all claim periods of all selling lotteries, carried forward to a replacement game, or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(vi) *Section 871.20(j) (relating to power play promotion).* Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize</i>					
	<i>Amount</i>	<i>Regardless of Power Play Number Selected</i>				
Second Prize	\$1,000,000	\$2,000,000				
			5X	4X	3X	2X
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000	
Fourth Prize	\$100	\$500	\$400	\$300	\$200	
Fifth Prize	\$100	\$500	\$400	\$300	\$200	
Sixth Prize	\$7	\$35	\$28	\$21	\$14	
Seventh Prize	\$7	\$35	\$28	\$21	\$14	
Eighth Prize	\$4	\$20	\$16	\$12	\$8	
Ninth Prize	\$4	\$20	\$16	\$12	\$8	

(vii) *Section 871.20(l) (relating to power play promotion).* The odds of the various power play numbers being selected in a power play drawing are:

<i>Power Play Multiplier</i>	<i>Odds</i>
2	1:2
3	1:3.33
4	1:10
5	1:10

(viii) *Section 871.20(m) (relating to power play promotion).* By agreement between the Party Lotteries and the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts,

including the power play prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

Source

The provisions of this § 871.22 amended July 12, 2002, effective October 6, 2002, 32 Pa.B. 3396; amended October 11, 2002, and applies to the ticket sales beginning on Sunday, October 6, 2002, for the Powerball drawing on Wednesday, October 9, 2002, 32 Pa.B. 5144; amended July 22, 2005, effective August 28, 2005, 35 Pa.B. 4151; amended November 28, 2008, effective January 4, 2009, 38 Pa.B. 6571; amended May 27, 2011, effective May 28, 2011, 41 Pa.B. 2787; amended December 16, 2011, these changes will affect ticket sales beginning on Sunday, January 15, 2012, for the Powerball drawing on Wednesday, January 18, 2012, 41 Pa.B. 6945; amended September 27, 2013, these changes will affect ticket sales beginning October 1, 2013, 43 Pa.B. 5776; amended January 3, 2014, these changes will affect ticket sales beginning January 19, 2014, 44 Pa.B. 138.

Cross References

This section cited in 61 Pa. Code § 871.21 (relating to future changes to Powerball).

§ 871.23. [Reserved].

Source

The provisions of this § 871.23 adopted to effectuate § 871.22(1)(vi), effective October 6, 2022, 32 Pa.B. 3396; deleted under § 871.22(5)(xxiii), effective January 15, 2012, 41 Pa.B. 6945.

Source

The provisions of this Appendix G effectuate the changes to Chapter 871 for tickets sold on or after January 19, 2014.

Appendix H**CHAPTER 871. POWERBALL—Version in effect on October 4, 2015,
incorporating changes from January 19, 2014; October 1, 2013;
January 15, 2012; May 28, 2011; January 4, 2009; August 28, 2005;
and October 6, 2002**

- Sec.
- 871.1. Creation.
 - 871.2. Game description and purpose.
 - 871.3. Definitions.
 - 871.4. Ticket sales retailers.
 - 871.5. Ticket price.
 - 871.6. Powerball bet slip and ticket characteristics and restrictions.
 - 871.7. Time, place and manner of conducting drawing.
 - 871.8. Expected prize payout percentages.
 - 871.9. Powerball prize payments.
 - 871.10. Funding of guaranteed prizes.
 - 871.11. Ticket responsibility.
 - 871.12. Ticket validation requirements.
 - 871.13. Procedures for claiming and payment of Powerball prizes.
 - 871.14. Parimutuel prize pool.
 - 871.15. Unclaimed prize money.
 - 871.16. Withholding.
 - 871.17. Purchase and prize restrictions.
 - 871.18. Governing law.
 - 871.19. Probability of winning.
 - 871.20. Power play promotion.
 - 871.21. Future changes to Powerball.
 - 871.22. Changes to Powerball.
 - 871.23. [Reserved].

Authority

The provisions of this Chapter 871 issued under section 303 of the State Lottery Law (72 P.S. § 3761-303), unless otherwise noted.

Source

The provisions of this Chapter 871 adopted June 7, 2002, effective June 8, 2002, 32 Pa.B. 2758, unless otherwise noted.

Cross References

This chapter cited in 61 Pa. Code § 876.2 (relating to definitions).

§ 871.1. Creation.

Under the act and this part, there is created a numbers game, called Powerball, which will commence at the discretion of the Secretary, and will continue until the Secretary publicly announces a suspension or termination date.

§ 871.2. Game description and purpose.

(a) Powerball is a five out of 69 plus one out of 26 terminal-based lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash, single payment basis.

(b) The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 69, and matching the separately drawn Powerball number, or a designated combination thereof, within a single play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted twice a week or as publicly announced by the Secretary.

(c) The object of the game is for a player to select, in a single play on a ticket, five numbers and the Powerball number that match the numbers and the Powerball number drawn for the game in which the ticket is participating. Correctly matching the six winning numbers consisting of the five numbers drawn plus the Powerball number drawn, and meeting other validation criteria, entitles the ticket holder to the grand prize identified in § 871.8 (relating to expected prize payout percentages).

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.3. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Advertised Grand Prize—The estimated annuitized Grand Prize amount as determined by the MUSL Central Office by use of the MUSL Annuity Factor and communicated through the Selling Lotteries prior to the Grand Prize drawing. The Advertised Grand Prize is not a guaranteed prize amount and the actual Grand Prize may vary from the advertised amount, except in circumstances where there is a guaranteed Grand Prize amount as described in § 871.10 (relating to funding of guaranteed prizes).

Apparent winning ticket—A ticket which has not been validated by the Lottery.

Basic play—Each set of six numbers consisting of five numbers from 1 through 69 and the Powerball number on a ticket purchased without the selection of any promotion, representing a single entry for a Powerball drawing and designated by a letter from A to E on a Powerball ticket.

Cash election—A method of payment that the player selects, within 60 days of the date the Lottery determines the player is entitled to the Powerball grand prize, to receive a parimutuel share of the prize money allocated to the grand prize category as a one-time, lump-sum cash payment rather than as an annuity.

Drawing—The process of selecting winning numbers that determines the winners for each prize category of the game.

First set numbers—The first group of numbers from 1 through 69, appearing in the top grid of a Powerball game panel.

Grand prize winnings pool—An amount constituting 31.9756% of gross sales from all participating states for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize

tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Gross sales—The total amount of sales from all participating states for a particular Powerball game drawing for the purpose of determining the grand prize winnings pool and the set prize winnings pool in that drawing.

Licensee Lottery—A State lottery or lottery of a political subdivision or entity which is not a Party Lottery but has agreed to comply with all applicable MUSL and MUSL Powerball Product Group requirements and has been authorized by the MUSL and by the MUSL Powerball Product Group to sell the Powerball game.

MUSL—The Multi-State Lottery Association.

MUSL Annuity Factor—The annuity factor as determined by the MUSL central office through a method approved by the MUSL Finance and Audit Committee and which is used as described in these rules.

MUSL Board—The governing body of the MUSL which is comprised of the chief executive officer of each party lottery.

MUSL Finance and Audit Committee—The committee established by the Multi-State Lottery Association which, among other things, establishes the reserve accounts balances.

MUSL Powerball Product Group—The group of lotteries that have joined together to offer the Powerball lottery game under the terms of the MUSL agreement and MUSL Powerball Product Group rules.

On-line retailer—A person who is properly licensed and authorized by the Lottery to sell Powerball tickets.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 69 squares, each numbered 1 through 69, and the lower grids (second set numbers) contain 26 squares, each numbered 1 through 26. Each panel is lettered either A, B, C, D or E.

Party lottery—A State lottery or lottery of a political subdivision or entity which has joined the MUSL and, in the context of the Powerball Group Rules, which has joined in selling the Powerball game.

Powerball bet slip—A card having five game panels labeled A through E, used by a player to select numbers to play the game.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 26, appearing in the lower grid of a Powerball game panel.

Promotion—A method used by the Lottery to aid in the sale of its products; for example, an option a player may exercise by purchase to increase the prize paid on a winning ticket or to increase the chance of winning a prize.

Quick pick—The random selection by the Lottery's computer system of five numbers from 1 through 69 and a Powerball number from 1 through 26 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 26, appearing in the lower grid of a Powerball game panel.

Set prize tiers—All prizes except the grand prize that are advertised to be paid by a single lump-sum payment and, except in instances outlined in this chapter, will be equal to the prize amount established by the MUSL Board for the prize level.

Set prize winnings pool—An amount constituting 18.0244% of gross sales for the current drawing and any monies carried forward from previous draws.

Terminal—A device which is authorized by the Lottery to function in an on-line, interactive mode with the Lottery's computer system, for the purpose of issuing lottery tickets and entering, receiving and processing lottery transactions, including making purchases, validating tickets and transmitting reports.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 69 and a single selected Powerball number from 1 through 26 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to ten on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 69, and the Powerball number from 1 through 26, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

Winnings pool—Constitutes 50% of each prize drawing period gross sales. A portion of the pool is contributed to the grand prize winnings pool. The remainder constitutes the set prize winnings pool. Moneys carried forward from previous draws are combined with the pool as directed in the MUSL rules.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.4. Ticket sales retailers.

(a) Powerball game ticket sales may only be made through licensed on-line retailers the Director will appoint and contract with as provided in § 815.42 (relating to ticket sales agents). s1(b)

The Lottery may terminate sales by a retailer without prior notice to the retailer if the retailer becomes delinquent in payment of proceeds due the Lottery, fails to handle Lottery funds in the prescribed manner, if the retailer breaches the contract or an addendum thereof, this part or procedures established governing the sale of tickets or if the Lottery deems it to be in the best interest of the Commonwealth.

§ 871.5. Ticket price.

A Powerball ticket shall cost \$2 per play. The power play option may be exercised, at the discretion of the player, for an additional \$1 per play.

§ 871.6. Powerball bet slip and ticket characteristics and restrictions.

(a) For each basic play the player shall select, or request quick pick selection by the computer, five numbers and a single Powerball number, in one or more of the game panels on a Powerball bet slip. Powerball bet slips shall be available at no cost to the player. The minimum entry is \$2. For \$2, play one game; for \$4, play two games; for \$6, play three games; for \$8, play four games; for \$10, play five games. Players are also given the option to select a promotion verbally or on the bet slip at the time of purchase for an additional \$1 for each play. Game panels shall be played in alphabetical order in accordance with the instructions printed on the Powerball bet slip. A Powerball bet slip has no pecuniary or prize value and does not constitute evidence of the purchase of a ticket or the numbers selected.

(b) To purchase a ticket, players shall, in addition to the purchase price, submit a completed Powerball bet slip, or request number selections either by quick pick or manual terminal entry to an on-line retailer to have a ticket issued. To purchase a ticket at a Lottery self-service terminal that dispenses terminal-based Lottery tickets, the player shall designate the drawing date or dates for which the ticket is entered, number selections and may exercise the power play promotion for an additional \$1 per play. The player may use a bet slip or the Quick Pick option at a Lottery self-service terminal that dispenses terminal-based Lottery tickets. The ticket shall contain five selected numbers and a single selected Powerball number for each play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. This ticket shall be the only valid receipt for claiming a prize. The ticket shall only be valid for the drawing date or dates printed on the ticket. Retailers are not permitted to allow the attachment of any remote devices to a lottery terminal to enter plays except as otherwise provided in the MUSL rules.

(c) If Powerball bet slips are unavailable, number selections may be given to an on-line retailer in groups of five number selections and one Powerball number selection per game section for each \$2 wagered as a basic play. The player may exercise the power play promotion for an additional \$1 per play. The retailer shall manually enter the selections into the computer terminal.

(d) A Powerball ticket may not be canceled or voided once printed by the Lottery terminal, even if the ticket is printed in error.

(e) It shall be the sole responsibility of the player to verify the accuracy of the game play or plays and other data printed on the ticket. The placing of plays is done at the player's own risk through the on-line retailer who is acting on behalf of the player in entering the play or plays.

(f) A player may select numbers for up to 26 drawings, specifically the next drawing and the 25 subsequent drawings.

(g) A ticket may not be issued for a drawing after the specified sales cut-off time prior to the drawing, as announced by the Secretary or a designee.

§ 871.7. Time, place and manner of conducting drawing.

(a) *Time of drawing.* A Powerball drawing will be held twice a week or as publicly announced by the Secretary.

(b) *Place of drawing.* A Powerball drawing will be conducted by the MUSL.

(c) *Manner of conducting drawings.* The MUSL will draw at random five numbers from a set of balls numbered 1 through 69 and one Powerball number from a set of balls numbered 1 through 26 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.8. Expected prize payout percentages.

(a) Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following, in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	68.0131%
Five first set numbers	Second Prize*	\$1,000,000	8.5558%
Four first set numbers and the Powerball number	Third Prize*	\$50,000	5.4757%
Four first set numbers	Fourth Prize*	\$100	.2738%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	.6899%
Three first set numbers	Sixth Prize*	\$7	1.2074%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	.9981%
One first set number and the Powerball number	Eighth Prize*	\$4	4.3489%
None of the first set and the Powerball number	Ninth Prize*	\$4	10.4373%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(b) Prize money allocated to the grand prize category will be paid on a pari-mutuel basis, divided equally by the number of plays determined by the MUSL to be the winners of the grand prize.

(c) The number of plays determined by the MUSL to be winners of the second through ninth prize categories will be paid as set cash prizes, except as provided in paragraphs (1) through (4).

(1) Except as otherwise provided in section 871.8(c)(4), if the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 18.0244% of gross sales, the amount needed to fund the set prizes, including Power play prizes, shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$40,000,000 per Powerball drawing.

(iii) Any other amounts as agreed to by the MUSL Powerball Product Group in their sole discretion.

(2) Except as otherwise provided in section 871.8(c)(4), if the sources set forth in paragraph (1) are depleted and there still are not sufficient funds to pay the set prizes, including Power play prizes, for a particular Powerball drawing, the highest set prize shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining set prizes, the next highest set prize shall become a parimutuel prize. If necessary, and under the same test conditions set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel.

(3) Except for winning prizes sold by the California Lottery, if all, or any portion of the set prize pool is not awarded in the current Powerball drawing, that portion of the set prize pool shall be carried forward to subsequent Powerball drawings.

(4) By agreement between Party Lotteries and the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

Cross References

This section cited in 61 Pa. Code § 871.2 (relating to game description and purpose); 61 Pa. Code § 871.10 (relating to funding of guaranteed prizes); 61 Pa. Code § 871.20 (relating to power play promotion); and 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.9. Powerball prize payments.

(a) Individual ticket prize payments will be paid entirely in cash with the exception of the grand prize category.

(b) A grand prize shall be paid by an annuity except that a player may elect to receive the grand prize in a single cash payment provided the cash election is made by the player within 60 days of the date the Lottery determines that a grand prize winning ticket has been sold and that a player is entitled to the prize.

(1) An election to receive the grand prize by annuity or cash made by the player after the player becomes entitled to the prize is final and cannot be revoked, withdrawn or otherwise changed.

(2) Shares of the grand prize shall be determined by dividing the cash available in the grand prize pool equally among all winners of the grand prize. A winner who elected cash payment shall be paid the share in a single cash payment.

(3) The annuitized prize shall be determined by multiplying a winner's share of the grand prize by the MUSL annuity factor.

(c) The MUSL Annuity Factor is determined through a process as approved by the MUSL Finance and Audit Committee.

(d) Neither the MUSL nor the Lottery shall be responsible or liable for changes in the advertised or estimated annuity prize from the time the drawing occurs and the date that the player makes the election regarding method of prize payment.

(e) Annuitized prizes shall be paid in 30 graduated payments, an initial followed by 29 annual graduated payments increasing each year at a rate determined by the MUSL Powerball Product Group. This rate, once determined, will not change over the life of the payments. The 30 payments will equal 100% of the annuitized prize. Prize payments may be rounded down to the nearest \$1,000.

For example;

If the MUSL Powerball Product Group arrived at a 4% rate of increase for a \$30 million annuitized jackpot the payment schedule would be as follows:

<i>Payment No.</i>	<i>Graduated Payments</i>	
	<i>(Rounded)</i>	<i>% of Total Annuity Prize</i>
1	\$535,000	1.78300991336613%
2	\$556,000	1.85433030990078%
3	\$578,000	1.92850352229681%
4	\$601,000	2.00564366318868%
5	\$626,000	2.08586940971623%
6	\$651,000	2.16930418610488%
7	\$677,000	2.25607635354907%
8	\$704,000	2.34631940769104%
9	\$732,000	2.44017218399868%
10	\$761,000	2.53777907135862%
11	\$792,000	2.63929023421297%
12	\$823,000	2.74486184358149%
13	\$856,000	2.85465631732475%
14	\$891,000	2.96884257001774%
15	\$926,000	3.08759627281845%
16	\$963,000	3.21110012373119%
17	\$1,002,000	3.33954412868043%
18	\$1,042,000	3.47312589382765%
19	\$1,084,000	3.61205092958076%
20	\$1,127,000	3.75653296676399%
21	\$1,172,000	3.90679428543455%
22	\$1,219,000	4.06306605685193%
23	\$1,268,000	4.22558869912601%
24	\$1,319,000	4.39461224709105%
25	\$1,371,000	4.57039673697469%
26	\$1,426,000	4.75321260645368%

<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
27	\$1,483,000	4.94334111071182%
28	\$1,543,000	5.14107475514030%
29	\$1,604,000	5.34671774534591%
30	<u>\$1,668,000</u>	5.56058645515974%
Payment Total	<u>\$30,000,000</u>	

(f) If the individual shares of the cash held to fund an annuity is less than \$250,000, the MUSL Powerball Product Group, in its sole discretion, may elect to pay the winners their share of the cash held in the grand prize pool as a lump sum.

(g) If more than one winning ticket for the grand prize is determined, upon meeting the requirements of §§ 871.12 and 871.13 (relating to ticket validation requirements; and procedures for claiming and payment of Powerball prizes), each is entitled to a prorated payment share of the total grand prize category.

(h) A winning Powerball play is entitled only to the highest prize won by those numbers.

(i) The number of prize categories, the allocation of prize money among the prize categories and the annuity term may be changed at the discretion of the MUSL and the change will be announced by public notice. These changes will only apply prospectively to Powerball drawings as of the date specified in the public notice.

(j) Retailer incentive and marketing promotion programs, including the use of funded free tickets, may be implemented at the discretion of the Secretary. Funds for the programs, if needed, will be drawn from the Lottery fund.

(k) If the grand prize is not won in a drawing, the prize money allocated for the grand prize shall roll over and be added to the grand prize pool for the following drawing.

(l) Prize claims shall be submitted within 1 year of the drawing date.

(m) Annuitized payment of the grand prize or a share of the grand prize maybe 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. Prizes other than the grand prize, which under this chapter may become single-payment, parimutuel prizes, may be rounded down so that prizes can be paid in multiples of whole dollars. Breakage resulting from rounding these prizes shall be carried forward to the prize pool for the next drawing.

(n) The Pennsylvania Lottery may conduct promotional drawings associated with the Powerball game. Powerball game tickets will be imprinted with a unique code to be used by players to enter the promotional drawings. The promotional drawings may be held independently of or in conjunction with the regular Powerball drawings. The Secretary will announce the existence of the promotional drawings. Winners of promotional drawings will be randomly selected from the

group of qualified entries. A description of the available prize(s) and the specific rules and other information necessary for the conduct of the promotional drawings will be posted to the Lottery's publicly accessible website. A copy of the same will also be kept on file with the Lottery and will be available upon request.

Cross References

This section cited in 61 Pa. Code § 871.13 (relating to procedures for claiming and payment of Powerball prizes); and 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.10. Funding of guaranteed prizes.

The MUSL Powerball Product Group may offer guaranteed minimum grand prize amounts or minimum increases in the grand prize amount between drawings or make other changes in the allocation of prize money where the MUSL Powerball Product Group finds that it would be in the best interest of the game. If a minimum grand prize amount or a minimum increase in the grand prize amount between drawings is offered by the Product Group, the grand prize shares shall be determined as follows:

(1) If there are multiple grand prize winners during a single drawing, each selecting the annuitized option prize, then a winner's share of the guaranteed annuitized grand prize shall be determined by dividing the guaranteed annuitized grand prize by the number of winners.

(2) If there are multiple grand prize winners during a single drawing and at least one of the grand prize winners has elected the annuitized option prize, the best bid submitted by the MUSL's preapproved qualified brokers shall determine the cash pool needed to fund the guaranteed annuitized grand prize.

(3) If no winner of the grand prize during a single drawing has elected the annuitized grand prize, the amount of cash in the grand prize pool shall be an amount equal to the guaranteed annuitized amount divided by the MUSL Annuity Factor.

(4) [Reserved.]

(5) Changes in the allocation of prize money shall be designed to retain approximately the same prize allocation percentages, over a year's time, as set forth in § 871.8 (relating to expected prize payout percentages). Minimum guaranteed prizes or increases may be waived if the alternate funding mechanism as set forth in § 871.8 becomes necessary.

(6) Approval of the MUSL Powerball Product Group is required to change the guaranteed minimum Grand Prize amounts or minimum increases in the Grand Prize amount. Any reduction in the minimum increases to the Grand Prize amount shall not become effective until after a Grand Prize win following the action taken by the MUSL Powerball Product Group.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.11. Ticket responsibility.

(a) A ticket is a bearer document deemed to be owned by the person holding the ticket, except that if a signature is contained on the ticket, the person so named will, for all purposes, be considered the owner of the ticket.

- (b) The Commonwealth will not be responsible for lost or stolen tickets.
- (c) The purchaser of the ticket has the sole responsibility for checking the accuracy and condition of the data printed on the ticket.
- (d) The Commonwealth will not be responsible for tickets redeemed in error.

§ 871.12. Ticket validation requirements.

- (a) *Valid tickets.* To be a valid ticket, the following conditions shall be met:
 - (1) The ticket validation number shall be present in its entirety and shall correspond, using the computer validation file, to the selected numbers printed on the ticket for the date printed on the ticket.
 - (2) The ticket shall be intact.
 - (3) The ticket may not be mutilated, altered, reconstituted or tampered with.
 - (4) The ticket may not be counterfeit or an exact duplicate of a winning ticket.
 - (5) The ticket shall have been issued by the Lottery through a licensed on-line retailer.
 - (6) The ticket may not have been stolen.
 - (7) The ticket shall be validated in accordance with § 871.13 (relating to procedures for claiming and payment of Powerball prizes).
 - (8) The player-selected or computer-selected numbers on the ticket shall be in individual groups of five first set numbers and one second set number each associated with a single letter, A, B, C, D or E. The numbers and the associated letter shall constitute a single play.
 - (9) The ticket data shall have been recorded on the Lottery's central computer system prior to the drawing and the ticket data shall match this computer record in every respect.
 - (10) The player-selected or computer-selected numbers, promotion selection, if applicable, the validation number data and the drawing date of an apparent winning ticket shall appear on the official file of the winning tickets; and a ticket with that exact data may not have been previously paid.
 - (11) The ticket may not be misregistered, defectively printed or printed or produced in error.
 - (12) The ticket shall pass other confidential security checks of the Lottery.
 - (13) By submitting a ticket for validation, the player agrees to abide by this chapter.
 - (14) There may not be another violation of this part in relation to the ticket.
- (b) *Invalid or defective tickets—disputes.* A ticket not passing the validation checks in subsection (a) will be considered invalid and will not be paid.
 - (1) In cases of doubt, the determination of the Secretary is final and binding. The Secretary may replace an invalid ticket with a ticket of equivalent sale price from a current Lottery game.
 - (2) If a defective ticket is purchased or if the Secretary determines to adjust an error, the sole and exclusive remedy will be the replacement of the defective or erroneous ticket with a ticket of equivalent sale price from a current Lottery game.

(3) If a ticket is not paid by the Lottery and a dispute occurs as to whether the ticket is a winning ticket, the Lottery may replace the ticket as provided in paragraph (2). This is the sole and exclusive remedy of the holder of the ticket.

Cross References

This section cited in 61 Pa. Code § 871.9 (relating to Powerball prize payments); and 61 Pa. Code § 871.13 (relating to procedures for claiming and payment of Powerball prizes).

§ 871.13. Procedures for claiming and payment of Powerball prizes.

(a) Pennsylvania Powerball prizes shall be claimed only through a licensed on-line Pennsylvania Lottery retailer beginning on the day following the drawing. The Lottery is not authorized to accept claims or pay prizes for Powerball tickets purchased in other jurisdictions.

(b) An on-line retailer is authorized and required to make payment of a prize of \$2,500 or less on an individual Powerball winning ticket, if the ticket is presented within a designated time period as announced by the Secretary and if the retailer has sufficient funds available for payment.

(c) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing combined prizes of \$2,500 or less will be paid by participating on-line retailers as provided in subsection (b), if the ticket validation requirements in § 871.12 (relating to ticket validation requirements) have been met, a proper validation pay ticket has been issued by the retailer's computer terminal and other retailer procedures have been met.

(d) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing combined prizes in excess of \$2,500, with the exception of the grand prize category, shall first validate the apparent winning ticket at the participating Pennsylvania Lottery on-line retailer to receive a validation receipt, complete a claim form and display appropriate identification and then surrender the winning ticket and the original claim form to the retailer for transmittal to Lottery Headquarters for payment under Chapter 811 (relating to prizes).

(e) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing a grand prize category prize shall present, in person, the apparent winning ticket to the Pennsylvania Lottery Headquarters for validation under Chapter 811.

(f) In the event of the death of a Powerball grand prize winner and upon petition of the estate of the prize winner, the MUSL Powerball Product Group may accelerate payment of all remaining proceeds from the winning ticket to the estate of the winner by transferring to the estate the securities or cash, or both, being held to satisfy the prize requirements, or paying the estate the present value of the remaining payments of the winner's prize. The valuation of the securities and determination of the present value of the accelerated lottery payments shall be at the sole discretion of the MUSL Powerball Group. The payment of a set prize to a person who dies before receiving any or all of a particular prize and to a person under 18 years of age will be paid under §§ 811.16 and 811.27 (relating to prizes payable after death of prize winner; and payment of prizes to persons under 18 years of age).

(g) The Commonwealth will be discharged of liability after payment of prizes as provided in § 811.26 (relating to discharge of State liability upon payment).

(h) The Lottery may delay payment of the prize pending a final determination by the Secretary if a dispute occurs, or it appears likely that a dispute may occur, regarding the prize; if there is any question regarding the identity of the claimant; if there is any question regarding the validity of the ticket presented for payment; or if the claim is subject to any setoff for delinquent debts owed by the claimant under Pennsylvania statute. The Lottery may delay payment of a grand prize pending a claimant election of payment method as provided under § 871.9(b) (relating to Powerball prize payments). The Lottery may delay payment of a grand prize for up to 15 days as permitted by the MUSL rules.

Cross References

This section cited in 61 Pa. Code § 871.9 (relating to Powerball prize payments); and 61 Pa. Code § 871.12 (relating to ticket validation requirements).

§ 871.14. Parimutuel prize pool.

(a) The prize pool for all prize categories shall consist of 50% of each drawing period's sales after the prize reserve accounts are funded to the amounts set by the MUSL Powerball Product Group. Any amount remaining in the prize pool at the end of the game shall be carried forward to a replacement game or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(b) An amount equal to up to 5% of a party lottery's sales shall be deducted from a party lottery's grand prize pool and placed in trust in one or more prize pool accounts and prize reserve accounts until the prize pool accounts and party lottery's share of the prize reserve accounts reaches the amounts designated by the MUSL Powerball Product Group. The MUSL Powerball Product Group has established the following prize reserve accounts for the Powerball game: the Prize Reserve Account, which is used to guarantee the payment of valid, but unanticipated, Grand Prize claims that may result from a system error or other reason; and the Set Prize Reserve Account, which is used to fund deficiencies in the low-tier prize payments, subject to the limitations of these rules. The MUSL Powerball Product Group has established the following prize pool accounts for the Powerball game: the Grand Prize pool, which is used to fund the immediate Grand Prize; the Powerball Set Prize Pool, which is used to fund the Powerball Set Prize payments; and the Powerball Set-Aside Account, which is used to guarantee payments of the minimum or starting Grand Prize. The Power Play Prize Pool and Power Play Pool Account are described in § 871.20 (relating to power play promotion) of these rules. The Set Prize Pool Account holds the temporary balances that may result from having fewer than expected winners in the Powerball Set Prize (aka low-tier prize) categories. The source of the Set Prize Pool is the Party Lottery's weekly prize contributions less actual Powerball Set Prize liability. Once the prize pool accounts and the party lottery's share of the prize reserve accounts exceeds the designated amounts, the excess shall become part of the grand prize pool. The MUSL Powerball Product Group, with the approval of the Finance and Audit Committee, may establish a maximum balance for the prize pool accounts and prize reserve accounts. The MUSL Powerball Product

Group may determine to expend all or a portion of the funds in the prize pool accounts, except the Grand Prize pool account, and the prize reserve accounts for the purpose of indemnifying the Party Lotteries and Licensee Lotteries in the payment of prizes to be made by the Selling Lotteries, subject to the approval of the MUSL Board and for the payment of prizes or special prizes in the game, subject to the approval of the MUSL Finance and Audit Committee. The prize reserve shares of a party lottery may be adjusted with refunds to the party lottery from the prize reserve accounts as may be needed to maintain the approved maximum balance and shares of the party lotteries. A Party Lottery may contribute to its share of prize reserve accounts over time, but in the event of a draw down from the reserve account, a Party Lottery is responsible for its full percentage share of the account, whether or not it has been paid in full. Any amount remaining in the prize pool accounts or prize reserve accounts 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 members of the MUSL Powerball Product Group in accordance with State law.

(c) If the prize pool for a drawing is not sufficient to fund an announced minimum grand prize, the prize pool will be increased as necessary in accordance with MUSL rules.

§ 871.15. Unclaimed prize money.

Prize money on a winning Powerball play may be retained by the Secretary for payment to the person entitled to it. If within 1 year of the drawing date on the ticket, no claim is made on a winning play, as determined by the Secretary, the right to claim prize money terminates. For set prizes, the prize money will be paid into the State Lottery Fund and used for purposes otherwise provided for by statute. Unclaimed grand prize funds will be distributed among all MUSL Lotteries in proportion to each lottery's sales for the grand prize drawing.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.16. Withholding.

Federal withholding taxes will be withheld by the Lottery for the prize payments in amounts required in accordance with applicable provisions of law.

§ 871.17. Purchase and prize restrictions.

(a) A Powerball ticket may not be purchased in this Commonwealth by, and a prize will not be paid to, an officer or employee of the Pennsylvania Lottery or any of the Lottery's professional services contractors or subcontractors who are involved in the operation of the on-line lottery games system or its associated drawings, or to a spouse, child, brother, sister or parent residing in the same household as these individuals.

(b) In addition to the individuals identified in subsection (a), the following persons are not eligible to purchase a Powerball ticket and are ineligible to be paid a prize for a Powerball ticket:

- (1) An employee, officer or director of the MUSL.

(2) A person under contract with the MUSL to conduct a financial or security audit of the MUSL.

(3) An employee, partner, shareholder or owner of an independent accounting firm under contract with the MUSL to observe drawings and site operations.

(4) A relative living in the same household of a person described in paragraph (1), (2) or (3).

(c) Except as provided in subsection (b), the individuals identified in subsection (a) are not prohibited from purchasing a ticket or winning a prize from a MUSL member lottery other than the Pennsylvania Lottery.

(d) A Lottery retailer authorized to sell lottery tickets for on-line games, or an employee of a retailer may not request, demand or accept gratuities or additional compensation from any person, or agent thereof, in exchange for the purchase of Powerball lottery tickets. A retailer authorized to sell lottery tickets for on-line games shall make Powerball lottery tickets available for sale to the public during the hours that sale of Powerball tickets are authorized to be sold and that business is open to the public. A retailer may only sell Powerball lottery tickets on the premises described in the retailer's contract, except as specially authorized in writing by the Director. No transaction, or any part thereof, of Powerball lottery tickets may be made at the general corporate office of a retailer unless that office is open to the public and has contracted with the Lottery as a separate Lottery retailer. A Lottery retailer authorized to sell lottery tickets for on-line games may not enter into any special agreement with a person, group of persons or agent thereof, for the purchase of over \$500 of Powerball lottery tickets for any one drawing. A retailer shall immediately report to the Lottery an attempt made by a person, or group of persons or an agent thereof, to purchase more than 50% of the number combinations for Powerball for any one drawing. A retailer shall obtain the name and address of any person purchasing more than \$5,000 in Powerball lottery tickets for any one drawing and report the information to the Lottery before the sale. A person may not purchase a ticket or combination of tickets and a lottery retailer may not directly or knowingly sell a ticket or combination of tickets to any person which would guarantee the purchaser a grand prize win.

§ 871.18. Governing law.

(a) In purchasing a ticket, the purchaser agrees to comply with and abide by applicable laws, this part, instructions, conditions, final decisions of the Secretary and procedures established by the Director or by the MUSL for the conduct of Powerball.

(b) Decisions made by the Secretary or the MUSL, including the declaration of prizes and the payment thereof or interpretation of this part are final and binding on players and persons making a claim in respect thereof.

§ 871.19. Probability of winning.

The probability of winning is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:292,201,338
Five first set numbers	Second Prize	1:11,688,053.52
Four first set numbers and the Powerball number	Third Prize	1:913,129.1813
Four first set numbers	Fourth Prize	1:36,525.1673
Three first set numbers and the Powerball number	Fifth Prize	1:14,494.1140
Three first set numbers	Sixth Prize	1:579.7646
Two first set numbers and the Powerball number	Seventh Prize	1:701.3281
One first set number and the Powerball number	Eighth Prize	1:91.9775
None of the first set and the Powerball number	Ninth Prize	1:38.3239

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.20. Power play promotion.

(a) The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option to increase set prizes won as a result of a Powerball drawing. The Powerball grand prize will not be eligible for an increase under the power play promotion. The Secretary will on occasion announce, as a special promotion, higher promotional prize amounts to be won with the power play promotion.

(b) At the time of purchasing a Powerball ticket from an on-line Lottery retailer, a player may choose the power play option for one additional \$1 per play for each play on the Powerball ticket. If a player chooses the power play promotion feature for any play on a ticket, every play on that ticket must participate in the promotion.

(c) The MUSL shall conduct a power play drawing and will announce results during each of the regular Powerball drawings held during the power play promotion. During each power play drawing a single number (2, 3, 4, 5 or 10) shall be randomly drawn. The 10X multiplier will be available for drawings in which

the initially advertised annuitized Grand Prize amount is \$150,000,000 or less. The MUSL Powerball Product Group may elect to run limited promotions that modify the multiplier features.

(d) Powerball tickets that contain the power play option and one or more plays eligible for Powerball second through ninth category prize identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize identifies in subsection (j) (relating to power play promotion), unless a higher limited promotional prize amount is announced by the Secretary.

(e) In drawings where the 10X multiplier is available, the expected power play prize pool for power play set prizes shall consist of up to 49.969% of each drawing period's power play sales. In drawings where the 10X multiplier is not available, the expected power play prize pool for power play set prizes shall consist of up to 45.934% of each drawing period's sales. The prize payout percentage per draw may vary. The power play prize pool shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the power play prizes for the current power play drawing and held in the Power Play Pool Account.

(f) In drawings where the 10X multiplier is available, an additional 0.31% of power play sales may be collected and placed in the Power Play Pool Account, for the purposes of paying power play prizes. In drawings where the 10X multiplier is not available 4.066% of power play sales may be collected and placed in the Power Play Pool Account, for the purposes of paying power play prizes. Any amount remaining in the Power Play Pool Account at the end of the power play promotion shall be returned to all lotteries participating in the account after the end of all claim periods of all selling lotteries, carried forward to a replacement game, or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(g) Except as otherwise provided in subsection (m), if, with respect to a single Powerball drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

- (1) The amount allocated to the set prizes and carried forward from previous Powerball drawings, if any.
- (2) The amount allocated to the Powerball Set-Prize Reserve Account, if available in the account, not to exceed forty million dollars (\$40,000,000) per drawing.
- (3) Other amounts as agreed to by the MUSL Powerball Product Group in their sole discretion.

(h) Except as otherwise provided in subsection (m), if the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes, including the power play prizes, for a particular Powerball drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are

still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(i) Power play set prizes which become parimutuel may be rounded down so that they can be paid in multiples of whole dollars. Funds remaining after rounding shall be carried forward to the prize pool for the next power play drawing.

(j) Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

Prize Level	Powerball Set					
	Prize Amount	Regardless of Power Play Number Selected				
Second Prize	\$1,000,000					
		10X	5X	4X	3X	2X
Third Prize	\$50,000	\$500,000	\$250,000	\$200,000	\$150,000	\$100,000
Fourth Prize	\$100	\$1,000	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$1,000	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$70	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$70	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$40	\$20	\$16	\$12	\$8
Ninth Prize	\$4	\$40	\$20	\$16	\$12	\$8

(k) When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play prizes for the second through the ninth category prizes shall reduced as announced by the MUSL Powerball Product Group.

(l) The probability of the various power play numbers being selected in a power play drawing.

(1) The probability of the various power play numbers being selected in a power play drawing when the 10X multiplier is available is:

Power Play Multiplier	Probability of Prize Increase
2	1:1.791666
3	1:3.30769
4	1:14.33333
5	1:21.5
10	1:43

(2) The probability of the various power play numbers being selected in a power play drawing when the 10X multiplier is not available is:

<i>Power Play Multiplier</i>	<i>Probability of Prize Increase</i>
2	1:1.75
3	1:3.23076
4	1:14
5	1:21
10	1:0

(m) By agreement between the Party Lotteries and the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts, including the power play prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.21. Future changes to Powerball.

(a) The MUSL reserves the right to modify the Powerball game in order to address changes in player participation or population of member states. If the MUSL decides to make a change, it will be publicly announced by the Secretary at least 30 days before the change takes effect.

(b) The Secretary will publish notice of the change in the *Pennsylvania Bulletin* and the change will be codified in § 871.22 (relating to changes to Powerball).

Authority

The provisions of this § 871.21 amended under section 303 of the State Lottery Law (72 P.S. § 3761-303).

Source

The provisions of this § 871.21 amended November 8, 2002, effective November 9, 2002, 32 Pa.B. 5516. Immediately preceding text appears at serial page (290163).

§ 871.22. Changes to Powerball.

Any change to the Powerball regulations, announced by the Secretary by way of a notice published in the *Pennsylvania Bulletin*, will be codified as a new paragraph in this section.

(1) *Changes effective for Powerball tickets sold on or after October 6, 2002:*

(i) *Section 871.2(a) and (b) (relating to game description and purpose); § 871.3 (relating to definitions) definition of “basic play,” “first set numbers,” “panel or game panel,” “quick pick,” “ticket” and “winning numbers;” § 871.7(c) (relating to time, place and manner of conducting drawing).* Powerball is a five out of 53 plus one out of 42 on-line game. The first set of numbers are selected from 1 through 53.

(ii) *Section 871.9(e) (relating to Powerball prize payments).* All annuitized prizes shall be paid in 30 annual payments with the initial payment being made in cash, to be followed by 29 equal annual payments funded by the annuity. The initial payment of an annuitized prize may be made by the Lottery upon validation of the winning ticket.

(iii) *Section 871.15 (relating to unclaimed prize money).* Unclaimed grand prize and new bonus prize funds will be distributed among all MUSL Lotteries in proportion to each lottery’s sales for the grand prize drawing.

(iv) *Section 871.19 (relating to probability of winning).* The probability of winning is a follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:120,526,770
Five first set numbers	Second Prize	1:2,939,677.317073
Four first set numbers and the Powerball number	Third Prize	1:502,194.875000
Four first set numbers	Fourth Prize	1:12,248.655488
Three first set numbers and the Powerball number	Fifth Prize	1:10,684.997340
Three first set numbers	Sixth Prize	1:260.609691
Two first set numbers and the Powerball number	Seventh Prize	1:696.847653
One first set number and the Powerball number	Eighth Prize	1:123.884027
The Powerball number	Ninth Prize	1:70.388652

(v) *Section 871.20(a), (c), (j) and (l) (relating to power play promotion).* A player may purchase the power play option for the chance to multiply set prizes won as a result of the Powerball drawing by a number ranging from 2 to 5. The power play number will be selected from among the following series of numbers: 2, 2, 2, 3, 3, 3, 4, 4, 4, 5, 5, 5, 5 and 5. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize Amount</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
		<i>5</i>	<i>4</i>	<i>3</i>	<i>2</i>
Second Prize	\$100,000	\$500,000	\$400,000	\$300,000	\$200,000
Third Prize	\$5,000	\$25,000	\$20,000	\$15,000	\$10,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200

Prize Level	Powerball Set Prize Amount	Power Play Multiplier and Set Prize Amount			
		5	4	3	2
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

The odds of various power play numbers being selected in a power play drawing are:

Power Play	Multiplier Odds
2	1:5
3	1:5
4	1:5
5	1:2.5

(2) *Changes effective for Powerball tickets sold on or after August 28, 2005:*

(i) *Section 871.2(a) and (b); § 871.3 definition of “basic play,” “first set numbers,” “panel or game,” “quick pick,” “ticket” and “winning number”;* § 871.7(c). Powerball is a five out of 55 plus one out of 42 on-line game. The first set of numbers are selected from 1 through 55.

(ii) *Section 871.9(e).* Annuitized prizes shall be paid in 30 graduated payments, an initial followed by 29 annual graduated payments increasing each year at a rate determined by the MUSL Powerball Product Group. This rate, once determined, will not change over the life of the payments. The 30 payments will equal 100% of the annuitized prize. Prize payments may be rounded down to the nearest \$1,000.

For example:

If the MUSL Powerball Product Group arrived at a 4% rate of increase for a \$30 million annuitized jackpot the payment schedule would be as follows:

Payment No.	Graduated Payments	
	(Rounded)	% of Total Annuity Prize
1	\$535,000	1.78300991336613%
2	\$556,000	1.85433030990078%
3	\$578,000	1.92850352229681%
4	\$601,000	2.00564366318868%
5	\$626,000	2.08586940971623%
6	\$651,000	2.16930418610488%
7	\$677,000	2.25607635354907%
8	\$704,000	2.34631940769104%

<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
9	\$732,000	2.44017218399868%
10	\$761,000	2.53777907135862%
11	\$792,000	2.63929023421297%
12	\$823,000	2.74486184358149%
13	\$856,000	2.85465631732475%
14	\$891,000	2.96884257001774%
15	\$926,000	3.08759627281845%
16	\$963,000	3.21110012373119%
17	\$1,002,000	3.33954412868043%
18	\$1,042,000	3.47312589382765%
19	\$1,084,000	3.61205092958076%
20	\$1,127,000	3.75653296676399%
21	\$1,172,000	3.90679428543455%
22	\$1,219,000	4.06306605685193%
23	\$1,268,000	4.22558869912601%
24	\$1,319,000	4.39461224709105%
25	\$1,371,000	4.57039673697469%
26	\$1,426,000	4.75321260645368%
27	\$1,483,000	4.94334111071182%
28	\$1,543,000	5.14107475514030%
29	\$1,604,000	5.34671774534591%
30	<u>\$1,668,000</u>	5.56058645515974%
Payment Total	<u>\$30,000,000</u>	

(iii) *Section 871.8(a) (relating to expected prize payout percentages).*
Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	60.5770%
Five first set numbers	Second Prize*	\$200,000	11.2246%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	3.4222%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	1.6768%
Three first set numbers	Sixth Prize*	\$7	4.8126%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	1.8780%
One first set number and the Powerball number	Eighth Prize*	\$4	6.3050%

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
The Powerball number	Ninth Prize*	\$3	8.7008%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(iv) *Section 871.19.* The probability of winning is as follows:

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winnings per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:146,107,962
Five first set numbers	Second Prize	1:3,563,608.8293
Four first set numbers and the Powerball number	Third Prize	1:584,431.8480
Four first set numbers	Fourth Prize	1:14,254.4353
Three first set numbers and the Powerball number	Fifth Prize	1:11,927.1806
Three first set numbers	Sixth Prize	1:290.9068
Two first set numbers and the Powerball number	Seventh Prize	1:745.4488
One first set number and the Powerball number	Eighth Prize	1:126.8849
The Powerball number	Ninth Prize	1:68.9592

(v) *Section 871.20(a), (c), (j) and (l).* A player may purchase the power play option for the chance to multiply set prizes won as a result of the Powerball drawing by a number ranging from 2 to 5. The power play number will be selected from among the following series of numbers: 2, 2, 2, 2, 3, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5 and 5. Except as otherwise provided, power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize Amount</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
		<i>5</i>	<i>4</i>	<i>3</i>	<i>2</i>
Second Prize	\$200,000	\$1,000,000	\$800,000	\$600,000	\$400,000
Third Prize	\$ 10,000	\$ 50,000	\$ 40,000	\$ 30,000	\$ 20,000
Fourth Prize	\$ 100	\$ 500	\$ 400	\$ 300	\$ 200
Fifth Prize	\$ 100	\$ 500	\$ 400	\$ 300	\$ 200

	<i>Powerball Set</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
Sixth Prize	\$ 7	\$ 35	\$ 28	\$ 21	\$ 14
Seventh Prize	\$ 7	\$ 35	\$ 28	\$ 21	\$ 14
Eighth Prize	\$ 4	\$ 20	\$ 16	\$ 12	\$ 8
Ninth Prize	\$ 3	\$ 15	\$ 12	\$ 9	\$ 6

The odds of various power play numbers being selected in a power play drawing are:

<i>Power Play Multiplier</i>	<i>Odds</i>
2	1:4
3	1:4
4	1:4
5	1:4

(3) *Changes effective for Powerball tickets sold on or after January 4, 2009:*

(i) *Section 871.2(a) (relating to game description and purpose).* Powerball is a five out of 59 plus one out of 39 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash basis.

(ii) *Section 871.2(b).* The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 59, and matching the separately drawn Powerball number, or a designated combination thereof, within a single play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted twice a week or as publicly announced by the Secretary.

(iii) *Section 871.3 (relating to definitions).*

Basic play—Each set of six numbers consisting of five numbers from 1 through 59 and the Powerball number on a ticket purchased without the selection of any promotion, representing a single entry for a Powerball drawing and designated by a letter from A to E on a Powerball ticket.

First set numbers—The first group of numbers, from 1 through 59, appearing in the top grid of a Powerball game panel.

Grand prize winnings pool—An amount constituting 32.5288% of gross sales from all participating States for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 59 squares, each numbered 1 through 59 and the lower grids (second set numbers) contain

39 squares, each numbered 1 through 39. Each panel is lettered either A, B, C, D or E, and when used to purchase a ticket, corresponds to the numbers selected and printed on the ticket adjacent to that letter.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 39, appearing in the lower grid of a Powerball game panel.

Quick pick—The random selection by the Lottery's computer system of five numbers from 1 through 59 and a Powerball number from 1 through 39 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 39, appearing in the lower grid of a Powerball game panel.

Set prize winnings pool—An amount constituting 17.4712% of gross sales for the current drawing and any moneys carried forward from previous draws. *Ticket*—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 59 and a single selected Powerball number from 1 through 39 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 59, and the Powerball number from 1 through 39, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

Editor's Note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.

(iv) Section 871.7(c) (relating to time, place and manner of conducting drawing). Manner of conducting drawing. The MUSL will draw at random five numbers from a set of balls numbered 1 through 59 and one Powerball number from a set of balls numbered 1 through 39 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

(v) Section 871.8(a) (relating to expected prize payout percentages). Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	65.0576%
Five first set numbers	Second Prize*	\$200,000	7.7850%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	2.7656%
Four first set numbers	Fourth Prize*	\$100	1.0510%

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Three first set numbers and the Powerball number	Fifth Prize*	\$100	1.4658%
Three first set numbers	Sixth Prize*	\$7	3.8990%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	1.7786%
One first set number and the Powerball number	Eighth Prize*	\$4	6.4790%
The Powerball number	Ninth Prize*	\$3	9.7184%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(vi) Section 871.8(c)(1) (relating to expected prize payout percentages). If the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 17.4712% of gross sales, the amount needed to fund the set prizes shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$25,000,000 per Powerball drawing.

(vii) Section 871.19 (relating to probability of winning). The probability of winning is as follows:

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winnings per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:195,249,054
Five first set numbers	Second Prize	1:5,138,133
Four first set numbers and the Powerball number	Third Prize	1:723,144.6444
Four first set numbers	Fourth Prize	1:19,030.1222
Three first set numbers and the Powerball number	Fifth Prize	1:13,644.2386
Three first set numbers	Sixth Prize	1:359.0589
Two first set numbers and the Powerball number	Seventh Prize	1:787.1676
One first set number and the Powerball number	Eighth Prize	1:123.4773
The Powerball number	Ninth Prize	1:61.7386

(viii) *Section 871.20(a) (relating to power play promotion)*. The power-play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option for the chance to multiply set prizes won as a result of a Powerball drawing by a number ranging from 2 to 5. The Powerball grand prize will not be eligible for multiplication under the power play promotion. The Secretary will on occasion announce, as a special promotion, a multiplier of 10.

(ix) *Section 871.20(c)*. At the time of each Powerball drawing, the MUSL shall conduct a power play drawing, with the aid of mechanical drawing equipment or any other selection methodology as authorized by the Secretary, under the supervision of security and an independent auditor which shall result in the selection of the power play number from among the following series of numbers: 2, 2, 2, 2, 3, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5 and 5.

(x) *Section 871.20(d)*. Powerball tickets that contain the power play option and one or more plays eligible for Powerball set prizes (but not the grand prize) identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize calculated by multiplying each Powerball set prize by the power play number. The second prize category power play multiplier will be fixed at a minimum of 5.

(xi) *Section 871.20(j)*. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

Prize Level	Powerball Set Prize Amount	Power Play Multiplier and Set Prize Amount			
		5	4	3	2
Second Prize	\$200,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

(4) *Changes effective for Powerball tickets sold on or after May 28, 2011:*

(i) *Section 871.20(a) (relating to power play promotion)*. The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option for the chance to multiply or increase the third through the ninth cat-

egory set prizes won as a result of a Powerball drawing by a number ranging from 2 to 5. The Powerball grand prize, the second category prize and the Match 5 Bonus prizes will not be eligible for multiplication under the power play promotion. The Secretary will on occasion announce, as a special promotion, multipliers greater than 5 or a greater second category prize amount. The second category prize shall be \$1,000,000 unless a higher promotional dollar amount is announced by the Secretary.

(ii) *Section 871.20(d)*. Powerball tickets that contain the power play option and one or more plays eligible for Powerball third through ninth category prizes identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize calculated by multiplying each Powerball third through ninth category prize by the power play number. Powerball tickets that contain the power play option and one or more plays eligible for a Powerball second category prize shall be entitled to a prize of \$1,000,000 unless a higher limited promotional dollar amount is announced by the Secretary.

(iii) *Section 871.20(g)*. If, with respect to a single Powerball drawing and associated power play drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to the set prizes and carried forward from previous Powerball drawings and power play drawings, if any.

(2) An amount from the Powerball set prize reserve account, if available, not to exceed \$25,000,000 per drawing.

(iv) *Section 871.20(h)*. If the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing and associated power play drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(v) *Section 871.20(j)*. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments. Power play prizes for the third through the ninth category prizes shall be determined by multiplying the Powerball set prize by the number selected in the power play drawing. The power play prize for the second category prize level shall be paid \$1,000,000. Power play prize levels shall be paid as follows:

Prize Level	Powerball Set				
	Prize Amount	Regardless of Power Play Number Selected:			
Second Prize	\$200,000	\$1,000,000			
		5X	4X	3X	2X
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

(vi) *Section 871.20(k)*. When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play prizes for the third through the ninth category prizes shall be a multiple of the new Powerball set prize amount and the power play prize for the second category prize shall be reduced as announced by the MUSL Powerball Product Group.

(5) *Changes effective for Powerball tickets sold on or after January 15, 2012:*

(i) *Section 871.2(a) (relating to game description and purpose)*. Powerball is a five out of 59 plus one out of 35 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash basis.

(ii) *Section 871.3 (relating to definitions)*.

Grand prize winnings pool—An amount constituting 31.9756% of gross sales from all participating states for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 59 squares, each numbered 1 through 59 and the lower grids (second set numbers) contain 35 squares, each numbered 1 through 35. Each panel is lettered either A, B, C, D or E.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 35, appearing in the lower grid of a Powerball game panel.

Quick pick—The random selection by the Lottery’s computer system of five numbers from 1 through 59 and a Powerball number from 1 through 35 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 35, appearing in the lower grid of a Powerball game panel.

Set prize winnings pool—An amount constituting 18.0244% of gross sales for the current drawing and any monies carried forward from previous draws.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 59 and a single selected Powerball number from 1 through 35 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 59, and the Powerball number from 1 through 35, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

(Editor’s Note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.)

(iii) *Section 871.5 (relating to ticket price)*. A Powerball ticket shall cost \$2 per play. The power play option may be exercised, at the discretion of the player, for an additional \$1 per play.

(iv) *Section 871.6(a) (relating to Powerball bet slip and ticket characteristics and restrictions)*. For each basic play the player shall select, or request quick pick selection by the computer, five numbers and a single Powerball number, in one or more of the game panels on a Powerball bet slip. Powerball bet slips shall be available at no cost to the player. The minimum entry is \$2. For \$2, play one game; for \$4, play two games; for \$6, play three games; for \$8, play four games; for \$10, play five games. Players are also given the option to select a promotion verbally or on the bet slip at the time of purchase for an additional \$1 for each play. Game panels shall be played in alphabetical order in accordance with the instructions printed on the Powerball bet slip. A Powerball bet slip has no pecuniary or prize value and does not constitute evidence of the purchase of a ticket or the numbers selected.

(v) *Section 871.6(b)*. To purchase a ticket, players shall, in addition to the purchase price, submit a completed Powerball bet slip, or request number selections either by quick pick or manual terminal entry to an on-line retailer to have a ticket issued. To purchase a ticket at a Lottery self-service terminal that dispenses terminal-based Lottery tickets, the player shall designate the drawing date or dates for which the ticket is entered, number selections and may exercise the power play promotion for an additional \$1 per play. The player may use a bet slip or the Quick Pick option at a Lottery self-service terminal that dispenses terminal-based Lottery tickets. The ticket shall contain five selected numbers and a single selected Powerball number

for each play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. This ticket shall be the only valid receipt for claiming a prize. The ticket shall only be valid for the drawing date or dates printed on the ticket. Retailers are not permitted to allow the attachment of any remote devices to a lottery terminal to enter plays except as otherwise provided in the MUSL rules.

(vi) Section 871.6(c). If Powerball bet slips are unavailable, number selections may be given to an on-line retailer in groups of five number selections and one Powerball number selection per game section for each \$2 wagered as a basic play. The player may exercise the power play promotion for an additional \$1 per play. The retailer shall manually enter the selections into the computer terminal.

(vii) Section 871.7(b) (relating to time, place and manner of conducting drawing). Place of drawing. A Powerball drawing will be conducted in a location selected by the MUSL.

(viii) Section 871.7(c). Manner of conducting drawing. The MUSL will draw at random five numbers from a set of balls numbered 1 through 59 and one Powerball number from a set of balls numbered 1 through 35 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

(ix) Section 871.8(a) (relating to expected prize payout percentages). Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	63.9511%
Five first set numbers	Second Prize*	\$1,000,000	19.4038%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	1.5409%
Four first set numbers	Fourth Prize*	\$100	.5239%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	.8167%
Three first set numbers	Sixth Prize*	\$7	1.9437%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	.9909%
One first set number and the Powerball number	Eighth Prize*	\$4	3.6097%
The Powerball number	Ninth Prize*	\$4	7.2194%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(x) Section 871.8(c)(1). If the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 18.0244% of gross sales, the amount needed to fund the set prizes shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$40,000,000 per Powerball drawing.

(xi) Section 871.15 (relating to unclaimed prize money). Prize money on a winning Powerball play may be retained by the Secretary for payment to the person entitled to it. If within 1 year of the drawing date on the ticket, no claim is made on a winning play, as determined by the Secretary, the right to claim prize money terminates. For set prizes, the prize money will be paid into the State Lottery Fund and used for purposes otherwise provided for by statute. Unclaimed grand prize funds will be distributed among all MUSL Lotteries in proportion to each lottery's sales for the grand prize drawing.

(xii) Section 871.19 (relating to probability of winning). The probability of winning is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:175,223,510
Five first set numbers	Second Prize	1:5,153,632.6471
Four first set numbers and the Powerball number	Third Prize	1:648,975.9630
Four first set numbers	Fourth Prize	1:19,087.5283
Three first set numbers and the Powerball number	Fifth Prize	1:12,244.8295
Three first set numbers	Sixth Prize	1:360.1420
Two first set numbers and the Powerball number	Seventh Prize	1:706.4325
One first set number and the Powerball number	Eighth Prize	1:110.8129
The Powerball number	Ninth Prize	1:55.4065

(xiii) Section 871.20(a) (relating to power play promotion). The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option to increase set prizes won as a result of a Powerball drawing. The Powerball grand prize will not be eligible for an increase under the power play promotion. The Secretary will on occasion announce, as a special promotion, higher promotional prize amounts to be won with the power play promotion.

(xiv) Section 871.20(c) is deleted in its entirety.

(xv) *Section 871.20(d)*. Powerball tickets that contain the power play option and one or more plays eligible for Powerball second through ninth category prizes identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize identified in § 871.20(j) (relating to power play promotion), unless a higher limited promotional prize amount is announced by the Secretary.

(xvi) *Section 871.20(e)*. The prize pool for power play set prizes shall consist of up to 49.96% of power play sales after Powerball prize reserve accounts are funded to the amounts set by the MUSL. The prize pool percentage allocated to power play set prizes shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the set prizes for the current power play drawing.

(xvii) *Section 871.20(f)*. An additional 0.04% of power play sales may be collected and placed in prize reserve accounts until the prize reserve accounts meet the amounts designated by the MUSL. Any amount remaining in prize reserve accounts at the end of the power play promotion shall be carried forward to a replacement prize reserve account or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(xviii) *Section 871.20(g)*. If, with respect to a single Powerball drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to the set prizes and carried forward from previous Powerball drawings, if any.

(2) An amount from the Powerball set prize reserve account, if available, not to exceed \$40,000,000 per drawing.

(xix) *Section 871.20(h)*. If the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(xx) *Section 871.20(j)*. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments. Power play prize levels shall be paid as follows:

<i>Prize Level</i>	<i>Power Play Set Prize Amount</i>
Second Prize	\$2,000,000
Third Prize	\$40,000
Fourth Prize	\$200
Fifth Prize	\$200
Sixth Prize	\$14
Seventh Prize	\$14
Eighth Prize	\$12
Ninth Prize	\$12

(xxi) *Section 871.20(k)*. When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play prizes for the second through the ninth category prizes shall be reduced as announced by the MUSL Powerball Product Group.

(xxii) Section 871.20(l) is deleted in its entirety.

(xxiii) Section 871.22(1)(vi) (relating to changes to Powerball) is deleted in its entirety.

(Editor's Note: Section 871.23 effectuated the adoption and subsequent deletion referenced in § 871.22(1)(vi) and (5)(xxiii).)

(6) *Changes effective for Powerball tickets sold on or after October 1, 2013:*

(i) *Section 871.3 (relating to definitions).*

Licensee Lottery—A State lottery or lottery of a political subdivision or entity which is not a Party Lottery but has agreed to comply with all applicable MUSL and MUSL Powerball Product Group requirements and has been authorized by the MUSL and by the MUSL Powerball Product Group to sell the Powerball game.

MUSL Finance and Audit Committee—The committee established by the Multi-State Lottery Association which, among other things, establishes the reserve accounts balances.

(Editor's Note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.)

(ii) *Section 871.8(c) (relating to expected prize payout percentages).*

The number of plays determined by the MUSL to be winners of the second through ninth prize categories will be paid as set cash prizes, except as provided in paragraphs (1) through (4).

(1) Except as otherwise provided in section 871.8(c)(4), if the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 18.0244% of gross sales, the amount needed to fund the set prizes, including Power play prizes, shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$40,000,000 per Powerball drawing.

(2) Except as otherwise provided in section 871.8(c)(4), if the sources set forth in paragraph (1) are depleted and there still are not sufficient funds to pay the set prizes, including Power play prizes, for a particular Powerball drawing, the highest set prize shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining set prizes, the next highest set prize shall become a parimutuel prize. If necessary, and under the same test conditions set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel.

(3) Except for winning prizes sold by the California Lottery, if all, or any portion of the set prize pool is not awarded in the current Powerball drawing, that portion of the set prize pool shall be carried forward to subsequent Powerball drawings.

(4) By agreement with the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

(iii) Section 871.14(b) (relating to pari-mutuel prize pool). An amount equal to up to 5% of a party lottery's sales shall be deducted from a party lottery's grand prize pool and placed in trust in one or more prize pool accounts and prize reserve accounts until the prize pool accounts and party lottery's share of the prize reserve accounts reaches the amounts designated by the MUSL Powerball Product Group. The MUSL Powerball Product Group has established the following prize reserve accounts for the Powerball game: the Prize Reserve Account, which is used to guarantee the payment of valid, but unanticipated, Grand Prize claims that may result from a system error or other reason; and the Set Prize Reserve Account, which is used to fund deficiencies in low-tier prize payments, subject to the limitations of these rules. The MUSL Powerball Product Group has established the following prize pool accounts for the Powerball game; the Grand Prize pool, which is used to fund the immediate Grand Prize, the Set-Aside Account, which is used to guarantee payment of the minimum or starting Grand Prize; the Power play pool account, which is described in § 871.20 (relating to power play promotion) of these rules; and the Low-Tier Prize Pool Account, which holds the temporary balances that may result from having fewer than expected winners in the low-tier prize categories. The source of the Low-Tier Prize Pool is the Party Lottery's weekly prize contributions less actual set prize liability. Once the prize pool accounts and the party lottery's share of the prize reserve accounts exceeds the designated amounts, the excess shall become part of the grand prize pool. The MUSL Powerball Product Group, with the approval of the Finance and Audit Committee, may establish a maximum balance for the prize pool accounts and prize reserve accounts. The MUSL Powerball Product Group may determine to expend all or a portion of the funds in the prize pool accounts, except the Grand Prize pool account, and the prize reserve accounts for the purpose of indemnifying the Party Lotteries and Licensee Lotteries in the payment of prizes to be made by the participating lotteries, subject to the approval of the MUSL Board and

for the payment of prizes or special prizes in the game, subject to the approval of the MUSL Finance and Audit Committee. The prize reserve shares of a party lottery may be adjusted with refunds to the party lottery from the prize reserve accounts as may be needed to maintain the approved maximum balance and shares of the party lotteries. Any amount remaining in the prize pool accounts or prize reserve accounts 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 members of the MUSL Powerball Product Group in accordance with State law.

(iv) Section 871.20(e) (relating to power play promotion). The Power play prize pool for power play set prizes shall consist of up to 49.96% of power play sales. The Power play prize pool shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the power play prizes for the current power play drawing and held in the Power Play Pool Account.

(v) Section 871.20(f) (relating to power play promotion). An additional 0.04% of power play sales may be collected and placed in the power play pool account, for the purpose of paying Power Play prizes. Any amount remaining in the power play pool account at the end of the power play promotion shall be returned to all lotteries participating in the account after the end of all claim periods of all selling lotteries, carried forward to a replacement game, or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(vi) Section 871.20(g) (relating to power play promotion). Except as otherwise provided in section 871.20(m), if, with respect to a single Powerball drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to the set prizes and carried forward from previous Powerball drawings, if any.

(2) The amount allocated to the Powerball Set-Prize Reserve Account, if available in the account, not to exceed forty million dollars (\$40,000,000.00) per drawing.

(vii) Section 871.20(h) (relating to power play promotion). Except as otherwise provided in section 871.20(m), if the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes, including the power play prizes, for a particular Powerball drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the

funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(viii) Section 871.20(m) (relating to power play promotion). By agreement with the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts, including the power play prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the pari-mutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

(7) *Changes effective for Powerball tickets sold on or after January 19, 2014:*

(i) Section 871.8(c)(4) (relating to expected prize payout percentages). By agreement between the Party Lotteries and the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

(ii) Section 871.9(n) (relating to Powerball prize payments). The Pennsylvania Lottery may conduct promotional drawings associated with the Powerball game. Powerball game tickets will be imprinted with a unique code to be used by players to enter the promotional drawings. The promotional drawings may be held independently of or in conjunction with the regular Powerball drawings. The Secretary will announce the existence of the promotional drawings. Winners of promotional drawings will be randomly selected from the group of qualified entries. A description of the available prize(s) and the specific rules and other information necessary for the conduct of the promotional drawings will be posted to the Lottery's publicly accessible website. A copy of the same will also be kept on file with the Lottery and will be available upon request.

(iii) Section 871.20(c) (relating to power play promotion). The MUSL shall conduct a power play drawing and will announce results during each of the regular Powerball drawings held during the power play promotion. During each power play drawing a single number (2, 3, 4 or 5) shall be randomly drawn.

(iv) Section 871.20(e) (relating to power play promotion). The power play prize pool for power play set prizes shall consist of up to 49.36% of power play sales. The power play prize pool shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the power play prizes for the current power play drawing and held in the Power Play Pool Account.

(v) Section 871.20(f) (relating to power play promotion). An additional 0.64% of power play sales may be collected and placed in the power play pool account, for the purpose of paying power play prizes. Any amount remaining in the power play pool account at the end of the power play promotion shall be returned to all lotteries participating in the account after the end of all claim periods of all selling lotteries, carried forward to a replacement game, or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(vi) Section 871.20(j) (relating to power play promotion). Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum

payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize</i>				
	<i>Amount</i>	<i>Regardless of Power Play Number Selected</i>			
Second Prize	\$1,000,000	\$2,000,000			
			<i>5X</i>	<i>4X</i>	<i>3X</i>
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$4	\$20	\$16	\$12	\$8

(vii) Section 871.20(l) (relating to power play promotion). The odds of the various power play numbers being selected in a power play drawing are:

<i>Power Play Multiplier</i>	<i>Odds</i>
2	1:2
3	1:3.33
4	1:10
5	1:10

(viii) Section 871.20(m) (relating to power play promotion). By agreement between the Party Lotteries and the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts, including the power play prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

(8) *Changes effective for Powerball tickets sold on or after October 4, 2015:*

(i) Section 871.2(a) (relating to game description and purpose). Powerball is a five out of 69 plus one out of 26 terminal-based lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash, single payment basis.

(ii) Section 871.2(b) (relating to game description and purpose). The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 69, and matching the separately drawn Powerball number, or a designated combination thereof, within a single play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted twice a week or as publicly announced by the Secretary.

(iii) Section 871.3 (relating to definitions).

Advertised Grand Prize—The estimated annuitized Grand Prize amount as determined by the MUSL Central Office by use of the MUSL Annuity Factor and communicated through the Selling Lotteries prior to the Grand Prize drawing. The Advertised Grand Prize is not a guaranteed prize amount and the actual Grand Prize may vary from the advertised amount, except in circumstances where there is a guaranteed Grand Prize amount as described in § 871.10 (relating to funding of guaranteed prizes).

Basic Play—Each set of six numbers consisting of five numbers from 1 through 69 and the Powerball number on a ticket purchased without the selection of any promotion, representing a single entry for a Powerball drawing and designated by a letter from A to E on a Powerball ticket.

First set numbers—The first group of numbers from 1 through 69, appearing in the top grid of a Powerball game panel.

MUSL Annuity Factor—The annuity factor as determined by the MUSL central office through a method approved by the MUSL Finance and Audit Committee and which is used as described in these rules.

Panel or game panel—One of five areas on the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 69 squares, each numbered 1 through 69, and the lower grids (second set numbers) contain 26 squares, each numbered 1 through 26. Each panel is lettered either A, B, C, D or E.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 26, appearing in the lower grid of a Powerball game panel.

Quick Pick—The random selection by the Lottery's computer system of five numbers from 1 through 69 and a Powerball number from 1 through 26 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 26, appearing in the lower grid of a Powerball game panel.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 69 and a single selected Powerball number from 1 through 26 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to ten on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 69, and the Powerball number from 1 through 26, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

(Editor's Note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.)

(iv) Section 871.7(c) (relating to time, place and manner of conducting drawings). The MUSL will draw at random five numbers from a set of balls numbered 1 through 69 and one Powerball number from a set of balls numbered 1 through 26 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

(v) Section 871.8(a) (relating to expected prize payout percentages). Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	68.0131%
Five first set numbers	Second Prize*	\$1,000,000	8.5558%
Four first set numbers and the Powerball number	Third Prize*	\$50,000	5.4757%
Four first set numbers	Fourth Prize*	\$100	.2738%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	.6899%
Three first set numbers	Sixth Prize*	\$7	1.2074%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	.9981%
One first set number and the Powerball number	Eighth Prize*	\$4	4.3489%
None of the first set and the Powerball number	Ninth Prize*	\$4	10.4373%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(vi) Section 871.8(c)(1)(iii) (relating to expected prize payout percentages). Any other amounts as agreed to by the MUSL Powerball Product Group in their sole discretion.

(vii) Section 871.9(c) (relating to Powerball prize payments). The MUSL Annuity Factor is determined through a process as approved by the MUSL Finance and Audit Committee.

(viii) Section 871.10 (relating to funding of guaranteed prizes). The MUSL Powerball Product Group may offer guaranteed minimum grand prize amounts or minimum increases in the grand prize amount between drawings or make other changes in the allocation of prize money where the MUSL Powerball Product Group finds that it would be in the best interest of the game. If a minimum grand prize amount or a minimum increase in the grand prize amount between drawings is offered by the Product Group, the grand prize shares shall be determined as follows:

(1) If there are multiple grand prize winners during a single drawing, each selecting the annuitized option prize, then a winner's share of the guaranteed annuitized grand prize shall be determined by dividing the guaranteed annuitized grand prize by the number of winners.

(2) If there are multiple grand prize winners during a single drawing and at least one of the grand prize winners has elected the annuitized option prize,

the best bid submitted by the MUSL's preapproved qualified brokers shall determine the cash pool needed to fund the guaranteed annuitized grand prize.

(3) If no winner of the grand prize during a single drawing has elected the annuitized grand prize, the amount of cash in the grand prize pool shall be an amount equal to the guaranteed annuitized amount divided by the MUSL Annuity Factor.

(4) Section 871.10(4) is deleted in its entirety.

(5) Changes in the allocation of prize money shall be designed to retain approximately the same prize allocation percentages, over a year's time, as set for in § 871.8 (relating to expected prize payout percentages). Minimum guaranteed prizes or increases may be waived if the alternate funding mechanism as set for in § 871.8 becomes necessary.

(6) Approval of the MUSL Powerball Product Group is required to change the guaranteed minimum Grand Prize amounts or minimum increases in the Grand Prize amount. Any reduction in the minimum increases to the Grand Prize amount shall not become effective until after a Grand Prize win following the action taken by the MUSL Powerball Product Group.

(ix) Section 871.14(b) (relating to parimutuel prize pool). An amount equal to up to 5% of a party lottery's sales shall be deducted from a party lottery's grand prize pool and placed in trust in one or more prize pool accounts and prize reserve accounts until the prize pool accounts and party lottery's share of the prize reserve accounts reaches the amounts designated by the MUSL Powerball Product Group. The MUSL Powerball Product Group has established the following prize reserve accounts for the Powerball game: the Prize Reserve Account, which is used to guarantee the payment of valid, but unanticipated, Grand Prize claims that may result from a system error or other reason; and the Set Prize Reserve Account, which is used to fund deficiencies in the low-tier prize payments, subject to the limitations of these rules. The MUSL Powerball Product Group has established the following prize pool accounts for the Powerball game: the Grand Prize pool, which is used to fund the immediate Grand Prize; the Powerball Set Prize Pool, which is used to fund the Powerball Set Prize payments; and the Powerball Set-Aside Account, which is used to guarantee payments of the minimum or starting Grand Prize. The Power Play Prize Pool and Power Play Pool Account are described in § 871.20 (relating to power play promotion) of these rules. The Set Prize Pool Account holds the temporary balances that may result from having fewer than expected winners in the Powerball Set Prize (aka low-tier prize) categories. The source of the Set Prize Pool is the Party Lottery's weekly prize contributions less actual Powerball Set Prize liability. Once the prize pool accounts and the party lottery's share of the prize reserve accounts exceeds the designated amounts, the excess shall become part of the grand prize pool. The MUSL Powerball Product Group, with the approval of the Finance and Audit Committee, may establish a maximum balance for the prize pool accounts and prize reserve accounts. The MUSL Powerball Product Group may determine to expend all or a portion of the funds in the prize pool accounts, except the Grand Prize pool account, and the prize reserve accounts for the purpose of indemnifying the Party Lotteries and Licensee Lotteries in the payment of prizes to be made by the Selling Lotteries, subject to the approval of the MUSL Board and for

the payment of prizes or special prizes in the game, subject to the approval of the MUSL Finance and Audit Committee. The prize reserve shares of a party lottery may be adjusted with refunds to the party lottery from the prize reserve accounts as may be needed to maintain the approved maximum balance and shares of the party lotteries. A Party Lottery may contribute to its share of prize reserve accounts over time, but in the event of a draw down from the reserve account, a Party Lottery is responsible for its full percentage share of the account, whether or not it has been paid in full. Any amount remaining in the prize pool accounts or prize reserve accounts 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 members of the MUSL Powerball Product Group in accordance with State law.

(x) Section 871.19 (relating to probability of winning). The probability of winning is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:292,201,338
Five first set numbers	Second Prize	1:11,688,053.52
Four first set numbers and the Powerball number	Third Prize	1:913,129.1813
Four first set numbers	Fourth Prize	1:36,525.1673
Three first set numbers and the Powerball number	Fifth Prize	1:14,494.1140
Three first set numbers	Sixth Prize	1:579.7646
Two first set numbers and the Powerball number	Seventh Prize	1:701.3281
One first set number and the Powerball number	Eighth Prize	1:91.9775
None of the first set and the Powerball number	Ninth Prize	1:38.3239

(xi) Section 871.20(c) (relating to power play promotion). The MUSL shall conduct a power play drawing and will announce results during each of the regular Powerball drawings held during the power play promotion. During each power play drawing a single number (2, 3, 4, 5 or 10) shall be randomly drawn. The 10X multiplier will be available for drawings in which the initially advertised annuitized Grand Prize amount is \$150,000,000 or less. The MUSL Powerball Product Group may elect to run limited promotions that modify the multiplier features.

(xii) Section 871.20(e) (relating to power play promotion). In drawings where the 10X multiplier is available, the expected power play prize pool for power play set prizes shall consist of up to 49.969% of each drawing peri-

od’s power play sales. In drawings where the 10X multiplier is not available, the expected power play prize pool for power play set prizes shall consist of up to 45.934% of each drawing period’s sales. The prize payout percentage per draw may vary. The power play prize pool shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the power play prizes for the current power play drawing and held in the Power Play Pool Account.

(xiii) *Section 871.20(f) (relating to power play promotion).* In drawings where the 10X multiplier is available, an additional 0.31% of power play sales may be collected and placed in the Power Play Pool Account, for the purposes of paying power play prizes. In drawings where the 10X multiplier is not available 4.066% of power play sales may be collected and placed in the Power Play Pool Account, for the purposes of paying power play prizes. Any amount remaining in the Power Play Pool Account at the end of the power play promotion shall be returned to all lotteries participating in the account after the end of all claim periods of all selling lotteries, carried forward to a replacement game, or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(xiv) *Section 871.20(g)(3) (relating to power play promotion).* Other amounts as agreed to by the MUSL Powerball Product Group in their sole discretion.

(xv) *Section 871.20(j) (relating to power play promotion).* Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

Prize Level	Powerball Set		Regardless of Power Play Number Selected				
	Prize Amount						
Second Prize	\$1,000,000				\$2,000,000		
			10X	5X	4X	3X	2X
Third Prize	\$50,000	\$500,000	\$250,000	\$200,000	\$150,000	\$100,000	
Fourth Prize	\$100	\$1,000	\$500	\$400	\$300	\$200	
Fifth Prize	\$100	\$1,000	\$500	\$400	\$300	\$200	
Sixth Prize	\$7	\$70	\$35	\$28	\$21	\$14	
Seventh Prize	\$7	\$70	\$35	\$28	\$21	\$14	
Eighth Prize	\$4	\$40	\$20	\$16	\$12	\$8	
Ninth Prize	\$4	\$40	\$20	\$16	\$12	\$8	

(xvi) *Section 871.20(l) (relating to power play promotion).* The probability of the various power play numbers being selected in a power play drawing.

- (1) The probability of the various power play numbers being selected in a power play drawing when the 10X multiplier is available is:

<i>Power Play Multiplier</i>	<i>Probability of Prize Increase</i>
2	1:1.791666
3	1:3.30769
4	1:14.333333
5	1:21.5
10	1:43

(2) The probability of the various power play numbers being selected in a power play drawing when the 10X multiplier is not available is:

<i>Power Play Multiplier</i>	<i>Probability of Prize Increase</i>
2	1:1.75
3	1:3.23076
4	1:14
5	1:21
10	1:0

Source

The provisions of this § 871.22 amended July 12, 2002, effective October 6, 2002, 32 Pa.B. 3396; amended October 11, 2002, and applies to the ticket sales beginning on Sunday, October 6, 2002, for the Powerball drawing on Wednesday, October 9, 2002, 32 Pa.B. 5144; amended July 22, 2005, effective August 28, 2005, 35 Pa.B. 4151; amended November 28, 2008, effective January 4, 2009, 38 Pa.B. 6571; amended May 27, 2011, effective May 28, 2011, 41 Pa.B. 2787; amended December 16, 2011, these changes will affect ticket sales beginning on Sunday, January 15, 2012, for the Powerball drawing on Wednesday, January 18, 2012, 41 Pa.B. 6945; amended September 27, 2013, these changes will affect ticket sales beginning October 1, 2013, 43 Pa.B. 5776; amended January 3, 2014, these changes will affect ticket sales beginning January 19, 2014, 44 Pa.B. 138; amended September 25, 2015, these changes will affect ticket sales beginning October 4, 2015, 45 Pa.B. 5884.

Cross References

This section cited in 61 Pa. Code § 871.21 (relating to future changes to Powerball).

§ 871.23. [Reserved].

Source

The provisions of this § 871.23 adopted to effectuate § 871.22(1)(vi), effective October 6, 2022, 32 Pa.B. 3396; deleted under § 871.22(5)(xxiii), effective January 15, 2012, 41 Pa.B. 6945.

Source

The provisions of this Appendix H effectuate the changes to Chapter 871 for tickets sold on or after October 4, 2015.

Appendix I.**CHAPTER 871. POWERBALL—Version in effect on April 9, 2020, incorporating changes from October 4, 2015; January 19, 2014; October 1, 2013; January 15, 2012; May 28, 2011; January 4, 2009; August 28, 2005; and October 6, 2002**

- Sec.
- 871.1. Creation.
 - 871.2. Game description and purpose.
 - 871.3. Definitions.
 - 871.4. Ticket sales retailers.
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 - 871.6. Powerball bet slip and ticket characteristics and restrictions.
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 - 871.18. Governing law.
 - 871.19. Probability of winning.
 - 871.20. Power play promotion.
 - 871.21. Future changes to Powerball.
 - 871.22. Changes to Powerball.
 - 871.23. [Reserved].

Authority

The provisions of this Chapter 871 issued under section 303 of the State Lottery Law (72 P.S. § 3761-303), unless otherwise noted.

Source

The provisions of this Chapter 871 adopted June 7, 2002, effective June 8, 2002, 32 Pa.B. 2758, unless otherwise noted.

Cross References

This chapter cited in 61 Pa. Code § 876.2 (relating to definitions).

§ 871.1. Creation.

Under the act and this part, there is created a numbers game, called Powerball, which will commence at the discretion of the Secretary, and will continue until the Secretary publicly announces a suspension or termination date.

§ 871.2. Game description and purpose.

(a) Powerball is a five out of 69 plus one out of 26 terminal-based lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash, single payment basis.

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(b) The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 69, and matching the separately drawn Powerball number, or a designated combination thereof, within a single play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted twice a week or as publicly announced by the Secretary.

(c) The object of the game is for a player to select, in a single play on a ticket, five numbers and the Powerball number that match the numbers and the Powerball number drawn for the game in which the ticket is participating. Correctly matching the six winning numbers consisting of the five numbers drawn plus the Powerball number drawn, and meeting other validation criteria, entitles the ticket holder to the grand prize identified in § 871.8 (relating to expected prize payout percentages).

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.3. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Advertised Grand Prize—The estimated annuitized Grand Prize amount as determined by the MUSL Central Office by use of the MUSL Annuity Factor and communicated through the Selling Lotteries prior to the Grand Prize drawing. The Advertised Grand Prize is not a guaranteed prize amount and the actual Grand Prize may vary from the advertised amount, except in circumstances where there is a guaranteed Grand Prize amount as described in § 871.10 (relating to funding of guaranteed prizes).

Apparent winning ticket—A ticket which has not been validated by the Lottery.

Basic play—Each set of six numbers consisting of five numbers from 1 through 69 and the Powerball number on a ticket purchased without the selection of any promotion, representing a single entry for a Powerball drawing and designated by a letter from A to E on a Powerball ticket.

Cash election—A method of payment that the player selects, within 60 days of the date the Lottery determines the player is entitled to the Powerball grand prize, to receive a parimutuel share of the prize money allocated to the grand prize category as a one-time, lump-sum cash payment rather than as an annuity.

Drawing—The process of selecting winning numbers that determines the winners for each prize category of the game.

First set numbers—The first group of numbers from 1 through 69, appearing in the top grid of a Powerball game panel.

Grand prize winnings pool—An amount constituting 31.9756% of gross sales from all participating states for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize

winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Gross sales—The total amount of sales from all participating states for a particular Powerball game drawing for the purpose of determining the grand prize winnings pool and the set prize winnings pool in that drawing.

Licensee Lottery—A State lottery or lottery of a political subdivision or entity which is not a Party Lottery but has agreed to comply with all applicable MUSL and MUSL Powerball Product Group requirements and has been authorized by the MUSL and by the MUSL Powerball Product Group to sell the Powerball game.

MUSL—The Multi-State Lottery Association.

MUSL Annuity Factor—The annuity factor as determined by the MUSL central office through a method approved by the MUSL Finance and Audit Committee and which is used as described in these rules.

MUSL Board—The governing body of the MUSL which is comprised of the chief executive officer of each party lottery.

MUSL Finance and Audit Committee—The committee established by the Multi-State Lottery Association which, among other things, establishes the reserve accounts balances.

MUSL Powerball Product Group—The group of lotteries that have joined together to offer the Powerball lottery game under the terms of the MUSL agreement and MUSL Powerball Product Group rules.

On-line retailer—A person who is properly licensed and authorized by the Lottery to sell Powerball tickets.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 69 squares, each numbered 1 through 69, and the lower grids (second set numbers) contain 26 squares, each numbered 1 through 26. Each panel is lettered either A, B, C, D or E.

Party lottery—A State lottery or lottery of a political subdivision or entity which has joined the MUSL and, in the context of the Powerball Group Rules, which has joined in selling the Powerball game.

Powerball bet slip—A card having five game panels labeled A through E, used by a player to select numbers to play the game.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 26, appearing in the lower grid of a Powerball game panel.

Promotion—A method used by the Lottery to aid in the sale of its products; for example, an option a player may exercise by purchase to increase the prize paid on a winning ticket or to increase the chance of winning a prize.

Quick pick—The random selection by the Lottery’s computer system of five numbers from 1 through 69 and a Powerball number from 1 through 26 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 26, appearing in the lower grid of a Powerball game panel.

Set prize tiers—All prizes except the grand prize that are advertised to be paid by a single lump-sum payment and, except in instances outlined in this chapter, will be equal to the prize amount established by the MUSL Board for the prize level.

Set prize winnings pool—An amount constituting 18.0244% of gross sales for the current drawing and any monies carried forward from previous draws.

Terminal—A device which is authorized by the Lottery to function in an on-line, interactive mode with the Lottery’s computer system, for the purpose of issuing lottery tickets and entering, receiving and processing lottery transactions, including making purchases, validating tickets and transmitting reports.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 69 and a single selected Powerball number from 1 through 26 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to ten on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 69, and the Powerball number from 1 through 26, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

Winnings pool—Constitutes 50% of each prize drawing period gross sales. A portion of the pool is contributed to the grand prize winnings pool. The remainder constitutes the set prize winnings pool. Moneys carried forward from previous draws are combined with the pool as directed in the MUSL rules.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.4. Ticket sales retailers.

(a) Powerball game ticket sales may only be made through licensed on-line retailers the Director will appoint and contract with as provided in § 815.42 (relating to ticket sales agents).

(b) The Lottery may terminate sales by a retailer without prior notice to the retailer if the retailer becomes delinquent in payment of proceeds due the Lottery, fails to handle Lottery funds in the prescribed manner, if the retailer breaches the

contract or an addendum thereof, this part or procedures established governing the sale of tickets or if the Lottery deems it to be in the best interest of the Commonwealth.

§ 871.5. Ticket price.

A Powerball ticket shall cost \$2 per play. The power play option may be exercised, at the discretion of the player, for an additional \$1 per play.

§ 871.6. Powerball bet slip and ticket characteristics and restrictions.

(a) For each basic play the player shall select, or request quick pick selection by the computer, five numbers and a single Powerball number, in one or more of the game panels on a Powerball bet slip. Powerball bet slips shall be available at no cost to the player. The minimum entry is \$2. For \$2, play one game; for \$4, play two games; for \$6, play three games; for \$8, play four games; for \$10, play five games. Players are also given the option to select a promotion verbally or on the bet slip at the time of purchase for an additional \$1 for each play. Game panels shall be played in alphabetical order in accordance with the instructions printed on the Powerball bet slip. A Powerball bet slip has no pecuniary or prize value and does not constitute evidence of the purchase of a ticket or the numbers selected.

(b) To purchase a ticket, players shall, in addition to the purchase price, submit a completed Powerball bet slip, or request number selections either by quick pick or manual terminal entry to an on-line retailer to have a ticket issued. To purchase a ticket at a Lottery self-service terminal that dispenses terminal-based Lottery tickets, the player shall designate the drawing date or dates for which the ticket is entered, number selections and may exercise the power play promotion for an additional \$1 per play. The player may use a bet slip or the Quick Pick option at a Lottery self-service terminal that dispenses terminal-based Lottery tickets. The ticket shall contain five selected numbers and a single selected Powerball number for each play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. This ticket shall be the only valid receipt for claiming a prize. The ticket shall only be valid for the drawing date or dates printed on the ticket. Retailers are not permitted to allow the attachment of any remote devices to a lottery terminal to enter plays except as otherwise provided in the MUSL rules.

(c) If Powerball bet slips are unavailable, number selections may be given to an on-line retailer in groups of five number selections and one Powerball number selection per game section for each \$2 wagered as a basic play. The player may exercise the power play promotion for an additional \$1 per play. The retailer shall manually enter the selections into the computer terminal.

(d) A Powerball ticket may not be canceled or voided once printed by the Lottery terminal, even if the ticket is printed in error.

(e) It shall be the sole responsibility of the player to verify the accuracy of the game play or plays and other data printed on the ticket. The placing of plays is done at the player's own risk through the on-line retailer who is acting on behalf of the player in entering the play or plays.

(f) A player may select numbers for up to 26 drawings, specifically the next drawing and the 25 subsequent drawings.

(g) A ticket may not be issued for a drawing after the specified sales cut-off time prior to the drawing, as announced by the Secretary or a designee.

§ 871.7. Time, place and manner of conducting drawing.

(a) *Time of drawing.* A Powerball drawing will be held twice a week or as publicly announced by the Secretary.

(b) *Place of drawing.* A Powerball drawing will be conducted by the MUSL.

(c) *Manner of conducting drawings.* The MUSL will draw at random five numbers from a set of balls numbered 1 through 69 and one Powerball number from a set of balls numbered 1 through 26 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.8. Expected prize payout percentages.

(a) Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	68.0131%
Five first set numbers	Second Prize*	\$1,000,000	8.5558%
Four first set numbers and the Powerball number	Third Prize*	\$50,000	5.4757%
Four first set numbers	Fourth Prize*	\$100	.2738%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	.6899%
Three first set numbers	Sixth Prize*	\$7	1.2074%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	.9981%
One first set number and the Powerball number	Eighth Prize*	\$4	4.3489%
None of the first set and the Powerball number	Ninth Prize*	\$4	10.4373%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(b) Prize money allocated to the grand prize category will be paid on a parimutuel basis, divided equally by the number of plays determined by the MUSL to be the winners of the grand prize.

(c) The number of plays determined by the MUSL to be winners of the second through ninth prize categories will be paid as set cash prizes, except as provided in paragraphs (1) through (4).

(1) Except as otherwise provided in section 871.8(c)(4), if the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 18.0244% of gross sales, the amount needed to fund the set prizes, including Power play prizes, shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$40,000,000 per Powerball drawing.

(iii) Any other amounts as agreed to by the MUSL Powerball Product Group in their sole discretion.

(2) Except as otherwise provided in section 871.8(c)(4), if the sources set forth in paragraph (1) are depleted and there still are not sufficient funds to pay the set prizes, including Power play prizes, for a particular Powerball drawing, the highest set prize shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining set prizes, the next highest set prize shall become a parimutuel prize. If necessary, and under the same test conditions set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel.

(3) Except for winning prizes sold by the California Lottery, if all, or any portion of the set prize pool is not awarded in the current Powerball drawing, that portion of the set prize pool shall be carried forward to subsequent Powerball drawings.

(4) By agreement between Party Lotteries and the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

Cross References

This section cited in 61 Pa. Code § 871.2 (relating to game description and purpose); 61 Pa. Code § 871.10 (relating to funding of guaranteed prizes); 61 Pa. Code § 871.20 (relating to power play promotion); and 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.9. Powerball prize payments.

(a) Individual ticket prize payments will be paid entirely in cash with the exception of the grand prize category.

(b) A grand prize shall be paid by an annuity except that a player may elect to receive the grand prize in a single cash payment provided the cash election is made by the player within 60 days of the date the Lottery determines that a grand prize winning ticket has been sold and that a player is entitled to the prize.

(1) An election to receive the grand prize by annuity or cash made by the player after the player becomes entitled to the prize is final and cannot be revoked, withdrawn or otherwise changed.

(2) Shares of the grand prize shall be determined by dividing the cash available in the grand prize pool equally among all winners of the grand prize. A winner who elected cash payment shall be paid the share in a single cash payment.

(3) The annuitized prize shall be determined by multiplying a winner's share of the grand prize by the MUSL annuity factor.

(c) The MUSL Annuity Factor is determined through a process as approved by the MUSL Finance and Audit Committee.

(d) Neither the MUSL nor the Lottery shall be responsible or liable for changes in the advertised or estimated annuity prize from the time the drawing occurs and the date that the player makes the election regarding method of prize payment.

(e) Annuitized prizes shall be paid in 30 graduated payments, an initial followed by 29 annual graduated payments increasing each year at a rate determined by the MUSL Powerball Product Group. This rate, once determined, will not change over the life of the payments. The 30 payments will equal 100% of the annuitized prize. Prize payments may be rounded down to the nearest \$1,000.

For example;

If the MUSL Powerball Product Group arrived at a 4% rate of increase for a \$30 million annuitized jackpot the payment schedule would be as follows:

<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
1	\$535,000	1.78300991336613%
2	\$556,000	1.85433030990078%
3	\$578,000	1.92850352229681%
4	\$601,000	2.00564366318868%
5	\$626,000	2.08586940971623%
6	\$651,000	2.16930418610488%
7	\$677,000	2.25607635354907%
8	\$704,000	2.34631940769104%
9	\$732,000	2.44017218399868%

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<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
10	\$761,000	2.53777907135862%
11	\$792,000	2.63929023421297%
12	\$823,000	2.74486184358149%
13	\$856,000	2.85465631732475%
14	\$891,000	2.96884257001774%
15	\$926,000	3.08759627281845%
16	\$963,000	3.21110012373119%
17	\$1,002,000	3.33954412868043%
18	\$1,042,000	3.47312589382765%
19	\$1,084,000	3.61205092958076%
20	\$1,127,000	3.75653296676399%
21	\$1,172,000	3.90679428543455%
22	\$1,219,000	4.06306605685193%
23	\$1,268,000	4.22558869912601%
24	\$1,319,000	4.39461224709105%
25	\$1,371,000	4.57039673697469%
26	\$1,426,000	4.75321260645368%
27	\$1,483,000	4.94334111071182%
28	\$1,543,000	5.14107475514030%
29	\$1,604,000	5.34671774534591%
30	<u>\$1,668,000</u>	5.56058645515974%
Payment Total	<u>\$30,000,000</u>	

(f) If the individual shares of the cash held to fund an annuity is less than \$250,000, the MUSL Powerball Product Group, in its sole discretion, may elect to pay the winners their share of the cash held in the grand prize pool as a lump sum.

(g) If more than one winning ticket for the grand prize is determined, upon meeting the requirements of §§ 871.12 and 871.13 (relating to ticket validation requirements; and procedures for claiming and payment of Powerball prizes), each is entitled to a prorated payment share of the total grand prize category.

(h) A winning Powerball play is entitled only to the highest prize won by those numbers.

(i) The number of prize categories, the allocation of prize money among the prize categories and the annuity term may be changed at the discretion of the MUSL and the change will be announced by public notice. These changes will only apply prospectively to Powerball drawings as of the date specified in the public notice.

(j) Retailer incentive and marketing promotion programs, including the use of funded free tickets, may be implemented at the discretion of the Secretary. Funds for the programs, if needed, will be drawn from the Lottery fund.

(k) If the grand prize is not won in a drawing, the prize money allocated for the grand prize shall roll over and be added to the grand prize pool for the following drawing.

(l) Prize claims shall be submitted within 1 year of the drawing date.

(m) Annuitized payment of the grand prize or a share of the grand prize maybe 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. Prizes other than the grand prize, which under this chapter may become single-payment, parimutuel prizes, may be rounded down so that prizes can be paid in multiples of whole dollars. Breakage resulting from rounding these prizes shall be carried forward to the prize pool for the next drawing.

(n) The Pennsylvania Lottery may conduct promotional drawings associated with the Powerball game. Powerball game tickets will be imprinted with a unique code to be used by players to enter the promotional drawings. The promotional drawings may be held independently of or in conjunction with the regular Powerball drawings. The Secretary will announce the existence of the promotional drawings. Winners of promotional drawings will be randomly selected from the group of qualified entries. A description of the available prize(s) and the specific rules and other information necessary for the conduct of the promotional drawings will be posted to the Lottery's publicly accessible website. A copy of the same will also be kept on file with the Lottery and will be available upon request.

Cross References

This section cited in 61 Pa. Code § 871.13 (relating to procedures for claiming and payment of Powerball prizes); and 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.10. Funding of guaranteed prizes.

The MUSL Powerball Product Group may offer guaranteed minimum grand prize amounts or minimum increases in the grand prize amount between drawings or make other changes in the allocation of prize money where the MUSL Powerball Product Group finds that it would be in the best interest of the game. If a minimum grand prize amount or a minimum increase in the grand prize amount between drawings is offered by the Product Group, the grand prize shares shall be determined as follows:

(1) If there are multiple grand prize winners during a single drawing, each selecting the annuitized option prize, then a winner's share of the guaranteed annuitized grand prize shall be determined by dividing the guaranteed annuitized grand prize by the number of winners.

(2) If there are multiple grand prize winners during a single drawing and at least one of the grand prize winners has elected the annuitized option prize, the best bid submitted by the MUSL's preapproved qualified brokers shall determine the cash pool needed to fund the guaranteed annuitized grand prize.

(3) If no winner of the grand prize during a single drawing has elected the annuitized grand prize, the amount of cash in the grand prize pool shall be an amount equal to the guaranteed annuitized amount divided by the MUSL Annuity Factor.

(4) [Reserved].

(5) Changes in the allocation of prize money shall be designed to retain approximately the same prize allocation percentages, over a year's time, as set forth in § 871.8 (relating to expected prize payout percentages). Minimum guaranteed prizes or increases may be waived if the alternate funding mechanism as set forth in § 871.8 becomes necessary.

(6) Approval of the Group is required to change the guaranteed minimum Grand Prize amounts or minimum increases in the Grand Prize amount. The Group may increase, decrease or eliminate the guaranteed minimum Grand Prize amount or any announced minimum Grand Prize increases effective at any time following the next drawing following the action taken by the Group.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.11. Ticket responsibility.

(a) A ticket is a bearer document deemed to be owned by the person holding the ticket, except that if a signature is contained on the ticket, the person so named will, for all purposes, be considered the owner of the ticket.

(b) The Commonwealth will not be responsible for lost or stolen tickets.

(c) The purchaser of the ticket has the sole responsibility for checking the accuracy and condition of the data printed on the ticket.

(d) The Commonwealth will not be responsible for tickets redeemed in error.

§ 871.12. Ticket validation requirements.

(a) *Valid tickets.* To be a valid ticket, the following conditions shall be met:

(1) The ticket validation number shall be present in its entirety and shall correspond, using the computer validation file, to the selected numbers printed on the ticket for the date printed on the ticket.

(2) The ticket shall be intact.

(3) The ticket may not be mutilated, altered, reconstituted or tampered with.

(4) The ticket may not be counterfeit or an exact duplicate of a winning ticket.

- (5) The ticket shall have been issued by the Lottery through a licensed on-line retailer.
- (6) The ticket may not have been stolen.
- (7) The ticket shall be validated in accordance with § 871.13 (relating to procedures for claiming and payment of Powerball prizes).
- (8) The player-selected or computer-selected numbers on the ticket shall be in individual groups of five first set numbers and one second set number each associated with a single letter, A, B, C, D or E. The numbers and the associated letter shall constitute a single play.
- (9) The ticket data shall have been recorded on the Lottery's central computer system prior to the drawing and the ticket data shall match this computer record in every respect.
- (10) The player-selected or computer-selected numbers, promotion selection, if applicable, the validation number data and the drawing date of an apparent winning ticket shall appear on the official file of the winning tickets; and a ticket with that exact data may not have been previously paid.
- (11) The ticket may not be misregistered, defectively printed or printed or produced in error.
- (12) The ticket shall pass other confidential security checks of the Lottery.
- (13) By submitting a ticket for validation, the player agrees to abide by this chapter.
- (14) There may not be another violation of this part in relation to the ticket.
- (b) *Invalid or defective tickets—disputes.* A ticket not passing the validation checks in subsection (a) will be considered invalid and will not be paid.
- (1) In cases of doubt, the determination of the Secretary is final and binding. The Secretary may replace an invalid ticket with a ticket of equivalent sale price from a current Lottery game.
- (2) If a defective ticket is purchased or if the Secretary determines to adjust an error, the sole and exclusive remedy will be the replacement of the defective or erroneous ticket with a ticket of equivalent sale price from a current Lottery game.
- (3) If a ticket is not paid by the Lottery and a dispute occurs as to whether the ticket is a winning ticket, the Lottery may replace the ticket as provided in paragraph (2). This is the sole and exclusive remedy of the holder of the ticket.

Cross References

This section cited in 61 Pa. Code § 871.9 (relating to Powerball prize payments); and 61 Pa. Code § 871.13 (relating to procedures for claiming and payment of Powerball prizes).

§ 871.13. Procedures for claiming and payment of Powerball prizes.

- (a) Pennsylvania Powerball prizes shall be claimed only through a licensed on-line Pennsylvania Lottery retailer beginning on the day following the drawing.

The Lottery is not authorized to accept claims or pay prizes for Powerball tickets purchased in other jurisdictions.

(b) An on-line retailer is authorized and required to make payment of a prize of \$2,500 or less on an individual Powerball winning ticket, if the ticket is presented within a designated time period as announced by the Secretary and if the retailer has sufficient funds available for payment.

(c) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing combined prizes of \$2,500 or less will be paid by participating on-line retailers as provided in subsection (b), if the ticket validation requirements in § 871.12 (relating to ticket validation requirements) have been met, a proper validation pay ticket has been issued by the retailer's computer terminal and other retailer procedures have been met.

(d) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing combined prizes in excess of \$2,500, with the exception of the grand prize category, shall first validate the apparent winning ticket at the participating Pennsylvania Lottery on-line retailer to receive a validation receipt, complete a claim form and display appropriate identification and then surrender the winning ticket and the original claim form to the retailer for transmittal to Lottery Headquarters for payment under Chapter 811 (relating to prizes).

(e) The holder of an apparent winning Powerball ticket containing one or more winning lettered play selections representing a grand prize category prize shall present, in person, the apparent winning ticket to the Pennsylvania Lottery Headquarters for validation under Chapter 811.

(f) In the event of the death of a Powerball grand prize winner and upon petition of the estate of the prize winner, the MUSL Powerball Product Group may accelerate payment of all remaining proceeds from the winning ticket to the estate of the winner by transferring to the estate the securities or cash, or both, being held to satisfy the prize requirements, or paying the estate the present value of the remaining payments of the winner's prize. The valuation of the securities and determination of the present value of the accelerated lottery payments shall be at the sole discretion of the MUSL Powerball Group. The payment of a set prize to a person who dies before receiving any or all of a particular prize and to a person under 18 years of age will be paid under §§ 811.16 and 811.27 (relating to prizes payable after death of prize winner; and payment of prizes to persons under 18 years of age).

(g) The Commonwealth will be discharged of liability after payment of prizes as provided in § 811.26 (relating to discharge of State liability upon payment).

(h) The Lottery may delay payment of the prize pending a final determination by the Secretary if a dispute occurs, or it appears likely that a dispute may occur, regarding the prize; if there is any question regarding the identity of the claimant; if there is any question regarding the validity of the ticket presented for payment; or if the claim is subject to any setoff for delinquent debts owed by the

claimant under Pennsylvania statute. The Lottery may delay payment of a grand prize pending a claimant election of payment method as provided under § 871.9(b) (relating to Powerball prize payments). The Lottery may delay payment of a grand prize for up to 15 days as permitted by the MUSL rules.

Cross References

This section cited in 61 Pa. Code § 871.9 (relating to Powerball prize payments); and 61 Pa. Code § 871.12 (relating to ticket validation requirements).

§ 871.14. Parimutuel prize pool.

(a) The prize pool for all prize categories shall consist of 50% of each drawing period's sales after the prize reserve accounts are funded to the amounts set by the MUSL Powerball Product Group. Any amount remaining in the prize pool at the end of the game shall be carried forward to a replacement game or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(b) An amount equal to up to 5% of a party lottery's sales shall be deducted from a party lottery's grand prize pool and placed in trust in one or more prize pool accounts and prize reserve accounts until the prize pool accounts and party lottery's share of the prize reserve accounts reaches the amounts designated by the MUSL Powerball Product Group. The MUSL Powerball Product Group has established the following prize reserve accounts for the Powerball game: the Prize Reserve Account, which is used to guarantee the payment of valid, but unanticipated, Grand Prize claims that may result from a system error or other reason; and the Set Prize Reserve Account, which is used to fund deficiencies in the low-tier prize payments, subject to the limitations of these rules. The MUSL Powerball Product Group has established the following prize pool accounts for the Powerball game: the Grand Prize pool, which is used to fund the immediate Grand Prize; the Powerball Set Prize Pool, which is used to fund the Powerball Set Prize payments; and the Powerball Set-Aside Account, which is used to guarantee payments of the minimum or starting Grand Prize. The Power Play Prize Pool and Power Play Pool Account are described in § 871.20 (relating to power play promotion) of these rules. The Set Prize Pool Account holds the temporary balances that may result from having fewer than expected winners in the Powerball Set Prize (aka low-tier prize) categories. The source of the Set Prize Pool is the Party Lottery's weekly prize contributions less actual Powerball Set Prize liability. Once the prize pool accounts and the party lottery's share of the prize reserve accounts exceeds the designated amounts, the excess shall become part of the grand prize pool. The MUSL Powerball Product Group, with the approval of the Finance and Audit Committee, may establish a maximum balance for the prize pool accounts and prize reserve accounts. The MUSL Powerball Product Group may determine to expend all or a portion of the funds in the prize pool accounts, except the Grand Prize pool account, and the prize reserve accounts for

the purpose of indemnifying the Party Lotteries and Licensee Lotteries in the payment of prizes to be made by the Selling Lotteries, subject to the approval of the MUSL Board and for the payment of prizes or special prizes in the game, subject to the approval of the MUSL Finance and Audit Committee. The prize reserve shares of a party lottery may be adjusted with refunds to the party lottery from the prize reserve accounts as may be needed to maintain the approved maximum balance and shares of the party lotteries. A Party Lottery may contribute to its share of prize reserve accounts over time, but in the event of a draw down from the reserve account, a Party Lottery is responsible for its full percentage share of the account, whether or not it has been paid in full. Any amount remaining in the prize pool accounts or prize reserve accounts 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 members of the MUSL Powerball Product Group in accordance with State law.

(c) If the prize pool for a drawing is not sufficient to fund an announced minimum grand prize, the prize pool will be increased as necessary in accordance with MUSL rules.

§ 871.15. Unclaimed prize money.

Prize money on a winning Powerball play may be retained by the Secretary for payment to the person entitled to it. If within 1 year of the drawing date on the ticket, no claim is made on a winning play, as determined by the Secretary, the right to claim prize money terminates. For set prizes, the prize money will be paid into the State Lottery Fund and used for purposes otherwise provided for by statute. Unclaimed grand prize funds will be distributed among all MUSL Lotteries in proportion to each lottery's sales for the grand prize drawing.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.16. Withholding.

Federal withholding taxes will be withheld by the Lottery for the prize payments in amounts required in accordance with applicable provisions of law.

§ 871.17. Purchase and prize restrictions.

(a) A Powerball ticket may not be purchased in this Commonwealth by, and a prize will not be paid to, an officer or employee of the Pennsylvania Lottery or any of the Lottery's professional services contractors or subcontractors who are involved in the operation of the on-line lottery games system or its associated drawings, or to a spouse, child, brother, sister or parent residing in the same household as these individuals.

(b) In addition to the individuals identified in subsection (a), the following persons are not eligible to purchase a Powerball ticket and are ineligible to be paid a prize for a Powerball ticket:

- (1) An employee, officer or director of the MUSL.
- (2) A person under contract with the MUSL to conduct a financial or security audit of the MUSL.
- (3) An employee, partner, shareholder or owner of an independent accounting firm under contract with the MUSL to observe drawings and site operations.
- (4) A relative living in the same household of a person described in paragraph (1), (2) or (3).

(c) Except as provided in subsection (b), the individuals identified in subsection (a) are not prohibited from purchasing a ticket or winning a prize from a MUSL member lottery other than the Pennsylvania Lottery.

(d) A Lottery retailer authorized to sell lottery tickets for on-line games, or an employee of a retailer may not request, demand or accept gratuities or additional compensation from any person, or agent thereof, in exchange for the purchase of Powerball lottery tickets. A retailer authorized to sell lottery tickets for on-line games shall make Powerball lottery tickets available for sale to the public during the hours that sale of Powerball tickets are authorized to be sold and that business is open to the public. A retailer may only sell Powerball lottery tickets on the premises described in the retailer's contract, except as specially authorized in writing by the Director. No transaction, or any part thereof, of Powerball lottery tickets may be made at the general corporate office of a retailer unless that office is open to the public and has contracted with the Lottery as a separate Lottery retailer. A Lottery retailer authorized to sell lottery tickets for on-line games may not enter into any special agreement with a person, group of persons or agent thereof, for the purchase of over \$500 of Powerball lottery tickets for any one drawing. A retailer shall immediately report to the Lottery an attempt made by a person, or group of persons or an agent thereof, to purchase more than 50% of the number combinations for Powerball for any one drawing. A retailer shall obtain the name and address of any person purchasing more than \$5,000 in Powerball lottery tickets for any one drawing and report the information to the Lottery before the sale. A person may not purchase a ticket or combination of tickets and a lottery retailer may not directly or knowingly sell a ticket or combination of tickets to any person which would guarantee the purchaser a grand prize win.

§ 871.18. Governing law.

(a) In purchasing a ticket, the purchaser agrees to comply with and abide by applicable laws, this part, instructions, conditions, final decisions of the Secretary and procedures established by the Director or by the MUSL for the conduct of Powerball.

(b) Decisions made by the Secretary or the MUSL, including the declaration of prizes and the payment thereof or interpretation of this part are final and binding on players and persons making a claim in respect thereof.

§ 871.19. Probability of winning.

The probability of winning is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:292,201,338
Five first set numbers	Second Prize	1:11,688,053.52
Four first set numbers and the Powerball number	Third Prize	1:913,129.1813
Four first set numbers	Fourth Prize	1:36,525.1673
Three first set numbers and the Powerball number	Fifth Prize	1:14,494.1140
Three first set numbers	Sixth Prize	1:579.7646
Two first set numbers and the Powerball number	Seventh Prize	1:701.3281
One first set number and the Powerball number	Eighth Prize	1:91.9775
None of the first set and the Powerball number	Ninth Prize	1:38.3239

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.20. Power play promotion.

(a) The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option to increase set prizes won as a result of a Powerball drawing. The Powerball grand prize will not be eligible for an increase under the power play promotion. The Secretary will on occasion announce, as a special promotion, higher promotional prize amounts to be won with the power play promotion.

(b) At the time of purchasing a Powerball ticket from an on-line Lottery retailer, a player may choose the power play option for one additional \$1 per play

for each play on the Powerball ticket. If a player chooses the power play promotion feature for any play on a ticket, every play on that ticket must participate in the promotion.

(c) The MUSL shall conduct a power play drawing and will announce results during each of the regular Powerball drawings held during the power play promotion. During each power play drawing a single number (2, 3, 4, 5 or 10) shall be randomly drawn. The 10X multiplier will be available for drawings in which the initially advertised annuitized Grand Prize amount is \$150,000,000 or less. The MUSL Powerball Product Group may elect to run limited promotions that modify the multiplier features.

(d) Powerball tickets that contain the power play option and one or more plays eligible for Powerball second through ninth category prize identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize identifies in subsection (j) (relating to power play promotion), unless a higher limited promotional prize amount is announced by the Secretary.

(e) In drawings where the 10X multiplier is available, the expected power play prize pool for power play set prizes shall consist of up to 49.969% of each drawing period's power play sales. In drawings where the 10X multiplier is not available, the expected power play prize pool for power play set prizes shall consist of up to 45.934% of each drawing period's sales. The prize payout percentage per draw may vary. The power play prize pool shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the power play prizes for the current power play drawing and held in the Power Play Pool Account.

(f) In drawings where the 10X multiplier is available, an additional 0.31% of power play sales may be collected and placed in the Power Play Pool Account, for the purposes of paying power play prizes. In drawings where the 10X multiplier is not available 4.066% of power play sales may be collected and placed in the Power Play Pool Account, for the purposes of paying power play prizes. Any amount remaining in the Power Play Pool Account at the end of the power play promotion shall be returned to all lotteries participating in the account after the end of all claim periods of all selling lotteries, carried forward to a replacement game, or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(g) Except as otherwise provided in subsection (m), if, with respect to a single Powerball drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

- (1) The amount allocated to the set prizes and carried forward from previous Powerball drawings, if any.

(2) The amount allocated to the Powerball Set-Prize Reserve Account, if available in the account, not to exceed forty million dollars (\$40,000,000) per drawing.

(3) Other amounts as agreed to by the MUSL Powerball Product Group in their sole discretion.

(h) Except as otherwise provided in subsection (m), if the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes, including the power play prizes, for a particular Powerball drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(i) Power play set prizes which become parimutuel may be rounded down so that they can be paid in multiples of whole dollars. Funds remaining after rounding shall be carried forward to the prize pool for the next power play drawing.

(j) Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

Prize Level	Powerball Set Prize Amount					
	Regardless of Power Play Number Selected					
Second Prize	\$1,000,000					\$2,000,000
		10X	5X	4X	3X	2X
Third Prize	\$50,000	\$500,000	\$250,000	\$200,000	\$150,000	\$100,000
Fourth Prize	\$100	\$1,000	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$1,000	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$70	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$70	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$40	\$20	\$16	\$12	\$8
Ninth Prize	\$4	\$40	\$20	\$16	\$12	\$8

(k) When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play prizes for the second through the ninth category prizes shall reduced as announced by the MUSL Powerball Product Group.

(l) The probability of the various power play numbers being selected in a power play drawing.

(1) The probability of the various power play numbers being selected in a power play drawing when the 10X multiplier is available is:

<i>Power Play Multiplier</i>	<i>Probability of Prize Increase</i>
2	1:1.791666
3	1:3.30769
4	1:14.33333
5	1:21.5
10	1:43

(2) The probability of the various power play numbers being selected in a power play drawing when the 10X multiplier is not available is:

<i>Power Play Multiplier</i>	<i>Probability of Prize Increase</i>
2	1:1.75
3	1:3.23076
4	1:14
5	1:21
10	1:0

(m) By agreement between the Party Lotteries and the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts, including the power play prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.21. Future changes to Powerball.

(a) The MUSL reserves the right to modify the Powerball game in order to address changes in player participation or population of member states. If the MUSL decides to make a change, it will be publicly announced by the Secretary at least 30 days before the change takes effect.

(b) The Secretary will publish notice of the change in the Pennsylvania Bulletin and the change will be codified in § 871.22 (relating to changes to Powerball).

Authority

The provisions of this § 871.21 amended under section 303 of the State Lottery Law (72 P.S. § 3761-303).

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Source

The provisions of this § 871.21 amended November 8, 2002, effective November 9, 2002, 32 Pa.B. 5516. Immediately preceding text appears at serial page (290163).

§ 871.22. Changes to Powerball.

Any change to the Powerball regulations, announced by the Secretary by way of a notice published in the *Pennsylvania Bulletin*, will be codified as a new paragraph in this section.

(1) *Changes effective for Powerball tickets sold on or after October 6, 2002:*

(i) Section 871.2(a) and (b) (relating to game description and purpose); § 871.3 (relating to definitions) definition of “basic play,” “first set numbers,” “panel or game panel,” “quick pick,” “ticket” and “winning numbers;” § 871.7(c) (relating to time, place and manner of conducting drawing). Powerball is a five out of 53 plus one out of 42 on-line game. The first set of numbers are selected from 1 through 53.

(ii) Section 871.9(e) (relating to Powerball prize payments). All annuitized prizes shall be paid in 30 annual payments with the initial payment being made in cash, to be followed by 29 equal annual payments funded by the annuity. The initial payment of an annuitized prize may be made by the Lottery upon validation of the winning ticket.

(iii) Section 871.15 (relating to unclaimed prize money). Unclaimed grand prize and new bonus prize funds will be distributed among all MUSL Lotteries in proportion to each lottery’s sales for the grand prize drawing.

(iv) Section 871.19 (relating to probability of winning). The probability of winning is a follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:120,526,770
Five first set numbers	Second Prize	1:2,939,677.317073
Four first set numbers and the Powerball number	Third Prize	1:502,194.875000
Four first set numbers	Fourth Prize	1:12,248.655488
Three first set numbers and the Powerball number	Fifth Prize	1:10,684.997340
Three first set numbers	Sixth Prize	1:260.609691
Two first set numbers and the Powerball number	Seventh Prize	1:696.847653

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<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
One first set number and the Powerball number	Eighth Prize	1:123.884027
The Powerball number	Ninth Prize	1:70.388652

(v) Section 871.20(a), (c), (j) and (l) (relating to power play promotion). A player may purchase the power play option for the chance to multiply set prizes won as a result of the Powerball drawing by a number ranging from 2 to 5. The power play number will be selected from among the following series of numbers: 2, 2, 2, 3, 3, 3, 4, 4, 4, 5, 5, 5, 5, 5 and 5. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize Amount</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
		<i>5</i>	<i>4</i>	<i>3</i>	<i>2</i>
Second Prize	\$100,000	\$500,000	\$400,000	\$300,000	\$200,000
Third Prize	\$5,000	\$25,000	\$20,000	\$15,000	\$10,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

The odds of various power play numbers being selected in a power play drawing are:

<i>Power Play</i>	<i>Multiplier Odds</i>
2	1:5
3	1:5
4	1:5
5	1:2.5

(2) *Changes effective for Powerball tickets sold on or after August 28, 2005:*

(i) Section 871.2(a) and (b); § 871.3 definition of “basic play,” “first set numbers,” “panel or game,” “quick pick,” “ticket” and “winning number”; § 871.7(c). Powerball is a five out of 55 plus one out of 42 on-line game. The first set of numbers are selected from 1 through 55.

(ii) Section 871.9(e). Annuitized prizes shall be paid in 30 graduated payments, an initial followed by 29 annual graduated payments increasing

each year at a rate determined by the MUSL Powerball Product Group. This rate, once determined, will not change over the life of the payments. The 30 payments will equal 100% of the annuitized prize. Prize payments may be rounded down to the nearest \$1,000.

For example:

If the MUSL Powerball Product Group arrived at a 4% rate of increase for a \$30 million annuitized jackpot the payment schedule would be as follows:

<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
1	\$535,000	1.78300991336613%
2	\$556,000	1.85433030990078%
3	\$578,000	1.92850352229681%
4	\$601,000	2.00564366318868%
5	\$626,000	2.08586940971623%
6	\$651,000	2.16930418610488%
7	\$677,000	2.25607635354907%
8	\$704,000	2.34631940769104%
9	\$732,000	2.44017218399868%
10	\$761,000	2.53777907135862%
11	\$792,000	2.63929023421297%
12	\$823,000	2.74486184358149%
13	\$856,000	2.85465631732475%
14	\$891,000	2.96884257001774%
15	\$926,000	3.08759627281845%
16	\$963,000	3.21110012373119%
17	\$1,002,000	3.33954412868043%
18	\$1,042,000	3.47312589382765%
19	\$1,084,000	3.61205092958076%
20	\$1,127,000	3.75653296676399%
21	\$1,172,000	3.90679428543455%
22	\$1,219,000	4.06306605685193%
23	\$1,268,000	4.22558869912601%
24	\$1,319,000	4.39461224709105%
25	\$1,371,000	4.57039673697469%
26	\$1,426,000	4.75321260645368%
27	\$1,483,000	4.94334111071182%
28	\$1,543,000	5.14107475514030%
29	\$1,604,000	5.34671774534591%
30	<u>\$1,668,000</u>	5.56058645515974%
Payment Total	<u>\$30,000,000</u>	

(iii) Section 871.8(a) (relating to expected prize payout percentages).
Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winning Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	60.5770%
Five first set numbers	Second Prize*	\$200,000	11.2246%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	3.4222%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	1.6768%
Three first set numbers	Sixth Prize*	\$7	4.8126%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	1.8780%
One first set number and the Powerball number	Eighth Prize*	\$4	6.3050%
The Powerball number	Ninth Prize*	\$3	8.7008%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(iv) Section 871.19. The probability of winning is as follows:

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:146,107,962
Five first set numbers	Second Prize	1:3,563,608.8293
Four first set numbers and the Powerball number	Third Prize	1:584,431.8480
Four first set numbers	Fourth Prize	1:14,254.4353
Three first set numbers and the Powerball number	Fifth Prize	1:11,927.1806
Three first set numbers	Sixth Prize	1:290.9068
Two first set numbers and the Powerball number	Seventh Prize	1:745.4488
One first set number and the Powerball number	Eighth Prize	1:126.8849
The Powerball number	Ninth Prize	1:68.9592

(v) Section 871.20(a), (c), (j) and (l). A player may purchase the power play option for the chance to multiply set prizes won as a result of the Powerball drawing by a number ranging from 2 to 5. The power play number will

be selected from among the following series of numbers: 2, 2, 2, 2, 3, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5 and 5. Except as otherwise provided, power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize Amount</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
		<i>5</i>	<i>4</i>	<i>3</i>	<i>2</i>
Second Prize	\$200,000	\$1,000,000	\$800,000	\$600,000	\$400,000
Third Prize	\$ 10,000	\$ 50,000	\$ 40,000	\$ 30,000	\$ 20,000
Fourth Prize	\$ 100	\$ 500	\$ 400	\$ 300	\$ 200
Fifth Prize	\$ 100	\$ 500	\$ 400	\$ 300	\$ 200
Sixth Prize	\$ 7	\$ 35	\$ 28	\$ 21	\$ 14
Seventh Prize	\$ 7	\$ 35	\$ 28	\$ 21	\$ 14
Eighth Prize	\$ 4	\$ 20	\$ 16	\$ 12	\$ 8
Ninth Prize	\$ 3	\$ 15	\$ 12	\$ 9	\$ 6

The odds of various power play numbers being selected in a power play drawing are:

<i>Power Play Multiplier</i>	<i>Odds</i>
2	1:4
3	1:4
4	1:4
5	1:4

(3) *Changes effective for Powerball tickets sold on or after January 4, 2009:*

(i) Section 871.2(a) (relating to game description and purpose). Powerball is a five out of 59 plus one out of 39 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash basis.

(ii) Section 871.2(b) The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 59, and matching the separately drawn Powerball number, or a designated combination thereof, within a single play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted twice a week or as publicly announced by the Secretary.

(iii) Section 871.3 (relating to definitions).

Basic play—Each set of six numbers consisting of five numbers from 1 through 59 and the Powerball number on a ticket purchased without the selec-

tion of any promotion, representing a single entry for a Powerball drawing and designated by a letter from A to E on a Powerball ticket.

First set numbers—The first group of numbers, from 1 through 59, appearing in the top grid of a Powerball game panel.

Grand prize winnings pool—An amount constituting 32.5288% of gross sales from all participating States for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 59 squares, each numbered 1 through 59 and the lower grids (second set numbers) contain 39 squares, each numbered 1 through 39. Each panel is lettered either A, B, C, D or E, and when used to purchase a ticket, corresponds to the numbers selected and printed on the ticket adjacent to that letter.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 39, appearing in the lower grid of a Powerball game panel.

Quick pick—The random selection by the Lottery's computer system of five numbers from 1 through 59 and a Powerball number from 1 through 39 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 39, appearing in the lower grid of a Powerball game panel.

Set prize winnings pool—An amount constituting 17.4712% of gross sales for the current drawing and any moneys carried forward from previous draws. *Ticket*—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 59 and a single selected Powerball number from 1 through 39 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 59, and the Powerball number from 1 through 39, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

Editor's Note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.

(iv) Section 871.7(c) (relating to time, place and manner of conducting drawing). Manner of conducting drawing. The MUSL will draw at random five numbers from a set of balls numbered 1 through 59 and one Powerball

number from a set of balls numbered 1 through 39 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

(v) Section 871.8(a) (relating to expected prize payout percentages). Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	65.0576%
Five first set numbers	Second Prize*	\$200,000	7.7850%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	2.7656%
Four first set numbers	Fourth Prize*	\$100	1.0510%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	1.4658%
Three first set numbers	Sixth Prize*	\$7	3.8990%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	1.7786%
One first set number and the Powerball number	Eighth Prize*	\$4	6.4790%
The Powerball number	Ninth Prize*	\$3	9.7184%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(vi) Section 871.8(c)(1) (relating to expected prize payout percentages). If the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 17.4712% of gross sales, the amount needed to fund the set prizes shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$25,000,000 per Powerball drawing.

(vii) Section 871.19 (relating to probability of winning). The probability of winning is as follows:

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winnings per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:195,249,054
Five first set numbers	Second Prize	1:5,138,133
Four first set numbers and the Powerball number	Third Prize	1:723,144.6444

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winnings per Play</i>
Four first set numbers	Fourth Prize	1:19,030.1222
Three first set numbers and the Powerball number	Fifth Prize	1:13,644.2386
Three first set numbers	Sixth Prize	1:359.0589
Two first set numbers and the Powerball number	Seventh Prize	1:787.1676
One first set number and the Powerball number	Eighth Prize	1:123.4773
The Powerball number	Ninth Prize	1:61.7386

(viii) Section 871.20(a) (relating to power play promotion). The power-play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option for the chance to multiply set prizes won as a result of a Powerball drawing by a number ranging from 2 to 5. The Powerball grand prize will not be eligible for multiplication under the power play promotion. The Secretary will on occasion announce, as a special promotion, a multiplier of 10.

(ix) Section 871.20(c). At the time of each Powerball drawing, the MUSL shall conduct a power play drawing, with the aid of mechanical drawing equipment or any other selection methodology as authorized by the Secretary, under the supervision of security and an independent auditor which shall result in the selection of the power play number from among the following series of numbers: 2, 2, 2, 2, 3, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5 and 5.

(x) Section 871.20(d). Powerball tickets that contain the power play option and one or more plays eligible for Powerball set prizes (but not the grand prize) identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize calculated by multiplying each Powerball set prize by the power play number. The second prize category power play multiplier will be fixed at a minimum of 5.

(xi) Section 871.20(j). Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize Amount</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
		<i>5</i>	<i>4</i>	<i>3</i>	<i>2</i>
Second Prize	\$200,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000

Prize Level	Powerball Set Prize Amount	Power Play Multiplier and Set Prize Amount			
		5	4	3	2
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

(4) *Changes effective for Powerball tickets sold on or after May 28, 2011:*

(i) Section 871.20(a) (relating to power play promotion). The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option for the chance to multiply or increase the third through the ninth category set prizes won as a result of a Powerball drawing by a number ranging from 2 to 5. The Powerball grand prize, the second category prize and the Match 5 Bonus prizes will not be eligible for multiplication under the power play promotion. The Secretary will on occasion announce, as a special promotion, multipliers greater than 5 or a greater second category prize amount. The second category prize shall be \$1,000,000 unless a higher promotional dollar amount is announced by the Secretary.

(ii) Section 871.20(d). Powerball tickets that contain the power play option and one or more plays eligible for Powerball third through ninth category prizes identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize calculated by multiplying each Powerball third through ninth category prize by the power play number. Powerball tickets that contain the power play option and one or more plays eligible for a Powerball second category prize shall be entitled to a prize of \$1,000,000 unless a higher limited promotional dollar amount is announced by the Secretary.

(iii) Section 871.20(g). If, with respect to a single Powerball drawing and associated power play drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to the set prizes and carried forward from previous Powerball drawings and power play drawings, if any.

(2) An amount from the Powerball set prize reserve account, if available, not to exceed \$25,000,000 per drawing.

(iv) Section 871.20(h). If the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing and associated power play drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(v) Section 871.20(j). Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments. Power play prizes for the third through the ninth category prizes shall be determined by multiplying the Powerball set prize by the number selected in the power play drawing. The power play prize for the second category prize level shall be paid \$1,000,000. Power play prize levels shall be paid as follows:

Prize Level	<i>Powerball Set Prize Amount Regardless of Power Play Number Selected:</i>				
		5X	4X	3X	2X
Second Prize	\$200,000	\$1,000,000			
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

(vi) Section 871.20(k). When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play prizes for the third through the ninth category prizes shall be

a multiple of the new Powerball set prize amount and the power play prize for the second category prize shall be reduced as announced by the MUSL Powerball Product Group.

(5) *Changes effective for Powerball tickets sold on or after January 15, 2012:*

(i) Section 871.2(a) (relating to game description and purpose). Powerball is a five out of 59 plus one out of 35 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash basis.

(ii) Section 871.3 (relating to definitions).

Grand prize winnings pool—An amount constituting 31.9756% of gross sales from all participating states for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 59 squares, each numbered 1 through 59 and the lower grids (second set numbers) contain 35 squares, each numbered 1 through 35. Each panel is lettered either A, B, C, D or E.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 35, appearing in the lower grid of a Powerball game panel.

Quick pick—The random selection by the Lottery's computer system of five numbers from 1 through 59 and a Powerball number from 1 through 35 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 35, appearing in the lower grid of a Powerball game panel.

Set prize winnings pool—An amount constituting 18.0244% of gross sales for the current drawing and any monies carried forward from previous draws.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 59 and a single selected Powerball number from 1 through 35 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 59, and the Powerball number from 1 through 35, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

(Editor's Note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.)

(iii) Section 871.5 (relating to ticket price). A Powerball ticket shall cost \$2 per play. The power play option may be exercised, at the discretion of the player, for an additional \$1 per play.

(iv) Section 871.6(a) (relating to Powerball bet slip and ticket characteristics and restrictions). For each basic play the player shall select, or request quick pick selection by the computer, five numbers and a single Powerball number, in one or more of the game panels on a Powerball bet slip. Powerball bet slips shall be available at no cost to the player. The minimum entry is \$2. For \$2, play one game; for \$4, play two games; for \$6, play three games; for \$8, play four games; for \$10, play five games. Players are also given the option to select a promotion verbally or on the bet slip at the time of purchase for an additional \$1 for each play. Game panels shall be played in alphabetical order in accordance with the instructions printed on the Powerball bet slip. A Powerball bet slip has no pecuniary or prize value and does not constitute evidence of the purchase of a ticket or the numbers selected.

(v) Section 871.6(b). To purchase a ticket, players shall, in addition to the purchase price, submit a completed Powerball bet slip, or request number selections either by quick pick or manual terminal entry to an on-line retailer to have a ticket issued. To purchase a ticket at a Lottery self-service terminal that dispenses terminal-based Lottery tickets, the player shall designate the drawing date or dates for which the ticket is entered, number selections and may exercise the power play promotion for an additional \$1 per play. The player may use a bet slip or the Quick Pick option at a Lottery self-service terminal that dispenses terminal-based Lottery tickets. The ticket shall contain five selected numbers and a single selected Powerball number for each play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. This ticket shall be the only valid receipt for claiming a prize. The ticket shall only be valid for the drawing date or dates printed on the ticket. Retailers are not permitted to allow the attachment of any remote devices to a lottery terminal to enter plays except as otherwise provided in the MUSL rules.

(vi) Section 871.6(c). If Powerball bet slips are unavailable, number selections may be given to an on-line retailer in groups of five number selections and one Powerball number selection per game section for each \$2 wagered as a basic play. The player may exercise the power play promotion for an additional \$1 per play. The retailer shall manually enter the selections into the computer terminal.

(vii) Section 871.7(b) (relating to time, place and manner of conducting drawing). Place of drawing. A Powerball drawing will be conducted in a location selected by the MUSL.

(viii) Section 871.7(c). Manner of conducting drawing. The MUSL will draw at random five numbers from a set of balls numbered 1 through 59 and one Powerball number from a set of balls numbered 1 through 35 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

(ix) Section 871.8(a) (relating to expected prize payout percentages). Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	63.9511%
Five first set numbers	Second Prize*	\$1,000,000	19.4038%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	1.5409%
Four first set numbers	Fourth Prize*	\$100	.5239%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	.8167%
Three first set numbers	Sixth Prize*	\$7	1.9437%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	.9909%
One first set number and the Powerball number	Eighth Prize*	\$4	3.6097%
The Powerball number	Ninth Prize*	\$4	7.2194%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(x) Section 871.8(c)(1). If the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 18.0244% of gross sales, the amount needed to fund the set prizes shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$40,000,000 per Powerball drawing.

(xi) Section 871.15 (relating to unclaimed prize money). Prize money on a winning Powerball play may be retained by the Secretary for payment to the person entitled to it. If within 1 year of the drawing date on the ticket, no claim is made on a winning play, as determined by the Secretary, the right to claim prize money terminates. For set prizes, the prize money will be paid into the State Lottery Fund and used for purposes otherwise provided for by statute. Unclaimed grand prize funds will be distributed among all MUSL Lotteries in proportion to each lottery's sales for the grand prize drawing.

(xii) Section 871.19 (relating to probability of winning). The probability of winning is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:175,223,510
Five first set numbers	Second Prize	1:5,153,632.6471
Four first set numbers and the Powerball number	Third Prize	1:648,975.9630
Four first set numbers	Fourth Prize	1:19,087.5283
Three first set numbers and the Powerball number	Fifth Prize	1:12,244.8295
Three first set numbers	Sixth Prize	1:360.1420
Two first set numbers and the Powerball number	Seventh Prize	1:706.4325
One first set number and the Powerball number	Eighth Prize	1:110.8129
The Powerball number	Ninth Prize	1:55.4065

(xiii) Section 871.20(a) (relating to power play promotion). The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option to increase set prizes won as a result of a Powerball drawing. The Powerball grand prize will not be eligible for an increase under the power play promotion. The Secretary will on occasion announce, as a special promotion, higher promotional prize amounts to be won with the power play promotion.

(xiv) Section 871.20(c) is deleted in its entirety.

(xv) Section 871.20(d). Powerball tickets that contain the power play option and one or more plays eligible for Powerball second through ninth category prizes identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize identified in § 871.20(j) (relating to power play promotion), unless a higher limited promotional prize amount is announced by the Secretary.

(xvi) Section 871.20(e). The prize pool for power play set prizes shall consist of up to 49.96% of power play sales after Powerball prize reserve accounts are funded to the amounts set by the MUSL. The prize pool percentage allocated to power play set prizes shall be carried forward to subse-

quent power play drawings if all or a portion of the percentage is not required to pay the set prizes for the current power play drawing.

(xvii) Section 871.20(f). An additional 0.04% of power play sales may be collected and placed in prize reserve accounts until the prize reserve accounts meet the amounts designated by the MUSL. Any amount remaining in prize reserve accounts at the end of the power play promotion shall be carried forward to a replacement prize reserve account or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(xviii) Section 871.20(g). If, with respect to a single Powerball drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

- (1) The amount allocated to the set prizes and carried forward from previous Powerball drawings, if any.
- (2) An amount from the Powerball set prize reserve account, if available, not to exceed \$40,000,000 per drawing.

(xix) Section 871.20(h). If the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(xx) Section 871.20(j). Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments. Power play prize levels shall be paid as follows:

<i>Prize Level</i>	<i>Power Play Set Prize Amount</i>
Second Prize	\$2,000,000
Third Prize	\$40,000
Fourth Prize	\$200

<i>Prize Level</i>	<i>Power Play Set Prize Amount</i>
Fifth Prize	\$200
Sixth Prize	\$14
Seventh Prize	\$14
Eighth Prize	\$12
Ninth Prize	\$12

(xxi) Section 871.20(k). When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play prizes for the second through the ninth category prizes shall be reduced as announced by the MUSL Powerball Product Group.

(xxii) Section 871.20(l) is deleted in its entirety.

(xxiii) Section 871.22(1)(vi) (relating to changes to Powerball) is deleted in its entirety.

(Editor's Note: Section 871.23 effectuated the adoption and subsequent deletion referenced in § 871.22(1)(vi) and (5)(xxiii).)

(6) *Changes effective for Powerball tickets sold on or after October 1, 2013:*

(i) Section 871.3 (relating to definitions).

Licensee Lottery—A State lottery or lottery of a political subdivision or entity which is not a Party Lottery but has agreed to comply with all applicable MUSL and MUSL Powerball Product Group requirements and has been authorized by the MUSL and by the MUSL Powerball Product Group to sell the Powerball game.

MUSL Finance and Audit Committee—The committee established by the Multi-State Lottery Association which, among other things, establishes the reserve accounts balances.

Editor's note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.

(ii) Section 871.8(c) (relating to expected prize payout percentages). The number of plays determined by the MUSL to be winners of the second through ninth prize categories will be paid as set cash prizes, except as provided in paragraphs (1) through (4).

(1) Except as otherwise provided in section 871.8(c)(4), if the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 18.0244% of gross sales, the amount needed to fund the set prizes, including Power play prizes, shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$40,000,000 per Powerball drawing.

(2) Except as otherwise provided in section 871.8(c)(4), if the sources set forth in paragraph (1) are depleted and there still are not sufficient funds to pay the set prizes, including Power play prizes, for a particular Powerball drawing,

the highest set prize shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining set prizes, the next highest set prize shall become a parimutuel prize. If necessary, and under the same test conditions set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel.

(3) Except for winning prizes sold by the California Lottery, if all, or any portion of the set prize pool is not awarded in the current Powerball drawing, that portion of the set prize pool shall be carried forward to subsequent Powerball drawings.

(4) By agreement with the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

(iii) Section 871.14(b) (relating to pari-mutuel prize pool). An amount equal to up to 5% of a party lottery's sales shall be deducted from a party lottery's grand prize pool and placed in trust in one or more prize pool accounts and prize reserve accounts until the prize pool accounts and party lottery's share of the prize reserve accounts reaches the amounts designated by the MUSL Powerball Product Group. The MUSL Powerball Product Group has established the following prize reserve accounts for the Powerball game: the Prize Reserve Account, which is used to guarantee the payment of valid, but unanticipated, Grand Prize claims that may result from a system error or other reason; and the Set Prize Reserve Account, which is used to fund deficiencies in low-tier prize payments, subject to the limitations of these rules. The MUSL Powerball Product Group has established the following prize pool accounts for the Powerball game; the Grand Prize pool, which is used to fund the immediate Grand Prize, the Set-Aside Account, which is used to guarantee payment of the minimum or starting Grand Prize; the Power play pool account, which is described in § 871.20 (relating to power play promotion) of these rules; and the Low-Tier Prize Pool Account, which holds the temporary balances that may result from having fewer than expected winners in the low-tier prize categories. The source of the Low-Tier Prize Pool is the Party Lottery's weekly prize contributions less actual set prize liability. Once the prize pool accounts and the party lottery's share of the prize reserve accounts exceeds the designated amounts, the excess shall become part of the grand prize pool. The MUSL Powerball Product Group, with the approval of the Finance and Audit Committee, may establish a maximum balance for the prize pool accounts and prize reserve accounts. The MUSL Powerball Product Group may determine to expend all or a portion of the funds in the prize pool accounts, except the Grand Prize pool account, and the prize reserve accounts for the purpose of indemnifying the Party Lotteries and Licensee Lotteries in the payment of prizes to be made by the participating lotteries, subject to the approval of the MUSL Board and for the payment of prizes or special prizes in the game, subject to the approval of the MUSL Finance and Audit Committee. The prize reserve shares of a party lottery may be adjusted with refunds to the party lottery

from the prize reserve accounts as may be needed to maintain the approved maximum balance and shares of the party lotteries. Any amount remaining in the prize pool accounts or prize reserve accounts 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 members of the MUSL Powerball Product Group in accordance with State law.

(iv) Section 871.20(e) (relating to power play promotion). The Power play prize pool for power play set prizes shall consist of up to 49.96% of power play sales. The Power play prize pool shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the power play prizes for the current power play drawing and held in the Power Play Pool Account.

(v) Section 871.20(f) (relating to power play promotion). An additional 0.04% of power play sales may be collected and placed in the power play pool account, for the purpose of paying Power Play prizes. Any amount remaining in the power play pool account at the end of the power play promotion shall be returned to all lotteries participating in the account after the end of all claim periods of all selling lotteries, carried forward to a replacement game, or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(vi) Section 871.20(g) (relating to power play promotion). Except as otherwise provided in section 871.20(m), if, with respect to a single Powerball drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to the set prizes and carried forward from previous Powerball drawings, if any.

(2) The amount allocated to the Powerball Set-Prize Reserve Account, if available in the account, not to exceed forty million dollars (\$40,000,000.00) per drawing.

(vii) Section 871.20(h) (relating to power play promotion). Except as otherwise provided in section 871.20(m), if the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes, including the power play prizes, for a particular Powerball drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(viii) Section 871.20(m) (relating to power play promotion). By agreement with the Licensee Lotteries, the Licensee Lotteries shall independently

calculate their set parimutuel prize amounts, including the power play prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the pari-mutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

(7) *Changes effective for Powerball tickets sold on or after January 19, 2014:*

(i) Section 871.8(c)(4) (relating to expected prize payout percentages). By agreement between the Party Lotteries and the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

(ii) Section 871.9(n) (relating to Powerball prize payments). The Pennsylvania Lottery may conduct promotional drawings associated with the Powerball game. Powerball game tickets will be imprinted with a unique code to be used by players to enter the promotional drawings. The promotional drawings may be held independently of or in conjunction with the regular Powerball drawings. The Secretary will announce the existence of the promotional drawings. Winners of promotional drawings will be randomly selected from the group of qualified entries. A description of the available prize(s) and the specific rules and other information necessary for the conduct of the promotional drawings will be posted to the Lottery's publicly accessible website. A copy of the same will also be kept on file with the Lottery and will be available upon request.

(iii) Section 871.20(c) (relating to power play promotion). The MUSL shall conduct a power play drawing and will announce results during each of the regular Powerball drawings held during the power play promotion. During each power play drawing a single number (2, 3, 4 or 5) shall be randomly drawn.

(iv) Section 871.20(e) (relating to power play promotion). The power play prize pool for power play set prizes shall consist of up to 49.36% of power play sales. The power play prize pool shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the power play prizes for the current power play drawing and held in the Power Play Pool Account.

(v) Section 871.20(f) (relating to power play promotion). An additional 0.64% of power play sales may be collected and placed in the power play pool account, for the purpose of paying power play prizes. Any amount remaining in the power play pool account at the end of the power play promotion shall be returned to all lotteries participating in the account after the end of all claim periods of all selling lotteries, carried forward to a replacement game, or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(vi) Section 871.20(j) (relating to power play promotion). Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

Prize Level	<i>Powerball Set Prize</i>				
	<i>Amount</i>	<i>Regardless of Power Play Number Selected</i>			
Second Prize	\$1,000,000	\$2,000,000			
			5X	4X	3X 2X
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$4	\$20	\$16	\$12	\$8

(vii) Section 871.20(l) (relating to power play promotion). The odds of the various power play numbers being selected in a power play drawing are:

<i>Power Play Multiplier</i>	<i>Odds</i>
2	1:2
3	1:3.33
4	1:10
5	1:10

(viii) Section 871.20(m) (relating to power play promotion). By agreement between the Party Lotteries and the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts, including the power play prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

(8) *Changes effective for Powerball tickets sold on or after October 4, 2015:*

(i) Section 871.2(a) (relating to game description and purpose). Powerball is a five out of 69 plus one out of 26 terminal-based lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash, single payment basis.

(ii) Section 871.2(b) (relating to game description and purpose). The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 69, and matching the separately drawn Powerball number, or a designated combination thereof, within a single play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted twice a week or as publicly announced by the Secretary.

(iii) Section 871.3 (relating to definitions).

Advertised Grand Prize—The estimated annuitized Grand Prize amount as determined by the MUSL Central Office by use of the MUSL Annuity Factor

and communicated through the Selling Lotteries prior to the Grand Prize drawing. The Advertised Grand Prize is not a guaranteed prize amount and the actual Grand Prize may vary from the advertised amount, except in circumstances where there is a guaranteed Grand Prize amount as described in § 871.10 (relating to funding of guaranteed prizes).

Basic Play—Each set of six numbers consisting of five numbers from 1 through 69 and the Powerball number on a ticket purchased without the selection of any promotion, representing a single entry for a Powerball drawing and designated by a letter from A to E on a Powerball ticket.

First set numbers—The first group of numbers from 1 through 69, appearing in the top grid of a Powerball game panel.

MUSL Annuity Factor—The annuity factor as determined by the MUSL central office through a method approved by the MUSL Finance and Audit Committee and which is used as described in these rules.

Panel or game panel—One of five areas on the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 69 squares, each numbered 1 through 69, and the lower grids (second set numbers) contain 26 squares, each numbered 1 through 26. Each panel is lettered either A, B, C, D or E.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 26, appearing in the lower grid of a Powerball game panel.

Quick Pick—The random selection by the Lottery's computer system of five numbers from 1 through 69 and a Powerball number from 1 through 26 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 26, appearing in the lower grid of a Powerball game panel.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 69 and a single selected Powerball number from 1 through 26 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to ten on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 69, and the Powerball number from 1 through 26, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

(Editor's Note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.)

(iv) Section 871.7(c) (relating to time, place and manner of conducting drawings). The MUSL will draw at random five numbers from a set of balls numbered 1 through 69 and one Powerball number from a set of balls num-

bered 1 through 26 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

(v) Section 871.8(a) (relating to expected prize payout percentages). Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	68.0131%
Five first set numbers	Second Prize*	\$1,000,000	8.5558%
Four first set numbers and the Powerball number	Third Prize*	\$50,000	5.4757%
Four first set numbers	Fourth Prize*	\$100	.2738%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	.6899%
Three first set numbers	Sixth Prize*	\$7	1.2074%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	.9981%
One first set number and the Powerball number	Eighth Prize*	\$4	4.3489%
None of the first set and the Powerball number	Ninth Prize*	\$4	10.4373%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(vi) Section 871.8(c)(1)(iii) (relating to expected prize payout percentages). Any other amounts as agreed to by the MUSL Powerball Product Group in their sole discretion.

(vii) Section 871.9(c) (relating to Powerball prize payments). The MUSL Annuity Factor is determined through a process as approved by the MUSL Finance and Audit Committee.

(viii) Section 871.10 (relating to funding of guaranteed prizes). The MUSL Powerball Product Group may offer guaranteed minimum grand prize amounts or minimum increases in the grand prize amount between drawings or make other changes in the allocation of prize money where the MUSL Powerball Product Group finds that it would be in the best interest of the game. If a minimum grand prize amount or a minimum increase in the grand prize amount between drawings is offered by the Product Group, the grand prize shares shall be determined as follows:

(1) If there are multiple grand prize winners during a single drawing, each selecting the annuitized option prize, then a winner's share of the guaranteed annuitized grand prize shall be determined by dividing the guaranteed annuitized grand prize by the number of winners.

(2) If there are multiple grand prize winners during a single drawing and at least one of the grand prize winners has elected the annuitized option prize, the best bid submitted by the MUSL's preapproved qualified brokers shall determine the cash pool needed to fund the guaranteed annuitized grand prize.

(3) If no winner of the grand prize during a single drawing has elected the annuitized grand prize, the amount of cash in the grand prize pool shall be an amount equal to the guaranteed annuitized amount divided by the MUSL Annuity Factor.

(4) Section 871.10(4) is deleted in its entirety.

(5) Changes in the allocation of prize money shall be designed to retain approximately the same prize allocation percentages, over a year's time, as set for in § 871.8 (relating to expected prize payout percentages). Minimum guaranteed prizes or increases may be waived if the alternate funding mechanism as set for in § 871.8 becomes necessary.

(6) Approval of the MUSL Powerball Product Group is required to change the guaranteed minimum Grand Prize amounts or minimum increases in the Grand Prize amount. Any reduction in the minimum increases to the Grand Prize amount shall not become effective until after a Grand Prize win following the action taken by the MUSL Powerball Product Group.

(ix) Section 871.14(b) (relating to parimutuel prize pool). An amount equal to up to 5% of a party lottery's sales shall be deducted from a party lottery's grand prize pool and placed in trust in one or more prize pool accounts and prize reserve accounts until the prize pool accounts and party lottery's share of the prize reserve accounts reaches the amounts designated by the MUSL Powerball Product Group. The MUSL Powerball Product Group has established the following prize reserve accounts for the Powerball game: the Prize Reserve Account, which is used to guarantee the payment of valid, but unanticipated, Grand Prize claims that may result from a system error or other reason; and the Set Prize Reserve Account, which is used to fund deficiencies in the low-tier prize payments, subject to the limitations of these rules. The MUSL Powerball Product Group has established the following prize pool accounts for the Powerball game: the Grand Prize pool, which is used to fund the immediate Grand Prize; the Powerball Set Prize Pool, which is used to fund the Powerball Set Prize payments; and the Powerball Set-Aside Account, which is used to guarantee payments of the minimum or starting Grand Prize. The Power Play Prize Pool and Power Play Pool Account are described in § 871.20 (relating to power play promotion) of these rules. The Set Prize Pool Account holds the temporary balances that may result from having fewer than expected winners in the Powerball Set Prize (aka low-tier prize) categories. The source of the Set Prize Pool is the Party Lottery's weekly prize contributions less actual Powerball Set Prize liability. Once the prize pool accounts and the party lottery's share of the prize reserve accounts exceeds the designated amounts, the excess shall become part of the grand prize pool. The MUSL Powerball Product Group, with the approval of the Finance and Audit Committee, may establish a maximum balance for the prize pool accounts and prize reserve accounts. The MUSL Powerball Product Group may determine to expend all or a portion of the funds in the prize pool accounts, except the Grand Prize pool account, and the prize reserve accounts for the purpose of indemnifying the Party Lotteries and Licensee Lotteries in the payment of prizes to be made by the Selling Lotteries, subject to the approval of the MUSL Board and for the payment of prizes or special prizes in the game, subject to the approval of the MUSL Finance and Audit Committee. The prize reserve shares of a

party lottery may be adjusted with refunds to the party lottery from the prize reserve accounts as may be needed to maintain the approved maximum balance and shares of the party lotteries. A Party Lottery may contribute to its share of prize reserve accounts over time, but in the event of a draw down from the reserve account, a Party Lottery is responsible for its full percentage share of the account, whether or not it has been paid in full. Any amount remaining in the prize pool accounts or prize reserve accounts 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 members of the MUSL Powerball Product Group in accordance with State law.

(x) Section 871.19 (relating to probability of winning). The probability of winning is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:292,201,338
Five first set numbers	Second Prize	1:11,688,053.52
Four first set numbers and the Powerball number	Third Prize	1:913,129.1813
Four first set numbers	Fourth Prize	1:36,525.1673
Three first set numbers and the Powerball number	Fifth Prize	1:14,494.1140
Three first set numbers	Sixth Prize	1:579.7646
Two first set numbers and the Powerball number	Seventh Prize	1:701.3281
One first set number and the Powerball number	Eighth Prize	1:91.9775
None of the first set and the Powerball number	Ninth Prize	1:38.3239

(xi) Section 871.20(c) (relating to power play promotion). The MUSL shall conduct a power play drawing and will announce results during each of the regular Powerball drawings held during the power play promotion. During each power play drawing a single number (2, 3, 4, 5 or 10) shall be randomly drawn. The 10X multiplier will be available for drawings in which the initially advertised annuitized Grand Prize amount is \$150,000,000 or less. The MUSL Powerball Product Group may elect to run limited promotions that modify the multiplier features.

(xii) Section 871.20(e) (relating to power play promotion). In drawings where the 10X multiplier is available, the expected power play prize pool for power play set prizes shall consist of up to 49.969% of each drawing period's power play sales. In drawings where the 10X multiplier is not available, the expected power play prize pool for power play set prizes shall consist of

up to 45.934% of each drawing period’s sales. The prize payout percentage per draw may vary. The power play prize pool shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the power play prizes for the current power play drawing and held in the Power Play Pool Account.

(xiii) Section 871.20(f) (relating to power play promotion). In drawings where the 10X multiplier is available, an additional 0.31% of power play sales may be collected and placed in the Power Play Pool Account, for the purposes of paying power play prizes. In drawings where the 10X multiplier is not available 4.066% of power play sales may be collected and placed in the Power Play Pool Account, for the purposes of paying power play prizes. Any amount remaining in the Power Play Pool Account at the end of the power play promotion shall be returned to all lotteries participating in the account after the end of all claim periods of all selling lotteries, carried forward to a replacement game, or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(xiv) Section 871.20(g)(3) (relating to power play promotion). Other amounts as agreed to by the MUSL Powerball Product Group in their sole discretion.

(xv) Section 871.20(j) (relating to power play promotion). Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

Prize Level	Powerball Set Prize Amount	Regardless of Power Play Number Selected				
		10X	5X	4X	3X	2X
Second Prize	\$1,000,000			\$2,000,000		
Third Prize	\$50,000	\$500,000	\$250,000	\$200,000	\$150,000	\$100,000
Fourth Prize	\$100	\$1,000	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$1,000	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$70	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$70	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$40	\$20	\$16	\$12	\$8
Ninth Prize	\$4	\$40	\$20	\$16	\$12	\$8

(xvi) Section 871.20(l) (relating to power play promotion). The probability of the various power play numbers being selected in a power play drawing.

(3) The probability of the various power play numbers being selected in a power play drawing when the 10X multiplier is available is:

Power Play Multiplier	Probability of Prize Increase
2	1:1.791666

<i>Power Play Multiplier</i>	<i>Probability of Prize Increase</i>
3	1:3.30769
4	1:14.33333
5	1:21.5
10	1:43

(4) The probability of the various power play numbers being selected in a power play drawing when the 10X multiplier is not available is:

<i>Power Play Multiplier</i>	<i>Probability of Prize Increase</i>
2	1:1.75
3	1:3.23076
4	1:14
5	1:21
10	1:0

(9) *Changes effective for Powerball tickets sold on or after April 9, 2020:*

(i) Section 871.10 (relating to funding of guaranteed prizes). The MUSL Powerball Product Group may offer guaranteed minimum grand prize amounts or minimum increases in the grand prize amount between drawings or make other changes in the allocation of prize money where the MUSL Powerball Product Group finds that it would be in the best interest of the game. If a minimum grand prize amount or a minimum increase in the grand prize amount between drawings is offered by the Product Group, the grand prize shares shall be determined as follows:

(1) If there are multiple grand prize winners during a single drawing, each selecting the annuitized option prize, then a winner's share of the guaranteed annuitized grand prize shall be determined by dividing the guaranteed annuitized grand prize by the number of winners.

(2) If there are multiple grand prize winners during a single drawing and at least one of the grand prize winners has elected the annuitized option prize, the best bid submitted by the MUSL's preapproved qualified brokers shall determine the cash pool needed to fund the guaranteed annuitized grand prize.

(3) If no winner of the grand prize during a single drawing has elected the annuitized grand prize, the amount of cash in the grand prize pool shall be an amount equal to the guaranteed annuitized amount divided by the MUSL Annuity Factor.

(4) Section 871.10(4) is deleted in its entirety.

(5) Changes in the allocation of prize money shall be designed to retain approximately the same prize allocation percentages, over a year's time, as set forth in § 871.8 (relating to expected prize payout percentages). Minimum guaranteed prizes or increases may be waived if the alternate funding mechanism as set forth in § 871.8 becomes necessary.

(6) Approval of the Group is required to change the guaranteed minimum Grand Prize amounts or minimum increases in the Grand Prize amount. The Group may increase, decrease or eliminate the guaranteed minimum Grand Prize amount or any announced minimum Grand Prize increases effective at any time following the next drawing following the action taken by the Group.

Source

The provisions of this § 871.22 amended July 12, 2002, effective October 6, 2002, 32 Pa.B. 3396; amended October 11, 2002, and applies to the ticket sales beginning on Sunday, October 6, 2002, for the Powerball drawing on Wednesday, October 9, 2002, 32 Pa.B. 5144; amended July 22, 2005, effective August 28, 2005, 35 Pa.B. 4151; amended November 28, 2008, effective January 4, 2009, 38 Pa.B. 6571; amended May 27, 2011, effective May 28, 2011, 41 Pa.B. 2787; amended December 16, 2011, these changes will affect ticket sales beginning on Sunday, January 15, 2012, for the Powerball drawing on Wednesday, January 18, 2012, 41 Pa.B. 6945; amended September 27, 2013, these changes will affect ticket sales beginning October 1, 2013, 43 Pa.B. 5776; amended January 3, 2014, these changes will affect ticket sales beginning January 19, 2014, 44 Pa.B. 138; amended September 25, 2015, these changes will affect ticket sales beginning October 4, 2015, 45 Pa.B. 5884; amended April 17, 2020, these changes will affect ticket sales beginning April 9, 2020, 50 Pa.B. 2161. Immediately preceding text appears at serial pages (378931) to (378959).

Cross References

This section cited in 61 Pa. Code § 871.21 (relating to future changes to Powerball).

§ 871.23. [Reserved].**Source**

The provisions of this § 871.23 adopted to effectuate § 871.22(1)(vi), effective October 6, 2022, 32 Pa.B. 3396; deleted under § 871.22(5)(xxiii), effective January 15, 2012, 41 Pa.B. 6945.

Source

The provisions of this Appendix I effectuate the changes to Chapter 871 for tickets sold on or after April 9, 2020.

Appendix J.**CHAPTER 871. POWERBALL—Version in effect on August 22, 2021, incorporating changes from April 9, 2020; October 4, 2015; January 19, 2014; October 1, 2013; January 15, 2012; May 28, 2011; January 4, 2009; August 28, 2005; and October 6, 2002**

- Sec.
- 871.1. Creation.
 - 871.2. Game description and purpose.
 - 871.3. Definitions.
 - 871.4. Ticket sales retailers.
 - 871.5. Ticket price.
 - 871.6. Powerball bet slip and ticket characteristics and restrictions.
 - 871.7. Time, place and manner of conducting drawing.
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 - 871.10. Funding of guaranteed prizes.
 - 871.11. Ticket responsibility.
 - 871.12. Ticket validation requirements.
 - 871.13. Procedures for claiming and payment of Powerball prizes.
 - 871.14. Parimutuel prize pool.
 - 871.15. Unclaimed prize money.
 - 871.16. Withholding.
 - 871.17. Purchase and prize restrictions.
 - 871.18. Governing law.
 - 871.19. Probability of winning.
 - 871.20. Power play promotion.
 - 871.21. Future changes to Powerball.
 - 871.22. Changes to Powerball.
 - 871.23. Double Play promotion.

Authority

The provisions of this Chapter 871 issued under section 303 of the State Lottery Law (72 P.S. § 3761-303), unless otherwise noted.

Source

The provisions of this Chapter 871 adopted June 7, 2002, effective June 8, 2002, 32 Pa.B. 2758, unless otherwise noted.

Cross References

This chapter cited in 61 Pa. Code § 876.2 (relating to definitions).

§ 871.1. Creation.

Under the act and this part, there is created a numbers game, called Powerball, which will commence at the discretion of the Secretary, and will continue until the Secretary publicly announces a suspension or termination date.

§ 871.2. Game description and purpose.

(a) Powerball is a five out of 69 plus one out of 26 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash, single payment basis.

(b) The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 69, and matching the separately

drawn Powerball number, or a designated combination thereof, within a single play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted three times a week or as publicly announced by the Secretary.

(c) The object of the game is for a player to select, in a single play on a ticket, five numbers and the Powerball number that match the numbers and the Powerball number drawn for the game in which the ticket is participating. Correctly matching the six winning numbers consisting of the five numbers drawn plus the Powerball number drawn, and meeting other validation criteria, entitles the ticket holder to the grand prize identified in § 871.8 (relating to expected prize payout percentages).

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.3. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Advertised Grand Prize—The estimated annuitized Grand Prize amount as determined by the MUSL Central Office by use of the MUSL Annuity Factor and communicated through the Selling Lotteries prior to the Powerball Grand Prize Drawing. The Advertised Grand Prize is not a guaranteed prize amount and the actual Powerball Grand Prize may vary from the advertised amount, except in circumstances where there is a guaranteed Powerball Grand Prize amount as described in § 871.10 (relating to funding of guaranteed prizes).

Agent—A person or entity authorized by a Selling Lottery to sell lottery Plays.

Apparent winning ticket—A ticket which has not been validated by the Lottery.

Basic play—Each set of six numbers consisting of five numbers from 1 through 69 and the Powerball number on a ticket purchased without the selection of any promotion, representing a single entry for a Powerball drawing and designated by a letter from A to E on a Powerball ticket.

Cash election—A method of payment that the player selects, within 60 days of the date the Lottery determines the player is entitled to the Powerball grand prize, to receive a parimutuel share of the prize money allocated to the grand prize category as a one-time, lump-sum cash payment rather than as an annuity.

Drawing—The formal draw event for randomly selecting the winning numbers that determine the number of winners for each prize level of the Powerball game or a Powerball promotion as described in these rules. A Powerball Drawing shall determine the winning numbers for the Powerball game, the Double Play Drawing, and the Power Play multiplier. Winning numbers for the Powerball game include the Winning numbers drawn for the Powerball game, and the number drawn to determine the Power Play multiplier.

First set numbers—The first group of numbers from 1 through 69, appearing in the top grid of a Powerball game panel.

Grand prize winnings pool—An amount constituting 34.0066% of gross sales from all participating states for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Gross sales—The total amount of sales from all participating states for a particular Powerball game drawing for the purpose of determining the grand prize winnings pool and the set prize winnings pool in that drawing.

Licensee Lottery—A State lottery or lottery of a political subdivision or entity which is not a Party Lottery but has agreed to comply with all applicable MUSL and MUSL Powerball Product Group requirements and has been authorized by the MUSL and by the MUSL Powerball Product Group to sell the Powerball game.

MUSL—The Multi-State Lottery Association.

MUSL Annuity Factor—The annuity factor as determined by the MUSL central office through a method approved by the MUSL Finance and Audit Committee and which is used as described in these rules.

MUSL Board—The governing body of the MUSL which is comprised of the chief executive officer of each party lottery.

MUSL Finance and Audit Committee—The committee established by the Multi-State Lottery Association which, among other things, establishes the reserve accounts balances.

MUSL Powerball Product Group—The group of lotteries that have joined together to offer the Powerball lottery game under the terms of the MUSL agreement and MUSL Powerball Product Group rules.

On-line retailer—A person who is properly licensed and authorized by the Lottery to sell Powerball tickets.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 69 squares, each numbered 1 through 69, and the lower grids (second set numbers) contain 26 squares, each numbered 1 through 26. Each panel is lettered either A, B, C, D or E.

Parimutuel—Wagered funds that are pooled and then paid in equal shares to winners of a prize as described in these rules.

Party lottery—A State lottery or lottery of a political subdivision or entity which has joined the MUSL and, in the context of the Powerball Group Rules, which has joined in selling the Powerball game.

Powerball bet slip—A card having five game panels labeled A through E, used by a player to select numbers to play the game.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 26, appearing in the lower grid of a Powerball game panel.

Promotion—A method used by the Lottery to aid in the sale of its products; for example, an option a player may exercise by purchase to increase the prize paid on a winning ticket or to increase the chance of winning a prize.

Quick pick—The random selection by the Lottery's computer system of five numbers from 1 through 69 and a Powerball number from 1 through 26 that appear on a ticket and are played by a player in the game.

Second set numbers—The second group of numbers, from 1 through 26, appearing in the lower grid of a Powerball game panel.

Set prize tiers—All prizes except the grand prize that are advertised to be paid by a single lump-sum payment and, except in instances outlined in this chapter, will be equal to the prize amount established by the MUSL Board for the prize level.

Set prize winnings pool—An amount constituting 18.0244% of gross sales for the current drawing and any monies carried forward from previous draws.

Terminal—A device which is authorized by the Lottery to function in an on-line, interactive mode with the Lottery's computer system, for the purpose of issuing lottery tickets and entering, receiving and processing lottery transactions, including making purchases, validating tickets and transmitting reports.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 69 and a single selected Powerball number from 1 through 26 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to ten on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 69, and the Powerball number from 1 through 26, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays contained on a ticket or properly registered ticketless transaction. Double Play winning numbers shall not be used to determine Powerball prizes. Powerball winning numbers shall not be used to determine Double Play prizes.

Winnings pool—Constitutes 50% of each prize drawing period gross sales. A portion of the pool is contributed to the grand prize winnings pool. The remainder constitutes the set prize winnings pool. Moneys carried forward from previous draws are combined with the pool as directed in the MUSL rules.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.4. Ticket sales retailers.

(a) Powerball game ticket sales may only be made through licensed on-line retailers the Director will appoint and contract with as provided in § 815.42 (relating to ticket sales agents).

(b) The Lottery may terminate sales by a retailer without prior notice to the retailer if the retailer becomes delinquent in payment of proceeds due the Lottery, fails to handle Lottery funds in the prescribed manner, if the retailer breaches the contract or an addendum thereof, this part or procedures established governing the sale of tickets or if the Lottery deems it to be in the best interest of the Commonwealth.

§ 871.5. Ticket price.

A Powerball basic play shall cost \$2 per play. The power play option may be exercised, at the discretion of the player, for an additional \$1 per play. The double play option may be exercised, at the discretion of the player, for an additional \$1 per play. If both options are exercised, the total cost per play shall be \$4.

§ 871.6. Powerball bet slip and ticket characteristics and restrictions.

(a) For each basic play the player shall select, using a physical or electronic bet slip, or request quick pick selection by the computer, five numbers and a single Powerball number, in one or more of the game panels on a Powerball bet slip. Powerball bet slips shall be available at no cost to the player. The minimum entry is \$2. For \$2, play one game; for \$4, play two games; for \$6, play three games; for \$8, play four games; for \$10, play five games. Players are also given the option to select one or more promotions verbally or on the bet slip at the time of purchase for an additional \$1 per promotion selected for each play. Game panels shall be played in alphabetical order in accordance with the instructions printed on the Powerball bet slip. A Powerball bet slip has no pecuniary or prize value and does not constitute evidence of the purchase of a ticket or the numbers selected.

(b) To purchase a Powerball play, players shall, in addition to the purchase price, submit a completed Powerball bet slip, request number selections either by quick pick or manual terminal entry to an on-line retailer to have a ticket issued. To purchase a ticket at a Lottery self-service terminal that dispenses terminal-based Lottery tickets, the player shall designate the drawing date or dates for which the ticket is entered, number selections and may exercise the power play promotion for an additional \$1 per play. The player may use a bet slip or the Quick Pick option at a Lottery self-service terminal that dispenses terminal-based Lottery tickets. The ticket shall contain five selected numbers and a single selected Powerball number for each play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. This ticket shall be the only valid receipt for claiming a prize. The ticket shall only be valid for the drawing date or dates printed on the ticket. Retailers are not permitted to allow the attachment of any remote devices to a lottery terminal to enter plays except as otherwise provided in the MUSL rules.

(c) If Powerball bet slips are unavailable, number selections may be given to an on-line retailer in groups of five number selections and one Powerball number

selection per game section for each \$2 wagered as a basic play. The player may exercise either the power play promotion or the double play promotion for an additional \$1 per play per promotion selected. The retailer shall manually enter the selections into the computer terminal.

(d) A Powerball ticket may not be canceled or voided once printed by the Lottery terminal, even if the ticket is printed in error.

(e) It shall be the sole responsibility of the player to verify the accuracy of the game play or plays and other data printed on the ticket. The placing of plays, by the player or through the on-line retailer who is acting on behalf of the player in entering the play or plays, is done at the player's own risk.

(f) A player may select numbers for up to 20 drawings, specifically the next drawing and the 19 subsequent drawings.

(g) A ticket may not be issued for a drawing after the specified sales cut-off time prior to the drawing, as announced by the Secretary or a designee.

§ 871.7. Time, place and manner of conducting drawing.

(a) *Time of drawing.* A Powerball drawing will be held three times a week or as publicly announced by the Secretary.

(b) *Place of drawing.* A Powerball drawing will be conducted by the MUSL.

(c) *Manner of conducting drawings.* The MUSL will draw at random five numbers from a set of balls numbered 1 through 69 and one Powerball number from a set of balls numbered 1 through 26 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.8. Expected prize payout percentages.

(a) Determination of expected prize payout percentages for the Powerball drawing is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winning Pool Allocated to Prize Category**</i>
All five (5) first set numbers and the Powerball number	Grand Prize	Grand Prize	68.0131%
Five (5) first set numbers	Second Prize*	\$1,000,000	8.5558%
Four (4) first set numbers and the Powerball number	Third Prize*	\$50,000	5.4757%
Four (4) first set numbers	Fourth Prize*	\$100	0.2738%
Three (3) first set numbers and the Powerball number	Fifth Prize*	\$100	0.6899%
Three (3) first set numbers	Sixth Prize*	\$7	1.2074%
Two (2) first set numbers and the Powerball number	Seventh Prize*	\$7	0.9981%
One (1) first set number and the Powerball number	Eighth Prize*	\$4	4.3489%

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
None of the first set numbers and the Powerball number	Ninth Prize*	\$4	10.4373%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(b) Prize money allocated to the grand prize category will be paid on a parimutuel basis, divided equally by the number of plays determined by the MUSL to be the winners of the grand prize.

(c) The number of plays determined by the MUSL to be winners of the second through ninth prize categories will be paid as set cash prizes, except as provided in paragraphs (1) through (4).

(1) Except as otherwise provided in subsection (c)(4), if the total of the set prizes (as multiplied by the respective Power Play multiplier if applicable) awarded in a Powerball drawing exceeds the percent of the prize pool allocated to set prizes, then the amount needed to fund the set prizes, including Power play prizes, shall be drawn from the following sources in the following order:

- (i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.
- (ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$40,000,000 per Powerball drawing.
- (iii) Any other amounts as agreed to by the MUSL Powerball Product Group in their sole discretion.

(2) Except as otherwise provided in subsection (c)(4), if the sources set forth in paragraph (1) are depleted and there still are not sufficient funds to pay the set prizes, including Power play prizes, for a particular Powerball drawing, the highest set prize shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining set prizes, the next highest set prize shall become a parimutuel prize. If necessary, and under the same test conditions set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all prizes are converted to parimutuel prizes, the money available from the funding sources listed in this rule shall be divided among the winning Powerball Plays in proportion to their respective prize percentages. Powerball Set Prizes and Power Play prizes will be reduced by the same percentage.

(3) Except for winning prizes sold by the California Lottery, if all, or any portion of the set prize pool is not awarded in the current Powerball drawing, that portion of the set prize pool shall be carried forward to subsequent Powerball drawings.

(4) By agreement between Party Lotteries and the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set

the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently calculated prize amounts.

Cross References

This section cited in 61 Pa. Code § 871.2 (relating to game description and purpose); 61 Pa. Code § 871.10 (relating to funding of guaranteed prizes); 61 Pa. Code § 871.20 (relating to power play promotion); and 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.9. Powerball prize payments.

(a) Individual ticket prize payments will be paid entirely in cash with the exception of the grand prize category.

(b) A grand prize shall be paid by an annuity except that a player may elect to receive the grand prize in a single cash payment provided the cash election is made by the player within 60 days of the date the Lottery determines that a grand prize-winning ticket has been sold and that a player is entitled to the prize.

(1) An election to receive the grand prize by annuity or cash made by the player after the player becomes entitled to the prize is final and cannot be revoked, withdrawn or otherwise changed.

(2) Shares of the grand prize shall be determined by dividing the cash available in the grand prize pool equally among all winners of the grand prize. A winner who elected cash payment shall be paid the share in a single cash payment.

(3) The annuitized prize shall be determined by multiplying a winner’s share of the grand prize by the MUSL annuity factor.

(c) The MUSL annuity factor is determined through a process as approved by the MUSL Finance and Audit Committee.

(d) Neither the MUSL nor the Lottery shall be responsible or liable for changes in the advertised or estimated annuity prize from the time the drawing occurs and the date that the player makes the election regarding method of prize payment.

(e) Annuitized prizes shall be paid in 30 graduated payments, an initial followed by 29 annual graduated payments increasing each year at a rate determined by the MUSL Powerball Product Group. This rate, once determined, will not change over the life of the payments. The 30 payments will equal 100% of the annuitized prize. Prize payments may be rounded down to the nearest \$1,000.

For example;

If the MUSL Powerball Product Group arrived at a 4% rate of increase for a \$30 million annuitized jackpot the payment schedule would be as follows:

<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
1	\$535,000	1.78300991336613%
2	\$556,000	1.85433030990078%
3	\$578,000	1.92850352229681%
4	\$601,000	2.00564366318868%
5	\$626,000	2.08586940971623%

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<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
6	\$651,000	2.16930418610488%
7	\$677,000	2.25607635354907%
8	\$704,000	2.34631940769104%
9	\$732,000	2.44017218399868%
10	\$761,000	2.53777907135862%
11	\$792,000	2.63929023421297%
12	\$823,000	2.74486184358149%
13	\$856,000	2.85465631732475%
14	\$891,000	2.96884257001774%
15	\$926,000	3.08759627281845%
16	\$963,000	3.21110012373119%
17	\$1,002,000	3.33954412868043%
18	\$1,042,000	3.47312589382765%
19	\$1,084,000	3.61205092958076%
20	\$1,127,000	3.75653296676399%
21	\$1,172,000	3.90679428543455%
22	\$1,219,000	4.06306605685193%
23	\$1,268,000	4.22558869912601%
24	\$1,319,000	4.39461224709105%
25	\$1,371,000	4.57039673697469%
26	\$1,426,000	4.75321260645368%
27	\$1,483,000	4.94334111071182%
28	\$1,543,000	5.14107475514030%
29	\$1,604,000	5.34671774534591%
30	<u>\$1,668,000</u>	5.56058645515974%
Payment Total	<u>\$30,000,000</u>	

(f) If the individual shares of the cash held to fund an annuity is less than \$250,000, the MUSL Powerball Product Group, in its sole discretion, may elect to pay the winners their share of the cash held in the grand prize pool as a lump sum.

(g) If more than one winning ticket for the grand prize is determined, upon meeting the requirements of §§ 871.12 and 871.13 (relating to ticket validation requirements; procedures for claiming and payment of Powerball prizes), each is entitled to a parimutuel payment share of the total grand prize category.

(h) A winning Powerball play is entitled only to the highest prize won by those numbers in a Powerball drawing, and a winning Double Play, play is entitled only to the highest prize won by those numbers in a Double Play drawing. A player may win both a Powerball prize and a Double Play prize if the player purchased the Double Play promotion and if the Powerball Play and the

Double Play, play match the winning numbers drawn for both the Powerball game and the Double Play game.

(i) The number of prize categories, the allocation of prize money among the prize categories and the annuity term may be changed at the discretion of the MUSL and the change will be announced by public notice. These changes will only apply prospectively to Powerball drawings as of the date specified in the public notice.

(j) Retailer incentive and marketing promotion programs, including the use of funded free tickets, may be implemented at the discretion of the Secretary. Funds for the programs, if needed, will be drawn from the Lottery fund.

(k) If the grand prize is not won in a drawing, the prize money allocated for the grand prize shall roll over and be added to the grand prize pool for the following drawing.

(l) Prize claims shall be submitted within 1 year of the drawing date.

(m) Annuitized payment of the grand prize or a share of the grand prize may be rounded to facilitate the purchase of an appropriate funding mechanism. Breakage on an annuitized grand prize win shall be added to the first cash payment to the winner or winners. Prizes other than the grand prize, which under this chapter may become single payment, parimutuel prizes, may be rounded down so that prizes can be paid in multiples of whole dollars. Breakage resulting from rounding these prizes shall be carried forward to the prize pool for the next drawing.

(n) The Pennsylvania Lottery may conduct promotional drawings associated with the Powerball game. Powerball game tickets will be imprinted with a unique code to be used by players to enter the promotional drawings. The promotional drawings may be held independently of or in conjunction with the regular Powerball drawings. The Secretary will announce the existence of the promotional drawings. Winners of promotional drawings will be randomly selected from the group of qualified entries. A description of the available prize(s) and the specific rules and other information necessary for the conduct of the promotional drawings will be posted to the Lottery's publicly accessible website. A copy of the same will also be kept on file with the Lottery and will be available upon request.

Cross References

This section cited in 61 Pa. Code § 871.13 (relating to procedures for claiming and payment of Powerball prizes); and 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.10. Funding of guaranteed prizes.

The MUSL Powerball Product Group may offer guaranteed minimum grand prize amounts or minimum increases in the grand prize amount between drawings or make other changes in the allocation of prize money where the MUSL Powerball Product Group finds that it would be in the best interest of the game. If a minimum grand prize amount or a minimum increase in the grand prize amount between drawings is offered by the Product Group, the grand prize shares shall be determined as follows:

(1) If there are multiple grand prize winners during a single drawing, each selecting the annuitized option prize, then a winner's share of the guaranteed

annuitized grand prize shall be determined by dividing the guaranteed annuitized grand prize by the number of winners.

(2) If there are multiple grand prize winners during a single drawing and at least one of the grand prize winners has elected the annuitized option prize, then the MUSL Annuity Factor shall be utilized to determine the cash pool. The cost of the annuitized prize or prizes will be determined at the time the annuity is purchased through a process as approved by the MUSL Board.

(3) If no winner of the grand prize during a single drawing has elected the annuitized grand prize, the amount of cash in the grand prize pool shall be an amount equal to the guaranteed annuitized amount divided by the MUSL Annuity Factor.

(4) [Reserved].

(5) Minimum guaranteed prizes or increases may be waived if the alternate funding mechanism as set forth in § 871.8 becomes necessary.

(6) Approval of the Group is required to change the guaranteed minimum Grand Prize amounts or minimum increases in the Grand Prize amount. The Group may increase, decrease or eliminate the guaranteed minimum Grand Prize amount or any announced minimum Grand Prize increases as effective at any time following the next drawing following the action taken by the Group.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.11. Ticket responsibility.

(a) A ticket is a bearer document deemed to be owned by the person holding the ticket, except that if a signature is contained on the ticket, the person so named will, for all purposes, be considered the owner of the ticket.

(b) The Commonwealth will not be responsible for lost or stolen tickets.

(c) The purchaser of the ticket has the sole responsibility for checking the accuracy and condition of the data printed on the ticket.

(d) The Commonwealth will not be responsible for tickets redeemed in error.

§ 871.12. Ticket validation requirements.

(a) *Valid tickets.* To be a valid ticket, the following conditions shall be met:

(1) The ticket validation number shall be present in its entirety and shall correspond, using the computer validation file, to the selected numbers printed on the ticket for the date printed on the ticket.

(2) The ticket shall be intact.

(3) The ticket may not be mutilated, altered, reconstituted or tampered with.

(4) The ticket may not be counterfeit or an exact duplicate of a winning ticket.

(5) The ticket shall have been issued by the Lottery through a licensed on-line retailer.

(6) The ticket may not have been stolen.

(7) The ticket shall be validated in accordance with § 871.13 (relating to procedures for claiming and payment of Powerball prizes).

(8) The player-selected or computer-selected numbers on the ticket shall be in individual groups of five first set numbers and one second set number each associated with a single letter, A, B, C, D or E. The numbers and the associated letter shall constitute a single play.

(9) The ticket data shall have been recorded on the Lottery's central computer system prior to the drawing and the ticket data shall match this computer record in every respect.

(10) The player-selected or computer-selected numbers, promotion selection, if applicable, the validation number data and the drawing date of an apparent winning ticket shall appear on the official file of the winning tickets; and a ticket with that exact data may not have been previously paid.

(11) The ticket may not be misregistered, defectively printed or printed or produced in error.

(12) The ticket shall pass other confidential security checks of the Lottery.

(13) By submitting a ticket for validation, the player agrees to abide by this chapter.

(14) There may not be another violation of this part in relation to the ticket.

(b) *Invalid or defective tickets—disputes.* A ticket not passing the validation checks in subsection (a) will be considered invalid and will not be paid.

(1) In cases of doubt, the determination of the Secretary is final and binding. The Secretary may replace an invalid ticket with a ticket of equivalent sale price from a current Lottery game.

(2) If a defective ticket is purchased or if the Secretary determines to adjust an error, the sole and exclusive remedy will be the replacement of the defective or erroneous ticket with a ticket of equivalent sale price from a current Lottery game.

(3) If a ticket is not paid by the Lottery and a dispute occurs as to whether the ticket is a winning ticket, the Lottery may replace the ticket as provided in paragraph (2). This is the sole and exclusive remedy of the holder of the ticket.

Cross References

This section cited in 61 Pa. Code § 871.9 (relating to Powerball prize payments); and 61 Pa. Code § 871.13 (relating to procedures for claiming and payment of Powerball prizes).

§ 871.13. Procedures for claiming and payment of Powerball prizes.

(a) Pennsylvania Powerball and Double Play prizes shall be claimed only through a licensed on-line Pennsylvania Lottery retailer beginning on the day following the drawing. The Lottery is not authorized to accept claims or pay prizes for Powerball tickets purchased in other jurisdictions.

(b) An on-line retailer is authorized and required to make payment of a prize of \$2,500 or less on an individual Powerball winning ticket, if the ticket is presented within a designated time period as announced by the Secretary and if the retailer has sufficient funds available for payment.

(c) The holder of an apparent winning Powerball or Double Play ticket containing one or more winning lettered play selections representing combined prizes of \$2,500 or less will be paid by participating on-line retailers as provided in subsection (b), if the ticket validation requirements in § 871.12 (relating to ticket

validation requirements) have been met, a proper validation pay ticket has been issued by the retailer's computer terminal and other retailer procedures have been met.

(d) The holder of an apparent winning Powerball or Double Play ticket containing one or more winning lettered play selections representing combined prizes in excess of \$2,500, with the exception of the grand prize category, shall first validate the apparent winning ticket at the participating Pennsylvania Lottery on-line retailer to receive a validation receipt, complete a claim form and display appropriate identification and then surrender the winning ticket and the original claim form to the retailer for transmittal to Lottery Headquarters for payment under Chapter 811 (relating to prizes).

(e) The holder of an apparent winning Powerball or Double Play ticket containing one or more winning lettered play selections representing a grand prize category prize shall present, in person, the apparent winning ticket to the Pennsylvania Lottery Headquarters for validation under Chapter 811.

(f) In the event of the death of a Powerball or Double Play grand prize winner and upon petition of the estate of the prize winner, the MUSL Powerball Product Group may accelerate payment of all remaining proceeds from the winning ticket to the estate of the winner by transferring to the estate the securities or cash, or both, being held to satisfy the prize requirements, or paying the estate the present value of the remaining payments of the winner's prize. The valuation of the securities and determination of the present value of the accelerated lottery payments shall be at the sole discretion of the MUSL Powerball Group. The payment of a set prize to a person who dies before receiving any or all of a particular prize and to a person under 18 years of age will be paid under §§ 811.16 and 811.27 (relating to prizes payable after death of prize winner; and payment of prizes to persons under 18 years of age).

(g) The Commonwealth will be discharged of liability after payment of prizes as provided in § 811.26 (relating to discharge of State liability upon payment).

(h) The Lottery may delay payment of the prize pending a final determination by the Secretary if a dispute occurs, or it appears likely that a dispute may occur, regarding the prize; if there is any question regarding the identity of the claimant; if there is any question regarding the validity of the ticket presented for payment; or if the claim is subject to any setoff for delinquent debts owed by the claimant under Pennsylvania statute. The Lottery may delay payment of a grand prize pending a claimant election of payment method as provided under § 871.9(b) (relating to Powerball prize payments). The Lottery may delay payment of a grand prize for up to 15 days as permitted by the MUSL rules.

Cross References

This section cited in 61 Pa. Code § 871.9 (relating to Powerball prize payments); and 61 Pa. Code § 871.12 (relating to ticket validation requirements).

§ 871.14. Parimutuel prize pool.

(a) The prize pool for all prize categories shall consist of 50% of each drawing period's sales after the prize reserve accounts are funded to the amounts set by the MUSL Powerball Product Group. Any amount remaining in the prize pool at the end of the game shall be carried forward to a replacement game or

expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(b) An amount equal to up to 5% of a party lottery's sales shall be deducted from a party lottery's grand prize pool contribution and placed in trust in one or more prize pool accounts and prize reserve accounts at any time that the prize pool accounts and party lottery's share of the prize reserve accounts is below the amounts designated by the MUSL Powerball Product Group. An additional amount of up to 20% of a party lottery's sales shall be deducted from a party lottery's grand prize pool contribution and placed in trust to be held by the product group at such times as determined by the MUSL Powerball Product Group.

(c) The MUSL Powerball Product Group has established the following prize reserve accounts for the Powerball game:

(1) the Prize Reserve Account, which is used to guarantee the payment of valid, but unanticipated, Grand Prize claims that may result from a system error or other reason; and

(2) the Set Prize Reserve Account, which is used to fund deficiencies in low-tier prize payments, subject to the limitations of these rules.

(d) The MUSL Powerball Product Group has established the following prize pool accounts for the Powerball game:

(1) The Grand Prize pool, which is used to fund the current Grand Prize.

(2) The Powerball Set Prize Pool, which is used to fund the Powerball Set Prize payments.

(3) The Set Aside Pool, which is used to fund the payment of the awarded minimum starting annuity Grand Prizes and minimum annuity Grand Prize increase, if necessary, as subject to the limitations of these rules and any limitations as may be set by the Product Group; and

(4) the Grand Prize Carry Forward Pool, which is used to fund the starting minimum annuity Grand Prize, as may be set by the Product Group, if such funds are available and if sales do not fund the Grand Prize.

(e) The Power Play Prize Pool and Power Play Pool Account are described in § 871.20 (relating to power play promotion) of these rules.

(f) The Double Play Prize Pool and Double Play Prize Pool Account are described in § 871.21 (relating to double play promotion) of these rules.

(g) The Set Prize Pool Account holds the temporary balances that may result from having fewer than expected winners in the Powerball Set Prize (also known as low-tier prize) categories. The source of the Set Prize Pool is the Party Lottery's weekly prize contributions less actual Powerball Set Prize liability.

(h) Once the prize pool accounts and the party lottery's share of the prize reserve accounts exceeds the designated amounts, the excess shall become part of the grand prize pool.

(i) The MUSL Powerball Product Group, with the approval of the Finance and Audit Committee, may establish a maximum balance for the prize pool accounts and prize reserve accounts.

(j) The MUSL Powerball Product Group may determine to expend all or a portion of the funds in the prize pool accounts, except the Grand Prize pool

account and the Grand Prize Carry Forward Pool account, and the prize reserve accounts for the following purposes:

(1) The Product Group may expend funds for the purpose of indemnifying the Party Lotteries and Licensee Lotteries in the payment of prizes to be made by the Selling Lotteries, subject to the approval of the MUSL Board and for the payment of prizes or special prizes in the game, subject to the approval of the MUSL Finance and Audit Committee; and

(2) The Product Group may expend funds for the payment of prizes or special prizes in the game, limited to prize pool and prize reserve contributions from lotteries participating in the special prize promotion, subject to the approval of the Board's Finance and Audit Committee or that Committee's failure to object after given two weeks' notice of the planned action, which actions may be appealed to the full Board by the Product Group.

(3) The Grand Prize Carry Forward Pool account may only be expended to fund the starting minimum annuity Grand Prize.

(k) The prize reserve shares of a party lottery may be adjusted with refunds to the party lottery from the prize reserve accounts as may be needed to maintain the approved maximum balance and shares of the party lotteries.

(l) A Party Lottery may contribute to its share of prize reserve accounts over time, but in the event of a draw down from the reserve account, a Party Lottery is responsible for its full percentage share of the account, whether or not it has been paid in full.

(m) Any amount remaining in the prize pool accounts or prize reserve accounts 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 members of the MUSL Powerball Product Group in accordance with State law.

(n) If the prize pool for a drawing is not sufficient to fund an announced minimum grand prize, the prize pool will be increased as necessary in accordance with MUSL rules.

§ 871.15. Unclaimed prize money.

Prize money on a winning Powerball play may be retained by the Secretary for payment to the person entitled to it. If within 1 year of the drawing date on the ticket, no claim is made on a winning play, as determined by the Secretary, the right to claim prize money terminates. For set prizes, the prize money will be paid into the State Lottery Fund and used for purposes otherwise provided for by statute. Unclaimed grand prize funds will be distributed among all MUSL Lotteries in proportion to each lottery's sales for the grand prize drawing.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.16. Withholding.

Federal withholding taxes will be withheld by the Lottery for the prize payments in amounts required in accordance with applicable provisions of law.

§ 871.17. Purchase and prize restrictions.

(a) A Powerball ticket may not be purchased in this Commonwealth by, and a prize will not be paid to, an officer or employee of the Pennsylvania Lottery or any of the Lottery's professional services contractors or subcontractors who are involved in the operation of the on-line lottery games system or its associated drawings, or to a spouse, child, brother, sister or parent residing in the same household as these individuals.

(b) In addition to the individuals identified in subsection (a), the following persons are not eligible to purchase a Powerball ticket and are ineligible to be paid a prize for a Powerball ticket:

(1) An employee, officer or director of the MUSL.

(2) A person under contract with the MUSL to conduct a financial or security audit of the MUSL.

(3) An employee, partner, shareholder or owner of an independent accounting firm under contract with the MUSL to observe drawings and site operations.

(4) A relative living in the same household of a person described in paragraph (1), (2) or (3).

(c) Except as provided in subsection (b), the individuals identified in subsection (a) are not prohibited from purchasing a ticket or winning a prize from a MUSL member lottery other than the Pennsylvania Lottery.

(d) A Lottery retailer authorized to sell lottery tickets for on-line games, or an employee of a retailer may not request, demand or accept gratuities or additional compensation from any person, or agent thereof, in exchange for the purchase of Powerball lottery tickets. A retailer authorized to sell lottery tickets for on-line games shall make Powerball lottery tickets available for sale to the public during the hours that sale of Powerball tickets are authorized to be sold and that business is open to the public. A retailer may only sell Powerball lottery tickets on the premises described in the retailer's contract, except as specially authorized in writing by the Director. No transaction, or any part thereof, of Powerball lottery tickets may be made at the general corporate office of a retailer unless that office is open to the public and has contracted with the Lottery as a separate Lottery retailer. A Lottery retailer authorized to sell lottery tickets for on-line games may not enter into any special agreement with a person, group of persons or agent thereof, for the purchase of over \$500 of Powerball lottery tickets for any one drawing. A retailer shall immediately report to the Lottery an attempt made by a person, or group of persons or an agent thereof, to purchase more than 50% of the number combinations for Powerball for any one drawing. A retailer shall obtain the name and address of any person purchasing more than \$5,000 in Powerball lottery tickets for any one drawing and report the information to the Lottery before the sale. A person may not purchase a ticket or combination of tickets and a lottery retailer may not directly or knowingly sell a ticket or combination of tickets to any person which would guarantee the purchaser a grand prize win.

§ 871.18. Governing law.

(a) In purchasing a ticket, the purchaser agrees to comply with and abide by applicable laws, this part, instructions, conditions, final decisions of the Secretary and procedures established by the Director or by the MUSL for the conduct of Powerball.

(b) Decisions made by the Secretary or the MUSL, including the declaration of prizes and the payment thereof or interpretation of this part are final and binding on players and persons making a claim in respect thereof.

(c) A prize claimant agrees, as its sole and exclusive remedy that claims arising out of a Play can only be pursued against the Selling Lottery which issued the Play. Litigation, if any, shall only be maintained within the jurisdiction in which the Powerball Play was purchased and only against the Selling Lottery that issued the Play. A prize claimant waives any claim or defense that such forum is not convenient or proper. The Contractor agrees that any such court shall have in personam jurisdiction over it, and consents to service of process in any manner authorized by Pennsylvania law. No claim shall be made against any other Participating Lottery or against the MUSL.

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

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

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

§ 871.19. Probability of winning.

The probability of winning is as follows:

<i>Probability of Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:292,201,338
Five first set numbers	Second Prize	1:11,688,053.52
Four first set numbers and the Powerball number	Third Prize	1:913,129.1813

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<i>Probability of Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Four first set numbers	Fourth Prize	1:36,525.1673
Three first set numbers and the Powerball number	Fifth Prize	1:14,494.1140
Three first set numbers	Sixth Prize	1:579.7646
Two first set numbers and the Powerball number	Seventh Prize	1:701.3281
One first set number and the Powerball number	Eighth Prize	1:91.9775
None of the first set and the Powerball number	Ninth Prize	1:38.3239

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.20. Power play promotion.

(a) The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option to increase set prizes won as a result of a Powerball drawing. The Powerball grand prize will not be eligible for an increase under the power play promotion. The Secretary will on occasion announce, as a special promotion, higher promotional prize amounts to be won with the power play promotion. Selling Lotteries may require purchase of the Power Play® promotion when a player purchases a Powerball Play. Power Play® is not applicable to the Powerball Double Play Promotion.

(b) At the time of purchasing a Powerball ticket from an on-line Lottery retailer, a player may choose the power play option for one additional \$1 per play for each play on the Powerball ticket. If a player chooses the power play promotion feature for any play on a ticket, every play on that ticket must participate in the promotion.

(c) The MUSL shall conduct a power play drawing and will announce results during each of the regular Powerball drawings held during the power play promotion. During each power play drawing a single number (2, 3, 4, 5, or 10) shall be randomly drawn. The 10X multiplier feature will be available for drawings in which the initially advertised annuitized Grand Prize amount is \$150,000,000 or less. The MUSL Powerball Product Group may elect to run limited promotions that modify the multiplier features.

(d) Powerball tickets that contain the power play option and one or more plays eligible for Powerball second through ninth category prize identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a

total set prize identifies in subsection (j) (relating to power play promotion), unless a higher limited promotional prize amount is announced by the Secretary.

(e) In drawings where the 10X multiplier is available, the expected power play prize pool for power play set prizes shall consist of up to 49.969% of each drawing period's sales. In drawings where the 10X multiplier is not available, the expected power play prize pool for power play set prizes shall consist of up to 45.934% of each drawing period's sales. The prize payout percentage per draw may vary. The power play prize pool shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the power play prizes for the current power play drawing and held in the Power Play Pool Account.

(f) In drawings where the 10X multiplier is available, an additional 0.31% of power play sales may be collected and placed in the Power Play Pool Account, for the purpose of paying power play prizes. In drawings where the 10X multiplier is not available, 4.066% of power play sales may be collected and played in the Power Play Pool Account, for the purposes of paying power play prizes. Any amount remaining in the power play pool account at the end of the power play promotion shall be returned to all lotteries participating in the account after the end of all claim periods of all selling lotteries, carried forward to a replacement game, or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(g) Except as otherwise provided in subsection (m), if, with respect to a single Powerball drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

- (1) The amount allocated to the set prizes and carried forward from previous Powerball drawings, if any.
- (2) The amount allocated to the Powerball Set-Prize Reserve Account, if available in the account, not to exceed forty million dollars (\$40,000,000) per drawing.
- (3) Other amounts as agreed to by the MUSL Powerball Product Group in their sole discretion.

(h) Except as otherwise provided in subsection (m), if the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes, including the power play prizes, for a particular Powerball drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary, under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimu-

tuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(i) Power play set prizes which become parimutuel may be rounded down so that they can be paid in multiples of whole dollars. Funds remaining after rounding shall be carried forward to the prize pool for the next power play drawing.

(j) Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

Prize Level	Powerball Set		Regardless of Power Play Number Selected				
	Prize Amount						
Second Prize	\$1,000,000				\$2,000,000		
			10X	5X	4X	3X	2X
Third Prize	\$50,000	\$500,000	\$250,000	\$200,000	\$150,000	\$100,000	
Fourth Prize	\$100	\$1,000	\$500	\$400	\$300	\$200	
Fifth Prize	\$100	\$1,000	\$500	\$400	\$300	\$200	
Sixth Prize	\$7	\$70	\$35	\$28	\$21	\$14	
Seventh Prize	\$7	\$70	\$35	\$28	\$21	\$14	
Eighth Prize	\$4	\$40	\$20	\$16	\$12	\$8	
Ninth Prize	\$4	\$40	\$20	\$16	\$12	\$8	

(k) When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play prizes for the second through the ninth category prizes shall be reduced as announced by the MUSL Powerball Product Group.

(l) The probability of the various power play numbers being selected in a power play drawing.

(1) The probability of the various power play numbers being selected in a power play drawing when the 10X multiplier is available, are:

Power Play Multiplier	Odds
2	24 in 43
3	13 in 43
4	3 in 43
5	2 in 43
10	1 in 43

(2) The probability of the various power play numbers being selected in a power play drawing when the 10X multiplier is not available, are:

<i>Power Play Multiplier</i>	<i>Odds</i>
2	24 in 42
3	13 in 42
4	3 in 42
5	2 in 42

(m) By agreement between the Party Lotteries and the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts, including the power play prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently calculated prize amounts.

Cross References

This section cited in 61 Pa. Code § 871.22 (relating to changes to Powerball).

§ 871.21. Future changes to Powerball.

(a) The MUSL reserves the right to modify the Powerball game in order to address changes in player participation or population of member states. If the MUSL decides to make a change, it will be publicly announced by the Secretary at least 30 days before the change takes effect.

(b) The Secretary will publish notice of the change in the *Pennsylvania Bulletin* and the change will be codified in § 871.22 (relating to changes to Powerball).

Authority

The provisions of this § 871.21 amended under section 303 of the State Lottery Law (72 P.S. § 3761-303).

Source

The provisions of this § 871.21 amended November 8, 2002, effective November 9, 2002, 32 Pa.B. 5516. Immediately preceding text appears at serial page (290163).

§ 871.22. Changes to Powerball.

Any change to the Powerball regulations, announced by the Secretary by way of a notice published in the *Pennsylvania Bulletin*, will be codified as a new paragraph in this section.

(1) *Changes effective for Powerball tickets sold on or after October 6, 2002:*

(i) *Section 871.2(a) and (b) (relating to game description and purpose); § 871.3 (relating to definitions) definition of “basic play,” “first set numbers,” “panel or game panel,” “quick pick,” “ticket” and “winning numbers;” § 871.7(c) (relating to time, place and manner of conducting drawing).* Powerball is a five out of 53 plus one out of 42 on-line game. The first set of numbers are selected from 1 through 53.

(ii) *Section 871.9(e) (relating to Powerball prize payments).* All annuitized prizes shall be paid in 30 annual payments with the initial payment being made in cash, to be followed by 29 equal annual payments funded by

the annuity. The initial payment of an annuitized prize may be made by the Lottery upon validation of the winning ticket.

(iii) *Section 871.15 (relating to unclaimed prize money)*. Unclaimed grand prize and new bonus prize funds will be distributed among all MUSL Lotteries in proportion to each lottery’s sales for the grand prize drawing.

(iv) *Section 871.19 (relating to probability of winning)*. The probability of winning is as follows:

*Tickets Containing The Following,
In One Single Lettered Game*

<i>Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:120,526,770
Five first set numbers	Second Prize	1:2,939,677.317073
Four first set numbers and the Powerball number	Third Prize	1:502,194.875000
Four first set numbers	Fourth Prize	1:12,248.655488
Three first set numbers and the Powerball number	Fifth Prize	1:10,684.997340
Three first set numbers	Sixth Prize	1:260.609691
Two first set numbers and the Powerball number	Seventh Prize	1:696.847653
One first set number and the Powerball number	Eighth Prize	1:123.884027
The Powerball number	Ninth Prize	1:70.388652

(v) *Section 871.20(a), (c), (j) and (l) (relating to power play promotion)*. A player may purchase the power play option for the chance to multiply set prizes won as a result of the Powerball drawing by a number ranging from 2 to 5. The power play number will be selected from among the following series of numbers: 2, 2, 2, 3, 3, 3, 4, 4, 4, 5, 5, 5, 5, 5 and 5. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize Amount</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
		<i>5</i>	<i>4</i>	<i>3</i>	<i>2</i>
Second Prize	\$100,000	\$500,000	\$400,000	\$300,000	\$200,000
Third Prize	\$5,000	\$25,000	\$20,000	\$15,000	\$10,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200

Prize Level	Powerball Set Prize Amount	Power Play Multiplier and Set Prize Amount			
		5	4	3	2
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

The odds of various power play numbers being selected in a power play drawing are:

Power Play	Multiplier Odds
2	1:5
3	1:5
4	1:5
5	1:2.5

(2) *Changes effective for Powerball tickets sold on or after August 28, 2005:*

(i) *Section 871.2(a) and (b); § 871.3 definition of “basic play,” “first set numbers,” “panel or game,” “quick pick,” “ticket” and “winning number”; § 871.7(c).* Powerball is a five out of 55 plus one out of 42 on-line game. The first set of numbers are selected from 1 through 55.

(ii) *Section 871.9(e).* Annuitized prizes shall be paid in 30 graduated payments, an initial followed by 29 annual graduated payments increasing each year at a rate determined by the MUSL Powerball Product Group. This rate, once determined, will not change over the life of the payments. The 30 payments will equal 100% of the annuitized prize. Prize payments may be rounded down to the nearest \$1,000.

For example:

If the MUSL Powerball Product Group arrived at a 4% rate of increase for a \$30 million annuitized jackpot the payment schedule would be as follows:

Payment No.	Graduated Payments	
	(Rounded)	% of Total Annuity Prize
1	\$535,000	1.78300991336613%
2	\$556,000	1.85433030990078%
3	\$578,000	1.92850352229681%
4	\$601,000	2.00564366318868%
5	\$626,000	2.08586940971623%
6	\$651,000	2.16930418610488%
7	\$677,000	2.25607635354907%
8	\$704,000	2.34631940769104%
9	\$732,000	2.44017218399868%

<i>Payment No.</i>	<i>Graduated Payments (Rounded)</i>	<i>% of Total Annuity Prize</i>
10	\$761,000	2.53777907135862%
11	\$792,000	2.63929023421297%
12	\$823,000	2.74486184358149%
13	\$856,000	2.85465631732475%
14	\$891,000	2.96884257001774%
15	\$926,000	3.08759627281845%
16	\$963,000	3.21110012373119%
17	\$1,002,000	3.33954412868043%
18	\$1,042,000	3.47312589382765%
19	\$1,084,000	3.61205092958076%
20	\$1,127,000	3.75653296676399%
21	\$1,172,000	3.90679428543455%
22	\$1,219,000	4.06306605685193%
23	\$1,268,000	4.22558869912601%
24	\$1,319,000	4.39461224709105%
25	\$1,371,000	4.57039673697469%
26	\$1,426,000	4.75321260645368%
27	\$1,483,000	4.94334111071182%
28	\$1,543,000	5.14107475514030%
29	\$1,604,000	5.34671774534591%
30	<u>\$1,668,000</u>	5.56058645515974%
Payment Total	<u>\$30,000,000</u>	

(iii) Section 871.8(a) (relating to expected prize payout percentages).
 Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winning Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	60.5770%
Five first set numbers	Second Prize*	\$200,000	11.2246%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	3.4222%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	1.6768%
Three first set numbers	Sixth Prize*	\$7	4.8126%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	1.8780%
One first set number and the Powerball number	Eighth Prize*	\$4	6.3050%
The Powerball number	Ninth Prize*	\$3	8.7008%

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
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* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(iv) *Section 871.19.* The probability of winning is as follows:

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winnings per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:146,107,962
Five first set numbers	Second Prize	1:3,563,608.8293
Four first set numbers and the Powerball number	Third Prize	1:584,431.8480
Four first set numbers	Fourth Prize	1:14,254.4353
Three first set numbers and the Powerball number	Fifth Prize	1:11,927.1806
Three first set numbers	Sixth Prize	1:290.9068
Two first set numbers and the Powerball number	Seventh Prize	1:745.4488
One first set number and the Powerball number	Eighth Prize	1:126.8849
The Powerball number	Ninth Prize	1:68.9592

(v) *Section 871.20(a), (c), (j) and (l).* A player may purchase the power play option for the chance to multiply set prizes won as a result of the Powerball drawing by a number ranging from 2 to 5. The power play number will be selected from among the following series of numbers: 2, 2, 2, 2, 3, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5 and 5. Except as otherwise provided, power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

<i>Prize Level</i>	<i>Powerball Set Prize Amount</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
		<i>5</i>	<i>4</i>	<i>3</i>	<i>2</i>
Second Prize	\$200,000	\$1,000,000	\$800,000	\$600,000	\$400,000
Third Prize	\$ 10,000	\$ 50,000	\$ 40,000	\$ 30,000	\$ 20,000
Fourth Prize	\$ 100	\$ 500	\$ 400	\$ 300	\$ 200
Fifth Prize	\$ 100	\$ 500	\$ 400	\$ 300	\$ 200

	<i>Powerball Set</i>	<i>Power Play Multiplier and Set Prize Amount</i>			
Sixth Prize	\$ 7	\$ 35	\$ 28	\$ 21	\$ 14
Seventh Prize	\$ 7	\$ 35	\$ 28	\$ 21	\$ 14
Eighth Prize	\$ 4	\$ 20	\$ 16	\$ 12	\$ 8
Ninth Prize	\$ 3	\$ 15	\$ 12	\$ 9	\$ 6

The odds of various power play numbers being selected in a power play drawing are:

<i>Power Play Multiplier</i>	<i>Odds</i>
2	1:4
3	1:4
4	1:4
5	1:4

(3) *Changes effective for Powerball tickets sold on or after January 4, 2009:*

(i) *Section 871.2(a) (relating to game description and purpose).* Powerball is a five out of 59 plus one out of 39 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash basis.

(ii) *Section 871.2(b).* The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 59, and matching the separately drawn Powerball number, or a designated combination thereof, within a single play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted twice a week or as publicly announced by the Secretary.

(iii) *Section 871.3 (relating to definitions).*

Basic play—Each set of six numbers consisting of five numbers from 1 through 59 and the Powerball number on a ticket purchased without the selection of any promotion, representing a single entry for a Powerball drawing and designated by a letter from A to E on a Powerball ticket.

First set numbers—The first group of numbers, from 1 through 59, appearing in the top grid of a Powerball game panel.

Grand prize winnings pool—An amount constituting 32.5288% of gross sales from all participating States for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 59 squares, each numbered 1 through 59 and the lower grids (second set numbers) contain

39 squares, each numbered 1 through 39. Each panel is lettered either A, B, C, D or E, and when used to purchase a ticket, corresponds to the numbers selected and printed on the ticket adjacent to that letter.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 39, appearing in the lower grid of a Powerball game panel.

Quick pick—The random selection by the Lottery's computer system of five numbers from 1 through 59 and a Powerball number from 1 through 39 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 39, appearing in the lower grid of a Powerball game panel.

Set prize winnings pool—An amount constituting 17.4712% of gross sales for the current drawing and any moneys carried forward from previous draws. *Ticket*—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 59 and a single selected Powerball number from 1 through 39 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 59, and the Powerball number from 1 through 39, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

(Editor's Note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.)

(iv) *Section 871.7(c) (relating to time, place and manner of conducting drawing)*. Manner of conducting drawing. The MUSL will draw at random five numbers from a set of balls numbered 1 through 59 and one Powerball number from a set of balls numbered 1 through 39 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

(v) *Section 871.8(a) (relating to expected prize payout percentages)*. Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	65.0576%
Five first set numbers	Second Prize*	\$200,000	7.7850%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	2.7656%
Four first set numbers	Fourth Prize*	\$100	1.0510%

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Three first set numbers and the Powerball number	Fifth Prize*	\$100	1.4658%
Three first set numbers	Sixth Prize*	\$7	3.8990%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	1.7786%
One first set number and the Powerball number	Eighth Prize*	\$4	6.4790%
The Powerball number	Ninth Prize*	\$3	9.7184%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(vi) *Section 871.8(c)(1) (relating to expected prize payout percentages).* If the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 17.4712% of gross sales, the amount needed to fund the set prizes shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$25,000,000 per Powerball drawing.

(vii) *Section 871.19 (relating to probability of winning).* The probability of winning is as follows:

<i>Tickets Containing The Following In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winnings per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:195,249,054
Five first set numbers	Second Prize	1:5,138,133
Four first set numbers and the Powerball number	Third Prize	1:723,144.6444
Four first set numbers	Fourth Prize	1:19,030.1222
Three first set numbers and the Powerball number	Fifth Prize	1:13,644.2386
Three first set numbers	Sixth Prize	1:359.0589
Two first set numbers and the Powerball number	Seventh Prize	1:787.1676
One first set number and the Powerball number	Eighth Prize	1:123.4773
The Powerball number	Ninth Prize	1:61.7386

(viii) *Section 871.20(a) (relating to power play promotion)*. The power-play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option for the chance to multiply set prizes won as a result of a Powerball drawing by a number ranging from 2 to 5. The Powerball grand prize will not be eligible for multiplication under the power play promotion. The Secretary will on occasion announce, as a special promotion, a multiplier of 10.

(ix) *Section 871.20(c)*. At the time of each Powerball drawing, the MUSL shall conduct a power play drawing, with the aid of mechanical drawing equipment or any other selection methodology as authorized by the Secretary, under the supervision of security and an independent auditor which shall result in the selection of the power play number from among the following series of numbers: 2, 2, 2, 2, 3, 3, 3, 3, 4, 4, 4, 4, 5, 5, 5 and 5.

(x) *Section 871.20(d)*. Powerball tickets that contain the power play option and one or more plays eligible for Powerball set prizes (but not the grand prize) identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize calculated by multiplying each Powerball set prize by the power play number. The second prize category power play multiplier will be fixed at a minimum of 5.

(xi) *Section 871.20(j)*. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

Prize Level	Powerball Set Prize Amount	Power Play Multiplier and Set Prize Amount			
		5	4	3	2
Second Prize	\$200,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

(4) *Changes effective for Powerball tickets sold on or after May 28, 2011:*

(i) *Section 871.20(a) (relating to power play promotion)*. The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option for the chance to multiply or increase the third through the ninth cat-

egory set prizes won as a result of a Powerball drawing by a number ranging from 2 to 5. The Powerball grand prize, the second category prize and the Match 5 Bonus prizes will not be eligible for multiplication under the power play promotion. The Secretary will on occasion announce, as a special promotion, multipliers greater than 5 or a greater second category prize amount. The second category prize shall be \$1,000,000 unless a higher promotional dollar amount is announced by the Secretary.

(ii) *Section 871.20(d)*. Powerball tickets that contain the power play option and one or more plays eligible for Powerball third through ninth category prizes identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize calculated by multiplying each Powerball third through ninth category prize by the power play number. Powerball tickets that contain the power play option and one or more plays eligible for a Powerball second category prize shall be entitled to a prize of \$1,000,000 unless a higher limited promotional dollar amount is announced by the Secretary.

(iii) *Section 871.20(g)*. If, with respect to a single Powerball drawing and associated power play drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to the set prizes and carried forward from previous Powerball drawings and power play drawings, if any.

(2) An amount from the Powerball set prize reserve account, if available, not to exceed \$25,000,000 per drawing.

(iv) *Section 871.20(h)*. If the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing and associated power play drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(v) *Section 871.20(j)*. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments. Power play prizes for the third through the ninth category prizes shall be determined by multiplying the Powerball set prize by the number selected in the power play drawing. The power play prize for the second category prize level shall be paid \$1,000,000. Power play prize levels shall be paid as follows:

Prize Level	Powerball Set				
	Prize Amount	Regardless of Power Play Number Selected:			
Second Prize	\$200,000	\$1,000,000			
		5X	4X	3X	2X
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000
Fourth Prize	\$100	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$35	\$28	\$21	\$14
Eighth Prize	\$4	\$20	\$16	\$12	\$8
Ninth Prize	\$3	\$15	\$12	\$9	\$6

(vi) *Section 871.20(k)*. When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play prizes for the third through the ninth category prizes shall be a multiple of the new Powerball set prize amount and the power play prize for the second category prize shall be reduced as announced by the MUSL Powerball Product Group.

(5) *Changes effective for Powerball tickets sold on or after January 15, 2012:*

(i) *Section 871.2(a) (relating to game description and purpose)*. Powerball is a five out of 59 plus one out of 35 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash basis.

(ii) *Section 871.3 (relating to definitions)*.

Grand prize winnings pool—An amount constituting 31.9756% of gross sales from all participating states for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Panel or game panel—One of five areas of the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 59 squares, each numbered 1 through 59 and the lower grids (second set numbers) contain 35 squares, each numbered 1 through 35. Each panel is lettered either A, B, C, D or E.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 35, appearing in the lower grid of a Powerball game panel.

Quick pick—The random selection by the Lottery’s computer system of five numbers from 1 through 59 and a Powerball number from 1 through 35 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 35, appearing in the lower grid of a Powerball game panel.

Set prize winnings pool—An amount constituting 18.0244% of gross sales for the current drawing and any monies carried forward from previous draws.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 59 and a single selected Powerball number from 1 through 35 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to five on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 59, and the Powerball number from 1 through 35, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

(Editor’s Note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.)

(iii) *Section 871.5 (relating to ticket price)*. A Powerball ticket shall cost \$2 per play. The power play option may be exercised, at the discretion of the player, for an additional \$1 per play.

(iv) *Section 871.6(a) (relating to Powerball bet slip and ticket characteristics and restrictions)*. For each basic play the player shall select, or request quick pick selection by the computer, five numbers and a single Powerball number, in one or more of the game panels on a Powerball bet slip. Powerball bet slips shall be available at no cost to the player. The minimum entry is \$2. For \$2, play one game; for \$4, play two games; for \$6, play three games; for \$8, play four games; for \$10, play five games. Players are also given the option to select a promotion verbally or on the bet slip at the time of purchase for an additional \$1 for each play. Game panels shall be played in alphabetical order in accordance with the instructions printed on the Powerball bet slip. A Powerball bet slip has no pecuniary or prize value and does not constitute evidence of the purchase of a ticket or the numbers selected.

(v) *Section 871.6(b)*. To purchase a ticket, players shall, in addition to the purchase price, submit a completed Powerball bet slip, or request number selections either by quick pick or manual terminal entry to an on-line retailer to have a ticket issued. To purchase a ticket at a Lottery self-service terminal that dispenses terminal-based Lottery tickets, the player shall designate the drawing date or dates for which the ticket is entered, number selections and may exercise the power play promotion for an additional \$1 per play. The player may use a bet slip or the Quick Pick option at a Lottery self-service terminal that dispenses terminal-based Lottery tickets. The ticket shall contain five selected numbers and a single selected Powerball number

for each play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. This ticket shall be the only valid receipt for claiming a prize. The ticket shall only be valid for the drawing date or dates printed on the ticket. Retailers are not permitted to allow the attachment of any remote devices to a lottery terminal to enter plays except as otherwise provided in the MUSL rules.

(vi) *Section 871.6(c)*. If Powerball bet slips are unavailable, number selections may be given to an on-line retailer in groups of five number selections and one Powerball number selection per game section for each \$2 wagered as a basic play. The player may exercise the power play promotion for an additional \$1 per play. The retailer shall manually enter the selections into the computer terminal.

(vii) *Section 871.7(b) (relating to time, place and manner of conducting drawing)*. Place of drawing. A Powerball drawing will be conducted in a location selected by the MUSL.

(viii) *Section 871.7(c)*. Manner of conducting drawing. The MUSL will draw at random five numbers from a set of balls numbered 1 through 59 and one Powerball number from a set of balls numbered 1 through 35 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

(ix) *Section 871.8(a) (relating to expected prize payout percentages)*. Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	63.9511%
Five first set numbers	Second Prize*	\$1,000,000	19.4038%
Four first set numbers and the Powerball number	Third Prize*	\$10,000	1.5409%
Four first set numbers	Fourth Prize*	\$100	.5239%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	.8167%
Three first set numbers	Sixth Prize*	\$7	1.9437%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	.9909%
One first set number and the Powerball number	Eighth Prize*	\$4	3.6097%
The Powerball number	Ninth Prize*	\$4	7.2194%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(x) *Section 871.8(c)(1)*. If the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 18.0244% of gross sales, the amount needed to fund the set prizes shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$40,000,000 per Powerball drawing.

(xi) *Section 871.15 (relating to unclaimed prize money)*. Prize money on a winning Powerball play may be retained by the Secretary for payment to the person entitled to it. If within 1 year of the drawing date on the ticket, no claim is made on a winning play, as determined by the Secretary, the right to claim prize money terminates. For set prizes, the prize money will be paid into the State Lottery Fund and used for purposes otherwise provided for by statute. Unclaimed grand prize funds will be distributed among all MUSL Lotteries in proportion to each lottery’s sales for the grand prize drawing.

(xii) *Section 871.19 (relating to probability of winning)*. The probability of winning is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:175,223,510
Five first set numbers	Second Prize	1:5,153,632.6471
Four first set numbers and the Powerball number	Third Prize	1:648,975.9630
Four first set numbers	Fourth Prize	1:19,087.5283
Three first set numbers and the Powerball number	Fifth Prize	1:12,244.8295
Three first set numbers	Sixth Prize	1:360.1420
Two first set numbers and the Powerball number	Seventh Prize	1:706.4325
One first set number and the Powerball number	Eighth Prize	1:110.8129
The Powerball number	Ninth Prize	1:55.4065

(xiii) *Section 871.20(a) (relating to power play promotion)*. The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance with the Powerball rules except that players may purchase the power play option to increase set prizes won as a result of a Powerball drawing. The Powerball grand prize will not be eligible for an increase under the power play promotion. The Secretary will on occasion announce, as a special promotion, higher promotional prize amounts to be won with the power play promotion.

(xiv) *Section 871.20(c)* is deleted in its entirety.

(xv) *Section 871.20(d)*. Powerball tickets that contain the power play option and one or more plays eligible for Powerball second through ninth category prizes identified in § 871.8(a) (relating to expected prize payout percentages) shall be entitled to a total set prize identified in § 871.20(j) (relating to power play promotion), unless a higher limited promotional prize amount is announced by the Secretary.

(xvi) *Section 871.20(e)*. The prize pool for power play set prizes shall consist of up to 49.96% of power play sales after Powerball prize reserve accounts are funded to the amounts set by the MUSL. The prize pool percentage allocated to power play set prizes shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the set prizes for the current power play drawing.

(xvii) *Section 871.20(f)*. An additional 0.04% of power play sales may be collected and placed in prize reserve accounts until the prize reserve accounts meet the amounts designated by the MUSL. Any amount remaining in prize reserve accounts at the end of the power play promotion shall be carried forward to a replacement prize reserve account or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(xviii) *Section 871.20(g)*. If, with respect to a single Powerball drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

- (1) The amount allocated to the set prizes and carried forward from previous Powerball drawings, if any.
- (2) An amount from the Powerball set prize reserve account, if available, not to exceed \$40,000,000 per drawing.

(xix) *Section 871.20(h)*. If the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes for a particular Powerball drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(xx) *Section 871.20(j)*. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments. Power play prize levels shall be paid as follows:

<i>Prize Level</i>	<i>Power Play Set Prize Amount</i>
Second Prize	\$2,000,000
Third Prize	\$40,000
Fourth Prize	\$200
Fifth Prize	\$200
Sixth Prize	\$14
Seventh Prize	\$14
Eighth Prize	\$12
Ninth Prize	\$12

(xxi) *Section 871.20(k)*. When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play prizes for the second through the ninth category prizes shall be reduced as announced by the MUSL Powerball Product Group.

(xxii) Section 871.20(l) is deleted in its entirety.

(xxiii) Section 871.22(1)(vi) (relating to changes to Powerball) is deleted in its entirety.

(Editor's Note: Section 871.23 effectuated the adoption and subsequent deletion referenced in § 871.22(1)(vi) and (5)(xxiii).)

(6) *Changes effective for Powerball tickets sold on or after October 1, 2013:*

(i) *Section 871.3 (relating to definitions).*

Licensee Lottery—A State lottery or lottery of a political subdivision or entity which is not a Party Lottery but has agreed to comply with all applicable MUSL and MUSL Powerball Product Group requirements and has been authorized by the MUSL and by the MUSL Powerball Product Group to sell the Powerball game.

MUSL Finance and Audit Committee—The committee established by the Multi-State Lottery Association which, among other things, establishes the reserve accounts balances.

(Editor's Note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.)

(ii) *Section 871.8(c) (relating to expected prize payout percentages)*. The number of plays determined by the MUSL to be winners of the second through ninth prize categories will be paid as set cash prizes, except as provided in paragraphs (1) through (4).

(1) Except as otherwise provided in section 871.8(c)(4), if the total of the set prizes awarded in a Powerball drawing exceeds the set prize pool which is 18.0244% of gross sales, the amount needed to fund the set prizes, including Power play prizes, shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$40,000,000 per Powerball drawing.

(2) Except as otherwise provided in section 871.8(c)(4), if the sources set forth in paragraph (1) are depleted and there still are not sufficient funds to pay the set prizes, including Power play prizes, for a particular Powerball drawing, the highest set prize shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining set prizes, the next highest set prize shall become a parimutuel prize. If necessary, and under the same test conditions set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel.

(3) Except for winning prizes sold by the California Lottery, if all, or any portion of the set prize pool is not awarded in the current Powerball drawing, that portion of the set prize pool shall be carried forward to subsequent Powerball drawings.

(4) By agreement with the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

(iii) *Section 871.14(b) (relating to pari-mutuel prize pool)*. An amount equal to up to 5% of a party lottery's sales shall be deducted from a party lottery's grand prize pool and placed in trust in one or more prize pool accounts and prize reserve accounts until the prize pool accounts and party lottery's share of the prize reserve accounts reaches the amounts designated by the MUSL Powerball Product Group. The MUSL Powerball Product Group has established the following prize reserve accounts for the Powerball game: the Prize Reserve Account, which is used to guarantee the payment of valid, but unanticipated, Grand Prize claims that may result from a system error or other reason; and the Set Prize Reserve Account, which is used to fund deficiencies in low-tier prize payments, subject to the limitations of these rules. The MUSL Powerball Product Group has established the following prize pool accounts for the Powerball game; the Grand Prize pool, which is used to fund the immediate Grand Prize, the Set-Aside Account, which is used to guarantee payment of the minimum or starting Grand Prize; the Power play pool account, which is described in § 871.20 (relating to power play promotion) of these rules; and the Low-Tier Prize Pool Account, which holds the temporary balances that may result from having fewer than expected winners in the low-tier prize categories. The source of the Low-Tier Prize Pool is the Party Lottery's weekly prize contributions less actual set prize liability. Once the prize pool accounts and the party lottery's share of the prize reserve accounts exceeds the designated amounts, the excess shall become part of the grand prize pool. The MUSL Powerball Product Group, with the approval of the Finance and Audit Committee, may establish a maximum balance for the prize pool accounts and prize reserve accounts.

The MUSL Powerball Product Group may determine to expend all or a portion of the funds in the prize pool accounts, except the Grand Prize pool account, and the prize reserve accounts for the purpose of indemnifying the Party Lotteries and Licensee Lotteries in the payment of prizes to be made by the participating lotteries, subject to the approval of the MUSL Board and for the payment of prizes or special prizes in the game, subject to the approval of the MUSL Finance and Audit Committee. The prize reserve shares of a party lottery may be adjusted with refunds to the party lottery from the prize reserve accounts as may be needed to maintain the approved maximum balance and shares of the party lotteries. Any amount remaining in the prize pool accounts or prize reserve accounts 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 members of the MUSL Powerball Product Group in accordance with State law.

(iv) *Section 871.20(e) (relating to power play promotion).* The Power play prize pool for power play set prizes shall consist of up to 49.96% of power play sales. The Power play prize pool shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the power play prizes for the current power play drawing and held in the Power Play Pool Account.

(v) *Section 871.20(f) (relating to power play promotion).* An additional 0.04% of power play sales may be collected and placed in the power play pool account, for the purpose of paying Power Play prizes. Any amount remaining in the power play pool account at the end of the power play promotion shall be returned to all lotteries participating in the account after the end of all claim periods of all selling lotteries, carried forward to a replacement game, or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(vi) *Section 871.20(g) (relating to power play promotion).* Except as otherwise provided in section 871.20(m), if, with respect to a single Powerball drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to the set prizes and carried forward from previous Powerball drawings, if any.

(2) The amount allocated to the Powerball Set-Prize Reserve Account, if available in the account, not to exceed forty million dollars (\$40,000,000.00) per drawing.

(vii) *Section 871.20(h) (relating to power play promotion).* Except as otherwise provided in section 871.20(m), if the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes, including the power play prizes, for a particular Powerball drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option,

shall become a parimutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(viii) *Section 871.20(m) (relating to power play promotion)*. By agreement with the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts, including the power play prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the pari-mutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

(7) *Changes effective for Powerball tickets sold on or after January 19, 2014:*

(i) *Section 871.8(c)(4) (relating to expected prize payout percentages)*. By agreement between the Party Lotteries and the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

(ii) *Section 871.9(n) (relating to Powerball prize payments)*. The Pennsylvania Lottery may conduct promotional drawings associated with the Powerball game. Powerball game tickets will be imprinted with a unique code to be used by players to enter the promotional drawings. The promotional drawings may be held independently of or in conjunction with the regular Powerball drawings. The Secretary will announce the existence of the promotional drawings. Winners of promotional drawings will be randomly selected from the group of qualified entries. A description of the available prize(s) and the specific rules and other information necessary for the conduct of the promotional drawings will be posted to the Lottery's publicly accessible website. A copy of the same will also be kept on file with the Lottery and will be available upon request.

(iii) *Section 871.20(c) (relating to power play promotion)*. The MUSL shall conduct a power play drawing and will announce results during each of the regular Powerball drawings held during the power play promotion. During each power play drawing a single number (2, 3, 4 or 5) shall be randomly drawn.

(iv) *Section 871.20(e) (relating to power play promotion)*. The power play prize pool for power play set prizes shall consist of up to 49.36% of power play sales. The power play prize pool shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the power play prizes for the current power play drawing and held in the Power Play Pool Account.

(v) *Section 871.20(f) (relating to power play promotion)*. An additional 0.64% of power play sales may be collected and placed in the power play pool account, for the purpose of paying power play prizes. Any amount remaining in the power play pool account at the end of the power play promotion shall be returned to all lotteries participating in the account after the end of all claim periods of all selling lotteries, carried forward to a replace-

ment game, or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(vi) *Section 871.20(j) (relating to power play promotion).* Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

Prize Level	Powerball Set Prize Amount					
	Regardless of Power Play Number Selected					
Second Prize	\$1,000,000	\$2,000,000	5X	4X	3X	2X
Third Prize	\$10,000	\$50,000	\$40,000	\$30,000	\$20,000	
Fourth Prize	\$100	\$500	\$400	\$300	\$200	
Fifth Prize	\$100	\$500	\$400	\$300	\$200	
Sixth Prize	\$7	\$35	\$28	\$21	\$14	
Seventh Prize	\$7	\$35	\$28	\$21	\$14	
Eighth Prize	\$4	\$20	\$16	\$12	\$8	
Ninth Prize	\$4	\$20	\$16	\$12	\$8	

(vii) *Section 871.20(l) (relating to power play promotion).* The odds of the various power play numbers being selected in a power play drawing are:

Power Play Multiplier	Odds
2	1:2
3	1:3.33
4	1:10
5	1:10

(viii) *Section 871.20(m) (relating to power play promotion).* By agreement between the Party Lotteries and the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts, including the power play prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

(8) *Changes effective for Powerball tickets sold on or after October 4, 2015:*

(i) *Section 871.2(a) (relating to game description and purpose).* Powerball is a five out of 69 plus one out of 26 terminal-based lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash, single payment basis.

(ii) *Section 871.2(b) (relating to game description and purpose).* The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 69, and matching the separately

drawn Powerball number, or a designated combination thereof, within a single play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted twice a week or as publicly announced by the Secretary.

(iii) *Section 871.3 (relating to definitions).*

Advertised Grand Prize—The estimated annuitized Grand Prize amount as determined by the MUSL Central Office by use of the MUSL Annuity Factor and communicated through the Selling Lotteries prior to the Grand Prize drawing. The Advertised Grand Prize is not a guaranteed prize amount and the actual Grand Prize may vary from the advertised amount, except in circumstances where there is a guaranteed Grand Prize amount as described in § 871.10 (relating to funding of guaranteed prizes).

Basic Play—Each set of six numbers consisting of five numbers from 1 through 69 and the Powerball number on a ticket purchased without the selection of any promotion, representing a single entry for a Powerball drawing and designated by a letter from A to E on a Powerball ticket.

First set numbers—The first group of numbers from 1 through 69, appearing in the top grid of a Powerball game panel.

MUSL Annuity Factor—The annuity factor as determined by the MUSL central office through a method approved by the MUSL Finance and Audit Committee and which is used as described in these rules.

Panel or game panel—One of five areas on the Powerball bet slip that contains two number grids. The upper grids (first set numbers) contain 69 squares, each numbered 1 through 69, and the lower grids (second set numbers) contain 26 squares, each numbered 1 through 26. Each panel is lettered either A, B, C, D or E.

Powerball number or second set number—The number selected from the second group of numbers, from 1 through 26, appearing in the lower grid of a Powerball game panel.

Quick Pick—The random selection by the Lottery's computer system of five numbers from 1 through 69 and a Powerball number from 1 through 26 that appear on a ticket in the Powerball game.

Second set numbers—The second group of numbers, from 1 through 26, appearing in the lower grid of a Powerball game panel.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 69 and a single selected Powerball number from 1 through 26 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to ten on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 69, and the Powerball number from 1 through 26, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays.

(Editor’s Note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.)

(iv) *Section 871.7(c) (relating to time, place and manner of conducting drawings).* The MUSL will draw at random five numbers from a set of balls numbered 1 through 69 and one Powerball number from a set of balls numbered 1 through 26 with the aid of mechanical drawing equipment. The drawings will be observed by security personnel and independent auditors and the validity of a drawing will be solely determined by the MUSL.

(v) *Section 871.8(a) (relating to expected prize payout percentages).* Determination of expected prize payout percentages is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
Five first set numbers and the Powerball number	Grand Prize	Grand Prize	68.0131%
Five first set numbers	Second Prize*	\$1,000,000	8.5558%
Four first set numbers and the Powerball number	Third Prize*	\$50,000	5.4757%
Four first set numbers	Fourth Prize*	\$100	.2738%
Three first set numbers and the Powerball number	Fifth Prize*	\$100	.6899%
Three first set numbers	Sixth Prize*	\$7	1.2074%
Two first set numbers and the Powerball number	Seventh Prize*	\$7	.9981%
One first set number and the Powerball number	Eighth Prize*	\$4	4.3489%
None of the first set and the Powerball number	Ninth Prize*	\$4	10.4373%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(vi) *Section 871.8(c)(1)(iii) (relating to expected prize payout percentages).* Any other amounts as agreed to by the MUSL Powerball Product Group in their sole discretion.

(vii) *Section 871.9(c) (relating to Powerball prize payments).* The MUSL Annuity Factor is determined through a process as approved by the MUSL Finance and Audit Committee.

(viii) *Section 871.10 (relating to funding of guaranteed prizes).* The MUSL Powerball Product Group may offer guaranteed minimum grand prize amounts or minimum increases in the grand prize amount between drawings or make other changes in the allocation of prize money where the MUSL Powerball Product Group finds that it would be in the best interest of the game. If a minimum grand prize amount or a minimum increase in the grand

prize amount between drawings is offered by the Product Group, the grand prize shares shall be determined as follows:

(1) If there are multiple grand prize winners during a single drawing, each selecting the annuitized option prize, then a winner's share of the guaranteed annuitized grand prize shall be determined by dividing the guaranteed annuitized grand prize by the number of winners.

(2) If there are multiple grand prize winners during a single drawing and at least one of the grand prize winners has elected the annuitized option prize, the best bid submitted by the MUSL's preapproved qualified brokers shall determine the cash pool needed to fund the guaranteed annuitized grand prize.

(3) If no winner of the grand prize during a single drawing has elected the annuitized grand prize, the amount of cash in the grand prize pool shall be an amount equal to the guaranteed annuitized amount divided by the MUSL Annuity Factor.

(4) Section 871.10(4) is deleted in its entirety.

(5) Changes in the allocation of prize money shall be designed to retain approximately the same prize allocation percentages, over a year's time, as set for in § 871.8 (relating to expected prize payout percentages). Minimum guaranteed prizes or increases may be waived if the alternate funding mechanism as set for in § 871.8 becomes necessary.

(6) Approval of the MUSL Powerball Product Group is required to change the guaranteed minimum Grand Prize amounts or minimum increases in the Grand Prize amount. Any reduction in the minimum increases to the Grand Prize amount shall not become effective until after a Grand Prize win following the action taken by the MUSL Powerball Product Group.

(ix) *Section 871.14(b) (relating to parimutuel prize pool)*. An amount equal to up to 5% of a party lottery's sales shall be deducted from a party lottery's grand prize pool and placed in trust in one or more prize pool accounts and prize reserve accounts until the prize pool accounts and party lottery's share of the prize reserve accounts reaches the amounts designated by the MUSL Powerball Product Group. The MUSL Powerball Product Group has established the following prize reserve accounts for the Powerball game: the Prize Reserve Account, which is used to guarantee the payment of valid, but unanticipated, Grand Prize claims that may result from a system error or other reason; and the Set Prize Reserve Account, which is used to fund deficiencies in the low-tier prize payments, subject to the limitations of these rules. The MUSL Powerball Product Group has established the following prize pool accounts for the Powerball game: the Grand Prize pool, which is used to fund the immediate Grand Prize; the Powerball Set Prize Pool, which is used to fund the Powerball Set Prize payments; and the Powerball Set-Aside Account, which is used to guarantee payments of the minimum or starting Grand Prize. The Power Play Prize Pool and Power Play Pool Account are described in § 871.20 (relating to power play promotion) of these rules. The Set Prize Pool Account holds the temporary balances that may result from having fewer than expected winners in the Powerball Set Prize (aka low-tier prize) categories. The source of the Set Prize Pool is the Party Lottery's weekly prize contributions less actual Powerball Set Prize liability. Once the prize pool accounts and the party lottery's share of the prize reserve accounts exceeds the designated amounts, the excess shall

become part of the grand prize pool. The MUSL Powerball Product Group, with the approval of the Finance and Audit Committee, may establish a maximum balance for the prize pool accounts and prize reserve accounts. The MUSL Powerball Product Group may determine to expend all or a portion of the funds in the prize pool accounts, except the Grand Prize pool account, and the prize reserve accounts for the purpose of indemnifying the Party Lotteries and Licensee Lotteries in the payment of prizes to be made by the Selling Lotteries, subject to the approval of the MUSL Board and for the payment of prizes or special prizes in the game, subject to the approval of the MUSL Finance and Audit Committee. The prize reserve shares of a party lottery may be adjusted with refunds to the party lottery from the prize reserve accounts as may be needed to maintain the approved maximum balance and shares of the party lotteries. A Party Lottery may contribute to its share of prize reserve accounts over time, but in the event of a draw down from the reserve account, a Party Lottery is responsible for its full percentage share of the account, whether or not it has been paid in full. Any amount remaining in the prize pool accounts or prize reserve accounts 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 members of the MUSL Powerball Product Group in accordance with State law.

(x) *Section 871.19 (relating to probability of winning).* The probability of winning is as follows:

<i>Tickets Containing The Following in One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:292,201,338
Five first set numbers	Second Prize	1:11,688,053.52
Four first set numbers and the Powerball number	Third Prize	1:913,129.1813
Four first set numbers	Fourth Prize	1:36,525.1673
Three first set numbers and the Powerball number	Fifth Prize	1:14,494.1140
Three first set numbers	Sixth Prize	1:579.7646
Two first set numbers and the Powerball number	Seventh Prize	1:701.3281
One first set number and the Powerball number	Eighth Prize	1:91.9775
None of the first set and the Powerball number	Ninth Prize	1:38.3239

(xi) *Section 871.20(c) (relating to power play promotion).* The MUSL shall conduct a power play drawing and will announce results during each of

the regular Powerball drawings held during the power play promotion. During each power play drawing a single number (2, 3, 4, 5 or 10) shall be randomly drawn. The 10X multiplier will be available for drawings in which the initially advertised annuitized Grand Prize amount is \$150,000,000 or less. The MUSL Powerball Product Group may elect to run limited promotions that modify the multiplier features.

(xii) *Section 871.20(e) (relating to power play promotion)*. In drawings where the 10X multiplier is available, the expected power play prize pool for power play set prizes shall consist of up to 49.969% of each drawing period's power play sales. In drawings where the 10X multiplier is not available, the expected power play prize pool for power play set prizes shall consist of up to 45.934% of each drawing period's sales. The prize payout percentage per draw may vary. The power play prize pool shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the power play prizes for the current power play drawing and held in the Power Play Pool Account.

(xiii) *Section 871.20(f) (relating to power play promotion)*. In drawings where the 10X multiplier is available, an additional 0.31% of power play sales may be collected and placed in the Power Play Pool Account, for the purposes of paying power play prizes. In drawings where the 10X multiplier is not available 4.066% of power play sales may be collected and placed in the Power Play Pool Account, for the purposes of paying power play prizes. Any amount remaining in the Power Play Pool Account at the end of the power play promotion shall be returned to all lotteries participating in the account after the end of all claim periods of all selling lotteries, carried forward to a replacement game, or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(xiv) *Section 871.20(g)(3) (relating to power play promotion)*. Other amounts as agreed to by the MUSL Powerball Product Group in their sole discretion.

(xv) *Section 871.20(j) (relating to power play promotion)*. Except as otherwise provided, all power play set prizes shall be paid in single, lump-sum payments determined by multiplying the Powerball set prize by the number selected in the power play drawing as follows:

Prize Level	Powerball Set Prize Amount	Regardless of Power Play Number Selected				
		10X	5X	4X	3X	2X
Second Prize	\$1,000,000			\$2,000,000		
Third Prize	\$50,000	\$500,000	\$250,000	\$200,000	\$150,000	\$100,000
Fourth Prize	\$100	\$1,000	\$500	\$400	\$300	\$200
Fifth Prize	\$100	\$1,000	\$500	\$400	\$300	\$200
Sixth Prize	\$7	\$70	\$35	\$28	\$21	\$14
Seventh Prize	\$7	\$70	\$35	\$28	\$21	\$14

Prize Level	Powerball Set		Regardless of Power Play Number Selected			
	Prize Amount					
Eighth Prize	\$4	\$40	\$20	\$16	\$12	\$8
Ninth Prize	\$4	\$40	\$20	\$16	\$12	\$8

(xvi) *Section 871.20(l) (relating to power play promotion)*. The probability of the various power play numbers being selected in a power play drawing.

(1) The probability of the various power play numbers being selected in a power play drawing when the 10X multiplier is available is:

Power Play Multiplier	Probability of Prize Increase
2	1:1.791666
3	1:3.30769
4	1:14.33333
5	1:21.5
10	1:43

(2) The probability of the various power play numbers being selected in a power play drawing when the 10X multiplier is not available is:

Power Play Multiplier	Probability of Prize Increase
2	1:1.75
3	1:3.23076
4	1:14
5	1:21
10	1:0

(9) *Changes effective for Powerball tickets sold on or after April 9, 2020:*

(i) *Section 871.10 (relating to funding of guaranteed prizes)*. The MUSL Powerball Product Group may offer guaranteed minimum grand prize amounts or minimum increases in the grand prize amount between drawings or make other changes in the allocation of prize money where the MUSL Powerball Product Group finds that it would be in the best interest of the game. If a minimum grand prize amount or a minimum increase in the grand prize amount between drawings is offered by the Product Group, the grand prize shares shall be determined as follows:

(1) If there are multiple grand prize winners during a single drawing, each selecting the annuitized option prize, then a winner’s share of the guaranteed annuitized grand prize shall be determined by dividing the guaranteed annuitized grand prize by the number of winners.

(2) If there are multiple grand prize winners during a single drawing and at least one of the grand prize winners has elected the annuitized option prize, the best bid submitted by the MUSL’s preapproved qualified brokers shall determine the cash pool needed to fund the guaranteed annuitized grand prize.

(3) If no winner of the grand prize during a single drawing has elected the annuitized grand prize, the amount of cash in the grand prize pool shall be an amount equal to the guaranteed annuitized amount divided by the MUSL Annuity Factor.

(4) Section 871.10(4) is deleted in its entirety.

(5) Changes in the allocation of prize money shall be designed to retain approximately the same prize allocation percentages, over a year's time, as set forth in § 871.8 (relating to expected prize payout percentages). Minimum guaranteed prizes or increases may be waived if the alternate funding mechanism as set forth in § 871.8 becomes necessary.

(6) Approval of the Group is required to change the guaranteed minimum Grand Prize amounts or minimum increases in the Grand Prize amount. The Group may increase, decrease or eliminate the guaranteed minimum Grand Prize amount or any announced minimum Grand Prize increases effective at any time following the next drawing following the action taken by the Group.

(10) *Changes effective for Powerball tickets sold on or after August 22, 2021:*

(i) *Section 871.2(a) (relating to game description and purpose).* Powerball is a five out of 69 plus one out of 26 on-line lottery game which pays the grand prize on an annuitized, parimutuel basis. Except as provided in this chapter, all other prizes are paid on a set cash, single payment basis.

(ii) *Section 871.2(b).* The purpose of the Powerball game is to determine winners from ticket holders matching five numbers from 1 through 69, and matching the separately drawn Powerball number, or a designated combination thereof, within a single play, with the five winning numbers and the Powerball number to be randomly drawn. Drawings will be conducted three times a week or as publicly announced by the Secretary.

(iii) *Section 871.3 (relating to definitions).*

Advertised Grand Prize—The estimated annuitized Grand Prize amount as determined by the MUSL Central Office by use of the MUSL Annuity Factor and communicated through the Selling Lotteries prior to the Powerball Grand Prize Drawing. The Advertised Grand Prize is not a guaranteed prize amount and the actual Powerball Grand Prize may vary from the advertised amount, except in circumstances where there is a guaranteed Powerball Grand Prize amount as described in § 871.10 (related to funding of guaranteed prizes).

Agent—A person or entity authorized by a Selling Lottery to sell lottery Plays.

Cash election—A method of payment that the player selects, within 60 days of the date the Lottery determines the player is entitled to the Powerball grand prize, to receive a parimutuel share of the prize money allocated to the grand prize category as a one-time, lump-sum cash payment rather than as an annuity.

Drawing—The formal draw event for randomly selecting the winning numbers that determine the number of winners for each prize level of the Powerball game or a Powerball promotion as described in these rules. A Powerball

Drawing shall determine the winning numbers for the Powerball game, the Double Play Drawing, and the Power Play multiplier. Winning numbers for the Powerball game include the Winning numbers drawn for the Powerball game, and the number drawn to determine the Power Play multiplier.

Grand prize winnings pool—An amount constituting 34.0066% of gross sales from all participating states for a particular Powerball game drawing for the purpose of paying winning grand prizes in that drawing. The grand prize winnings pool includes prize money allocated to the grand prize category from prior Powerball game drawings in which there were no winning grand prize tickets. A portion of this pool is used to fund prize reserve accounts until those accounts achieve maximum balances.

Parimutuel—Wagered funds that are pooled and then paid in equal shares to winners of a prize as described in these rules.

Quick pick—The random selection by the Lottery's computer system of five numbers from 1 through 69 and a Powerball number from 1 through 26 that appear on a ticket and are played by a player in the game.

Ticket—A Powerball ticket, produced by an on-line terminal from a licensed on-line retailer in an authorized manner, containing a letter prefix followed by five selected numbers from 1 through 69 and a single selected Powerball number from 1 through 26 for each basic play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. Each set of five numbers and the Powerball number constitutes a basic play of which there may be one or more, up to ten on a ticket.

Winning numbers—Six numbers, the first five numbers from 1 through 69, and the Powerball number from 1 through 26, selected at a Powerball drawing and subsequently validated by the MUSL, which shall be used to determine the winning Powerball plays contained on a ticket or properly registered ticketless transaction. Double Play winning numbers shall not be used to determine Powerball prizes. Powerball winning numbers shall not be used to determine Double Play prizes.

(Editor's Note: This is a partial listing of the definitions applicable to Powerball. See § 871.3 (relating to definitions) for additional definitions.)

(iv) *Section 871.5 (relating to ticket price)*. A Powerball basic play shall cost \$2 per play. The power play option may be exercised, at the discretion of the player, for an additional \$1 per play. The double play option may be exercised, at the discretion of the player, for an additional \$1 per play. If both options are exercised, the total cost per play shall be \$4.

(v) *Section 871.6(a) (relating to Powerball bet slip and ticket characteristics and restrictions)*. For each basic play the player shall select, using a physical or electronic bet slip, or request quick pick selection by the computer, five numbers and a single Powerball number, in one or more of the game panels on a Powerball bet slip. Powerball bet slips shall be available at no cost to the player. The minimum entry is \$2. For \$2, play one game; for \$4, play two games; for \$6, play three games; for \$8, play four games; for

\$10, play five games. Players are also given the option to select one or more promotions verbally or on the bet slip at the time of purchase for an additional \$1 per promotion selected for each play. Game panels shall be played in alphabetical order in accordance with the instructions printed on the Powerball bet slip. A Powerball bet slip has no pecuniary or prize value and does not constitute evidence of the purchase of a ticket or the numbers selected.

(vi) *Section 871.6(b)*. To purchase a Powerball play, players shall, in addition to the purchase price, submit a completed Powerball bet slip, request number selections either by quick pick or manual terminal entry to an on-line retailer to have a ticket issued. To purchase a ticket at a Lottery self-service terminal that dispenses terminal-based Lottery tickets, the player shall designate the drawing date or dates for which the ticket is entered, number selections and may exercise the power play promotion for an additional \$1 per play. The player may use a bet slip or the Quick Pick option at a Lottery self-service terminal that dispenses terminal-based Lottery tickets. The ticket shall contain five selected numbers and a single selected Powerball number for each play, ticket validation number data, drawing date, amount bet and any applicable promotion exercised by the player. This ticket shall be the only valid receipt for claiming a prize. The ticket shall only be valid for the drawing date or dates printed on the ticket. Retailers are not permitted to allow the attachment of any remote devices to a lottery terminal to enter plays except as otherwise provided in the MUSL rules.

(vii) *Section 871.6(c)*. If Powerball bet slips are unavailable, number selections may be given to an on-line retailer in groups of five number selections and one Powerball number selection per game section for each \$2 wagered as a basic play. The player may exercise either the power play promotion or the double play promotion for an additional \$1 per play per promotion selected. The retailer shall manually enter the selections into the computer terminal.

(viii) *Section 871.6(e)*. It shall be the sole responsibility of the player to verify the accuracy of the game play or plays and other data printed on the ticket. The placing of plays, by the player or through the on-line retailer who is acting on behalf of the player in entering the play or plays, is done at the player's own risk.

(ix) *Section 871.6(f)*. A player may select numbers for up to 20 drawings, specifically the next drawing and the 19 subsequent drawings.

(x) *Section 871.7(a) (relating to time, place and manner of conducting drawing)*. Time of drawing. A Powerball drawing will be held three times a week or as publicly announced by the Secretary.

(xi) *Section 871.8(a) (relating to expected prize payout percentages)*. Determination of expected prize payout percentages for the Powerball drawing is as follows:

<i>Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Prize Payment</i>	<i>Approximate Percentage of Winnings Pool Allocated to Prize Category**</i>
All five (5) first set numbers and the Powerball number	Grand Prize	Grand Prize	68.0131%
Five (5) first set numbers	Second Prize*	\$1,000,000	8.5558%
Four (4) first set numbers and the Powerball number	Third Prize*	\$50,000	5.4757%
Four (4) first set numbers	Fourth Prize*	\$100	0.2738%
Three (3) first set numbers and the Powerball number	Fifth Prize*	\$100	0.6899%
Three (3) first set numbers	Sixth Prize*	\$7	1.2074%
Two (2) first set numbers and the Powerball number	Seventh Prize*	\$7	0.9981%
One (1) first set number and the Powerball number	Eighth Prize*	\$4	4.3489%
None of the first set numbers and the Powerball number	Ninth Prize*	\$4	10.4373%

* Indicates a set prize.

** Fifty percent of Powerball gross sales are allocated to the winnings pool for the payment of prizes.

(xii) *Section 871.8(b)*. Prize money allocated to the grand prize category will be paid on a parimutuel basis, divided equally by the number of plays determined by the MUSL to be the winners of the grand prize.

(xiii) *Section 871.8(c)*. The number of plays determined by the MUSL to be winners of the second through ninth prize categories will be paid as set cash prizes, except as provided in paragraphs (1) through (4).

(1) Except as otherwise provided in section 871.8(c)(4), if the total of the set prizes (as multiplied by the respective Power Play multiplier if applicable) awarded in a Powerball drawing exceeds the percent of the prize pool allocated to set prizes, then the amount needed to fund the set prizes, including Power play prizes, shall be drawn from the following sources in the following order:

(i) The amount allocated to the set prize tiers and carried forward from previous draws, if any.

(ii) An amount from the MUSL set prize reserve account, if available, not to exceed \$40,000,000 per Powerball drawing.

(iii) Any other amounts as agreed to by the MUSL Powerball Product Group in their sole discretion.

(2) Except as otherwise provided in section 871.8(c)(4), if the sources set forth in paragraph (1) are depleted and there still are not sufficient funds to pay the set prizes, including Power play prizes, for a particular Powerball drawing, the highest set prize shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining set prizes, the next highest set prize shall become a parimutuel prize. If necessary, and under the same test condi-

tions set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all prizes are converted to parimutuel prizes, the money available from the funding sources listed in this rule shall be divided among the winning Powerball Plays in proportion to their respective prize percentages. Powerball Set Prizes and Power Play prizes will be reduced by the same percentage.

(3) Except for winning prizes sold by the California Lottery, if all, or any portion of the set prize pool is not awarded in the current Powerball drawing, that portion of the set prize pool shall be carried forward to subsequent Powerball drawings.

(4) By agreement between the Party Lotteries and the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently calculated prize amounts.

(xiv) *Section 871.9(b) (relating to Powerball prize payments)*. A grand prize shall be paid by an annuity except that a player may elect to receive the grand prize in a single cash payment provided the cash election is made by the player within 60 days of the date the Lottery determines that a grand prize-winning ticket has been sold and that a player is entitled to the prize.

(1) An election to receive the grand prize by annuity or cash made by the player after the player becomes entitled to the prize is final and cannot be revoked, withdrawn or otherwise changed.

(2) Shares of the grand prize shall be determined by dividing the cash available in the grand prize pool equally among all winners of the grand prize. A winner who elected cash payment shall be paid the share in a single cash payment.

(3) The annuitized prize shall be determined by multiplying a winner's share of the grand prize by the MUSL annuity factor.

(xv) *Section 871.9(c)*. The MUSL annuity factor is determined through a process as approved by the MUSL Finance and Audit Committee.

(xvi) *Section 871.9(g)*. If more than one winning ticket for the grand prize is determined, upon meeting the requirements of § § 871.12 and 871.13 (relating to ticket validation requirements; procedures for claiming and payment of Powerball prizes), each is entitled to a parimutuel payment share of the total grand prize category.

(xvii) *Section 871.9(h)*. A winning Powerball play is entitled only to the highest prize won by those numbers in a Powerball drawing, and a winning Double Play, play is entitled only to the highest prize won by those numbers in a Double Play drawing. A player may win both a Powerball prize and a Double Play prize if the player purchased the Double Play promotion and if the Powerball Play and the Double Play, play match the winning numbers drawn for both the Powerball game and the Double Play game.

(xviii) *Section 871.9(m)*. Annuitized payment of the grand prize or a share of the grand prize may be rounded to facilitate the purchase of an appropriate funding mechanism. Breakage on an annuitized grand prize win shall be added to the first cash payment to the winner or winners. Prizes other than the grand prize, which under this chapter may become single pay-

ment, parimutuel prizes, may be rounded down so that prizes can be paid in multiples of whole dollars. Breakage resulting from rounding these prizes shall be carried forward to the prize pool for the next drawing.

(xix) *Section 871.10(2) (relating to funding of guaranteed prizes)*. If there are multiple grand prize winners during a single drawing and at least one of the grand prize winners has elected the annuitized option prize, then the MUSL Annuity Factor shall be utilized to determine the cash pool. The cost of the annuitized prize or prizes will be determined at the time the annuity is purchased through a process as approved by the MUSL Board.

(xx) *Section 871.10(4)* is deleted in its entirety.

(xxi) *Section 871.10(5)*. Minimum guaranteed prizes or increases may be waived if the alternate funding mechanism as set forth in § 871.8 becomes necessary.

(xxii) *Section 871.10(6)*. Approval of the Group is required to change the guaranteed minimum Grand Prize amounts or minimum increases in the Grand Prize amount. The Group may increase, decrease or eliminate the guaranteed minimum Grand Prize amount or any announced minimum Grand Prize increases as effective at any time following the next drawing following the action taken by the Group.

(xxiii) *Section 871.13(a) (relating to procedures for claiming and payment of Powerball prizes)*. Pennsylvania Powerball and Double Play prizes shall be claimed only through a licensed on-line Pennsylvania Lottery retailer beginning on the day following the drawing. The Lottery is not authorized to accept claims or pay prizes for Powerball tickets purchased in other jurisdictions.

(xxiv) *Section 871.13(c)*. The holder of an apparent winning Powerball or Double Play ticket containing one or more winning lettered play selections representing combined prizes of \$2,500 or less will be paid by participating on-line retailers as provided in subsection (b), if the ticket validation requirements in § 871.12 (relating to ticket validation requirements) have been met, a proper validation pay ticket has been issued by the retailer's computer terminal and other retailer procedures have been met.

(xxv) *Section 871.13(d)*. The holder of an apparent winning Powerball or Double Play ticket containing one or more winning lettered play selections representing combined prizes in excess of \$2,500, with the exception of the grand prize category, shall first validate the apparent winning ticket at the participating Pennsylvania Lottery on-line retailer to receive a validation receipt, complete a claim form and display appropriate identification and then surrender the winning ticket and the original claim form to the retailer for transmittal to Lottery Headquarters for payment under Chapter 811 (relating to prizes).

(xxvi) *Section 871.13(e)*. The holder of an apparent winning Powerball or Double Play ticket containing one or more winning lettered play selections representing a grand prize category prize shall present, in person, the apparent winning ticket to the Pennsylvania Lottery Headquarters for validation under Chapter 811.

(xxvii) *Section 871.13(f)*. In the event of the death of a Powerball or Double Play grand prize winner and upon petition of the estate of the prize winner, the MUSL Powerball Product Group may accelerate payment of all

remaining proceeds from the winning ticket to the estate of the winner by transferring to the estate the securities or cash, or both, being held to satisfy the prize requirements, or paying the estate the present value of the remaining payments of the winner's prize. The valuation of the securities and determination of the present value of the accelerated lottery payments shall be at the sole discretion of the MUSL Powerball Group. The payment of a set prize to a person who dies before receiving any or all of a particular prize and to a person under 18 years of age will be paid under § 811.16 and 811.27 (relating to prizes payable after death of prize winner; payment of prizes to persons under 18 years of age).

(xxviii) *Section 871.14(b) (relating to parimutuel prize pool)*. An amount equal to up to 5% of a party lottery's sales shall be deducted from a party lottery's grand prize pool contribution and placed in trust in one or more prize pool accounts and prize reserve accounts at any time that the prize pool accounts and party lottery's share of the prize reserve accounts is below the amounts designated by the MUSL Powerball Product Group. An additional amount of up to 20% of a party lottery's sales shall be deducted from a party lottery's grand prize pool contribution and placed in trust to be held by the product group at such times as determined by the MUSL Powerball Product Group.

(xxix) *Section 871.14(c)*. The MUSL Powerball Product Group has established the following prize reserve accounts for the Powerball game:

- (1) the Prize Reserve Account, which is used to guarantee the payment of valid, but unanticipated, Grand Prize claims that may result from a system error or other reason; and
- (2) the Set Prize Reserve Account, which is used to fund deficiencies in low-tier prize payments, subject to the limitations of these rules.

(xxx) *Section 871.14(d)*. The MUSL Powerball Product Group has established the following prize pool accounts for the Powerball game:

- (1) The Grand Prize pool, which is used to fund the current Grand Prize.
- (2) The Powerball Set Prize Pool, which is used to fund the Powerball Set Prize payments.
- (3) The Set Aside Pool, which is used to fund the payment of the awarded minimum starting annuity Grand Prizes and minimum annuity Grand Prize increase, if necessary, as subject to the limitations of these rules and any limitations as may be set by the Product Group; and
- (4) The Grand Prize Carry Forward Pool, which is used to fund the starting minimum annuity Grand Prize, as may be set by the Product Group, if such funds are available and if sales do not fund the Grand Prize.

(xxxi) *Section 871.14(e)*. The Power Play Prize Pool and Power Play Pool Account are described in § 871.20 (relating to power play promotion) of these rules.

(xxxii) *Section 871.14(f)*. The Double Play Prize Pool and Double Play Prize Pool Account are described in § 871.21 (relating to double play promotion) of these rules.

(xxxiii) *Section 871.14(g)*. The Set Prize Pool Account holds the temporary balances that may result from having fewer than expected winners in the Powerball Set Prize (also known as low-tier prize) categories. The source of the Set Prize Pool is the Party Lottery's weekly prize contributions less actual Powerball Set Prize liability.

(xxxiv) *Section 871.14(h)*. Once the prize pool accounts and the party lottery's share of the prize reserve accounts exceeds the designated amounts, the excess shall become part of the grand prize pool.

(xxxv) *Section 871.14(i)*. The MUSL Powerball Product Group, with the approval of the Finance and Audit Committee, may establish a maximum balance for the prize pool accounts and prize reserve accounts.

(xxxvi) *Section 871.14(j)*. The MUSL Powerball Product Group may determine to expend all or a portion of the funds in the prize pool accounts, except the Grand Prize pool account and the Grand Prize Carry Forward Pool account, and the prize reserve accounts for the following purposes:

(1) The Product Group may expend funds for the purpose of indemnifying the Party Lotteries and Licensee Lotteries in the payment of prizes to be made by the Selling Lotteries, subject to the approval of the MUSL Board and for the payment of prizes or special prizes in the game, subject to the approval of the MUSL Finance and Audit Committee; and

(2) The Product Group may expend funds for the payment of prizes or special prizes in the game, limited to prize pool and prize reserve contributions from lotteries participating in the special prize promotion, subject to the approval of the Board's Finance and Audit Committee or that Committee's failure to object after given two weeks' notice of the planned action, which actions may be appealed to the full Board by the Product Group.

(3) The Grand Prize Carry Forward Pool account may only be expended to fund the starting minimum annuity Grand Prize.

(xxxvii) *Section 871.14(k)*. The prize reserve shares of a party lottery may be adjusted with refunds to the party lottery from the prize reserve accounts as may be needed to maintain the approved maximum balance and shares of the party lotteries.

(xxxviii) *Section 871.14(l)*. A Party Lottery may contribute to its share of prize reserve accounts over time, but in the event of a draw down from the reserve account, a Party Lottery is responsible for its full percentage share of the account, whether or not it has been paid in full.

(xxxix) *Section 871.14(m)*. Any amount remaining in the prize pool accounts or prize reserve accounts 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 members of the MUSL Powerball Product Group in accordance with State law.

(xl) *Section 871.14(n)*. If the prize pool for a drawing is not sufficient to fund an announced minimum grand prize, the prize pool will be increased as necessary in accordance with MUSL rules.

(xli) *Section 871.18(c) (relating to governing law)*. A prize claimant agrees, as its sole and exclusive remedy that claims arising out of a Play can only be pursued against the Selling Lottery which issued the Play. Litigation, if any, shall only be maintained within the jurisdiction in which the Powerball Play was purchased and only against the Selling Lottery that issued the Play. A prize claimant waives any claim or defense that such forum is not convenient or proper. The Contractor agrees that any such court shall have in personam jurisdiction over it, and consents to service of process in any manner authorized by Pennsylvania law. No claim shall be made against any other Participating Lottery or against the MUSL.

(xlii) *Section 871.18(d)*. Nothing in these Rules shall be construed as a waiver of any defense or claim the Selling Lottery which issued the Play, any other Participating Lottery or MUSL may have in any litigation, including in the event a player or prize claimant pursues litigation against the Selling Lottery, any other Participating Lottery or MUSL, or their respective officers, directors or employees.

(xliii) *Section 871.18(e)*. All decisions made by a Selling Lottery, including the declaration of prizes and the payment thereof and the interpretation of Powerball Rules, shall be final and binding on all Play purchasers and on every person making a prize claim in respect thereof, but only in the jurisdiction where the Powerball Play was issued.

(xliv) *Section 871.18(f)*. Unless the laws, rules, regulations, procedures, and decisions of the Lottery which issued the Play provide otherwise, no prize shall be paid upon a Play purchased, claimed or sold in violation of these Rules or the laws, rules, regulations, procedures, and decisions of that Selling Lottery; any such prize claimed but unpaid shall constitute an unclaimed prize under these Rules and the laws, rules, regulations, procedures, and decisions of that Selling Lottery.

(xlv) *Section 871.19 (relating to probability of winning)*.

The probability of winning is as follows:

<i>Probability of Tickets Containing The Following, In One Single Lettered Game Section</i>	<i>Prize Category</i>	<i>Winning per Play</i>
Five first set numbers and the Powerball number	Grand Prize	1:292,201,338
Five first set numbers	Second Prize	1:11,688,053.52
Four first set numbers and the Powerball number	Third Prize	1:913,129.1813
Four first set numbers	Fourth Prize	1:36,525.1673
Three first set numbers and the Powerball number	Fifth Prize	1:14,494.1140
Three first set numbers	Sixth Prize	1:579.7646
Two first set numbers and the Powerball number	Seventh Prize	1:701.3281
One first set number and the Powerball number	Eighth Prize	1:91.9775
None of the first set and the Powerball number	Ninth Prize	1:38.3239

(xlvi) *Section 871.20(a) (relating to Power Play[®] promotion)*. The power play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The power play promotion will be conducted in accordance

with the Powerball rules except that players may purchase the power play option to increase set prizes won as a result of a Powerball drawing. The Powerball grand prize will not be eligible for an increase under the power play promotion. The Secretary will on occasion announce, as a special promotion, higher promotional prize amounts to be won with the power play promotion. Selling Lotteries may require purchase of the Power Play® promotion when a player purchases a Powerball Play. Power Play® is not applicable to the Powerball Double Play Promotion.

(xlvii) *Section 871.20(b)*. At the time of purchasing a Powerball ticket from an on-line Lottery retailer, a player may choose the power play option for one additional \$1 per play for each play on the Powerball ticket. If a player chooses the power play promotion feature for any play on a ticket, every play on that ticket must participate in the promotion.

(xlviii) *Section 871.20(c)*. The MUSL shall conduct a power play drawing and will announce results during each of the regular Powerball drawings held during the power play promotion. During each power play drawing a single number (2, 3, 4, 5, or 10) shall be randomly drawn. The 10X multiplier feature will be available for drawings in which the initially advertised annuitized Grand Prize amount is \$150,000,000 or less. The MUSL Powerball Product Group may elect to run limited promotions that modify the multiplier features.

(xlix) *Section 871.20(e)*. In drawings where the 10X multiplier is available, the expected power play prize pool for power play set prizes shall consist of up to 49.969% of each drawing period's sales. In drawings where the 10X multiplier is not available, the expected power play prize pool for power play set prizes shall consist of up to 45.934% of each drawing period's sales. The prize payout percentage per draw may vary. The power play prize pool shall be carried forward to subsequent power play drawings if all or a portion of the percentage is not required to pay the power play prizes for the current power play drawing and held in the Power Play Pool Account.

(l) *Section 871.20(f)*. In drawings where the 10X multiplier is available, an additional 0.31% of power play sales may be collected and placed in the Power Play Pool Account, for the purpose of paying power play prizes. In drawings where the 10X multiplier is not available, 4.066% of power play sales may be collected and played in the Power Play Pool Account, for the purposes of paying power play prizes. Any amount remaining in the power play pool account at the end of the power play promotion shall be returned to all lotteries participating in the account after the end of all claim periods of all selling lotteries, carried forward to a replacement game, or expended in a manner as directed by the MUSL Powerball Product Group in accordance with State law.

(li) *Section 871.20(g)*. Except as otherwise provided in section 871.20(m), if, with respect to a single Powerball drawing, the total of the Powerball set prizes without the power play option and the Powerball set prizes increased by the power play option exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to the set prizes and carried forward from previous Powerball drawings, if any.

(2) The amount allocated to the Powerball Set-Prize Reserve Account, if available in the account, not to exceed forty million dollars (\$40,000,000.00) per drawing.

(3) Other amounts as agreed to by the MUSL Powerball Product Group in their sole discretion.

(iii) *Section 871.20(h)*. Except as otherwise provided in section 871.20(m), if the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes, including the power play prizes, for a particular Powerball drawing, the highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If the amount of the highest set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the prize increased by the power play option, shall become a parimutuel prize. If necessary, under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(liii) *Section 871.20(i)*. Power play set prizes which become parimutuel may be rounded down so that they can be paid in multiples of whole dollars. Funds remaining after rounding shall be carried forward to the prize pool for the next power play drawing.

(liv) *Section 871.20(k)*. When the Powerball set prizes become parimutuel, the Powerball set prize amounts will be less than the amount shown and the power play prizes for the second through the ninth category prizes shall be reduced as announced by the MUSL Powerball Product Group.

(lv) *Section 871.20(l)*. The probability of the various power play numbers being selected in a power play drawing.

(1) The probability of the various power play numbers being selected in a power play drawing when the 10X multiplier is available, are:

<i>Power Play Multiplier</i>	<i>Odds</i>
2	24 in 43
3	13 in 43
4	3 in 43
5	2 in 43
10	1 in 43

(2) The probability of the various power play numbers being selected in a power play drawing when the 10X multiplier is not available, are:

<i>Power Play Multiplier</i>	<i>Odds</i>
2	24 in 42
3	13 in 42
4	3 in 42
5	2 in 42

(lvi) *Section 871.20(m)*. By agreement between the Party Lotteries and the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set parimutuel prize amounts, including the power play prize amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the parimutuel prize amounts for all lotteries selling the game at the lesser of the independently calculated prize amounts.

(lvii) *Section 871.23(a) (relating to Double Play promotion)*. The Double Play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The Double Play promotion will be conducted in accordance with the Powerball rules except that players may purchase the Double Play option to use the same set of numbers selected for a Powerball play in a second, Double Play Drawing immediately following the Powerball Drawing. Double Play does not replace or alter Power Play[®]. Double Play prizes will not be multiplied or increased by the Power Play[®] promotion. Powerball Prizes and Double Play prizes are determined separately; for example, a Powerball player who chooses to participate in Double Play may win both a Double Play prize and a Powerball prize, if their Play numbers match the Powerball winning numbers and also match the Double Play winning numbers. Selling Lotteries may require purchase of the Power Play[®] promotion when a player purchases a Powerball Play.

(lviii) *Section 871.23(b)*. At the time of purchasing a Powerball ticket from an on-line Lottery retailer, a player may choose the Double Play option for one additional \$1 per play for each play on the Powerball ticket. If a player chooses the Double Play promotion feature for any play on a ticket, every play on that ticket must participate in the promotion.

(lix) *Section 871.23(c)*. The MUSL shall conduct a Double Play drawing and will announce results following each of the regular Powerball drawings held during the Double Play promotion. The purpose of the Double Play game is to determine winners from ticket holders matching five numbers from 1 through 69 and matching the separately drawn number from 1 through 26, or a designated combination thereof, within a single play, with the five winning first set numbers and the second set number to be randomly drawn. Drawings will be conducted three times a week or as publicly announced by the Secretary.

(lx) *Section 871.23(d)*. Powerball tickets that contain the Double Play option and one or more plays eligible for a Double Play first through ninth category prize shall be entitled to a total set prize identified in § 871.23(k), unless a higher limited promotional prize amount is announced by the Secretary.

(lxi) *Section 871.23(e)*. The expected Double Play prize pool for Double Play set prizes shall consist of 55% of each drawing period's sales. The prize payout percentage per draw may vary. The Double Play prize pool shall be carried forward to subsequent Double Play drawings if all or a portion of the percentage is not required to pay the Double Play prizes for the current Double Play Drawing and held in the Double Play Prize Pool Account.

(lxii) *Section 871.23(f)*. The MUSL Powerball Product Group has established the following prize pool accounts for the Double Play game:

(1) The First Prize Pool, which is used to fund the First Prize by contributing 4.9889% of sales, fund deficiencies in the Double Play Set Prize Pool, and which shall contain all funds not used to pay a First Prize or fund deficiencies in the Double Play Set Prize Pool; and

(2) The Double Play Set Prize Pool, which is used to fund the Double Play second through ninth prizes, and which may hold temporary balances that result from having fewer expected winners in the Double Play Set Prize categories.

(lxiii) *Section 871.23(g)*. The Set Prize Pool Account holds the temporary balances that may result from having fewer than expected winners in the Powerball Set Prize (aka low-tier prize) categories. The source of the Set Prize Pool is the Party Lottery's weekly prize contributions less actual Powerball Set Prize liability.

(lxiv) *Section 871.23(h)*. The MUSL Powerball Product Group may determine to expend all or a portion of the funds in the prize pool accounts, except the Grand Prize pool account and the Grand Prize Carry Forward Pool account, and the prize reserve accounts for the following purposes:

(1) The Product Group may expend funds for the purpose of indemnifying the Selling Lotteries in the payment of prizes to be made by the Selling Lotteries; and

(2) The Product Group may expend funds for the payment of prizes or special prizes in the game, limited to prize pool and prize reserve contributions from lotteries participating in the special prize promotion.

(lxv) *Section 871.23(i)*. If, with respect to a single Double Play drawing, the total of the Double Play set prizes exceeds the percentage of the prize pools allocated to the set prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

(1) The amount allocated to Double Play Set Prize Pool, if any.

(2) An amount from the First Prize Pool, if available; and

(3) Other amounts as agreed to by the MUSL Powerball Product Group in their sole discretion.

(lxvi) *Section 871.23(j)*. If the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes for a particular Double Play drawing, the highest Double Play set prize shall become a parimutuel prize. If the amount of the highest Double Play set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest Double Play set prize shall become a parimutuel prize. If necessary, under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(lxvii) *Section 871.23(k)*. The probability of winning is as follows:

<i>Number of Matches Per PB Play</i>	<i>Prize Payment</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	\$10,000,000	Grand Prize	1:292,201,338
Five first set numbers	\$500,000	Second Prize	1:11,688,053.52
Four first set numbers and the Powerball number	\$50,000	Third Prize	1:913,129.1813
Four first set numbers	\$500	Fourth Prize	1:36,525.1673
Three first set numbers and the Powerball number	\$500	Fifth Prize	1:14,494.1140
Three first set numbers	\$20	Sixth Prize	1:579.7646
Two first set numbers and the Powerball number	\$20	Seventh Prize	1:701.3281
One first set number and the Powerball number	\$10	Eighth Prize	1:91.9775
None of the first set and the Powerball number	\$7	Ninth Prize	1:38.3239

Source

The provisions of this § 871.22 amended July 12, 2002, effective October 6, 2002, 32 Pa.B. 3396; amended October 11, 2002, and applies to the ticket sales beginning on Sunday, October 6, 2002, for the Powerball drawing on Wednesday, October 9, 2002, 32 Pa.B. 5144; amended July 22, 2005, effective August 28, 2005, 35 Pa.B. 4151; amended November 28, 2008, effective January 4, 2009, 38 Pa.B. 6571; amended May 27, 2011, effective May 28, 2011, 41 Pa.B. 2787; amended December 16, 2011, these changes will affect ticket sales beginning on Sunday, January 15, 2012, for the Powerball drawing on Wednesday, January 18, 2012, 41 Pa.B. 6945; amended September 27, 2013, these changes will affect ticket sales beginning October 1, 2013, 43 Pa.B. 5776; amended January 3, 2014, these changes will affect ticket sales beginning January 19, 2014, 44 Pa.B. 138; amended September 25, 2015, these changes will affect ticket sales beginning October 4, 2015, 45 Pa.B. 5884; amended April 17, 2020, these changes will affect ticket sales beginning April 9, 2020, 50 Pa.B. 2161; amended August 13, 2021, these changes will affect ticket sales beginning August 23, 2021, 51 Pa.B. 4953; amended August 27, 2021, these changes will affect ticket sales beginning August 22, 2021, 51 Pa.B. 5498.

Cross References

This section cited in 61 Pa. Code § 871.21 (relating to future changes to Powerball).

§ 871.23. Double Play promotion.

(a) The Double Play promotion shall be available in association with the Powerball game and will continue until the Secretary publicly announces a suspension or termination thereof. The Double Play promotion will be conducted in accordance with the Powerball rules except that players may purchase the Double Play option to use the same set of numbers selected for a Powerball play in a second, Double Play Drawing immediately following the Powerball Drawing. Double Play does not replace or alter Power Play®. Double Play prizes will not be multiplied or increased by the Power Play® promotion. Powerball Prizes and Double Play prizes are determined separately; for example, a Powerball player who chooses to participate in Double Play may win both a Double Play prize and a Powerball prize, if their Play numbers match the Powerball winning numbers and also match the Double Play winning numbers. Selling Lotteries may require purchase of the Power Play® promotion when a player purchases a Powerball Play.

(b) At the time of purchasing a Powerball ticket from an on-line Lottery retailer, a player may choose the Double Play option for one additional \$1 per play for each play on the Powerball ticket. If a player chooses the Double Play promotion feature for any play on a ticket, every play on that ticket must participate in the promotion.

(c) The MUSL shall conduct a Double Play drawing and will announce results following each of the regular Powerball drawings held during the Double Play promotion. The purpose of the Double Play game is to determine winners from ticket holders matching five numbers from 1 through 69 and matching the separately drawn number from 1 through 26, or a designated combination thereof, within a single play, with the five winning first set numbers and the second set number to be randomly drawn. Drawings will be conducted three times a week or as publicly announced by the Secretary.

(d) Powerball tickets that contain the Double Play option and one or more plays eligible for a Double Play first through ninth category prize shall be entitled to a total set prize identified in subsection (k), unless a higher limited promotional prize amount is announced by the Secretary.

(e) The expected Double Play prize pool for Double Play set prizes shall consist of 55% of each drawing period's sales. The prize payout percentage per draw may vary. The Double Play prize pool shall be carried forward to subsequent Double Play drawings if all or a portion of the percentage is not required to pay the Double Play prizes for the current Double Play Drawing and held in the Double Play Prize Pool Account.

(f) MUSL Powerball Product Group has established the following prize pool accounts for the Double Play game:

(1) The First Prize Pool, which is used to fund the First Prize by contributing 4.9889% of sales, fund deficiencies in the Double Play Set Prize Pool, and which shall contain all funds not used to pay a First Prize or fund deficiencies in the Double Play Set Prize Pool; and

(2) The Double Play Set Prize Pool, which is used to fund the Double Play second through ninth prizes, and which may hold temporary balances that result from having fewer expected winners in the Double Play Set Prize categories.

(g) The Set Prize Pool Account holds the temporary balances that may result from having fewer than expected winners in the Powerball Set Prize (aka low-tier prize) categories. The source of the Set Prize Pool is the Party Lottery's weekly prize contributions less actual Powerball Set Prize liability.

(h) The MUSL Powerball Product Group may determine to expend all or a portion of the funds in the prize pool accounts, except the Grand Prize pool account and the Grand Prize Carry Forward Pool account, and the prize reserve accounts for the following purposes:

(1) The Product Group may expend funds for the purpose of indemnifying the Selling Lotteries in the payment of prizes to be made by the Selling Lotteries; and

(2) The Product Group may expend funds for the payment of prizes or special prizes in the game, limited to prize pool and prize reserve contributions from lotteries participating in the special prize promotion.

(i) If, with respect to a single Double Play drawing, the total of the Double Play set prizes exceeds the percentage of the prize pools allocated to the set

prizes, the amount needed to fund those combined set prizes shall be drawn from the following sources in the following order:

- (1) The amount allocated to Double Play Set Prize Pool, if any.
- (2) An amount from the First Prize Pool, if available; and
- (3) Other amounts as agreed to by the MUSL Powerball Product Group in their sole discretion.

(j) If the sources set forth in subsection (g) are depleted and there still are not sufficient funds to pay the set prizes for a particular Double Play drawing, the highest Double Play set prize shall become a parimutuel prize. If the amount of the highest Double Play set prize, when paid as a parimutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest Double Play set prize shall become a parimutuel prize. If necessary, under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a parimutuel prize, in order, until all set prizes become parimutuel. If all set prizes are converted to parimutuel prizes, the money available from the funding sources listed in subsection (g) shall be divided among the winning plays in proportion to their respective prize percentages.

(k) The probability of winning is as follows:

<i>Number of Matches Per PB Play</i>	<i>Prize Payment</i>	<i>Prize Category</i>	<i>Probability of Winning per Play</i>
Five first set numbers and the Powerball number	\$10,000,000	Grand Prize	1:292,201,338
Five first set numbers	\$500,000	Second Prize	1:11,688,053.52
Four first set numbers and the Powerball number	\$50,000	Third Prize	1:913,129.1813
Four first set numbers	\$500	Fourth Prize	1:36,525.1673
Three first set numbers and the Powerball number	\$500	Fifth Prize	1:14,494.1140
Three first set numbers	\$20	Sixth Prize	1:579.7646
Two first set numbers and the Powerball number	\$20	Seventh Prize	1:701.3281
One first set number and the Powerball number	\$10	Eighth Prize	1:91.9775
None of the first set and the Powerball number	\$7	Ninth Prize	1:38.3239

Source

The provisions of this § 871.23 adopted to effectuate § 871.22(1)(vi), effective October 6, 2022, 32 Pa.B. 3396; deleted under § 871.22(5)(xxiii), effective January 15, 2012, 41 Pa.B. 6945; readded August 27, 2021, these changes will affect ticket sales beginning August 22, 2021, 51 Pa.B. 5498.

Source

The provisions of this Appendix J effectuate the changes to Chapter 871 for tickets sold on or after August 22, 2021.

[Next page is 872-1.]