RULE 10.B  COLORADO LOTTERY JACKPOT GAME “PICK 3”

BASIS AND PURPOSE FOR RULE 10.B

The purpose of Rule 10.B is to provide specific game details and requirements for the Colorado Lottery Jackpot Game “Pick 3” such as type of play, prizes, method of selecting winning numbers, drawings, and the allocation of revenues. The statutory basis for Rule 10.B is found in C.R.S. 44-40-109 (1) (a) and (2), 44-40-113 and 44-40-114.

10.B.1

A Colorado Lottery Jackpot game to be known as “Pick 3” is authorized to be conducted by the Director under the following Rules and Regulations and under such further instructions and directives as the Director may issue in furtherance thereof. If a conflict arises between Rule 10 and this Rule 10.B, Rule 10.A shall apply.

10.B.2 Definitions

In addition to the definitions provided in Paragraph 1.2 of Rule 1 and Rule 10, and unless the context in this Rule 10.B otherwise requires:

A. “Board” means a field of three (3) matrixes of ten (10) numbers found on the play slip.

B. “Matrix” means the grid of numbers comprised of ten (10) numbers (0 - 9) from which Pick 3 game numbers are selected.

C. “Maximum Liability” means a combination of numbers will be considered sold out when the liability for the combination in exact play style reaches one thousand (1,000) combinations sold.

D. “Number” means any play integer from 0 through 9 inclusive.

E. A “Play” shall consist of three (3) numbers selected by the player or Quick Pick.

F. “Play Slip” means a mark-sense game card used by players of Pick 3 to select Plays. There shall be five (5) game boards on each Play Slip identified as A, B, C, D and E. A Play Slip has no pecuniary value and shall not constitute evidence of ticket purchase or of numbers selected.

G. “Prize Category Contribution” means and refers to contributions for each drawing to the prize categories from the prize pool.

H. “Quick Pick” means a computer generated selection of one (1), two (2), or three (3) numbers.

I. “Ticket” contains one (1) to five (5) play(s).

10.B.3 Price of Pick 3 Ticket

The price of each Pick 3 play shall be fifty cents ($0.50). Tickets may be purchased in fifty cent ($0.50) increments and beginning April 27, 2014, may be purchased in any of the following combinations:
A. Exact Order 1 Play
   Base price $0.50
   Optional prices $1.00, $2.00, $5.00
B. Any Order (6-way) 1 Play
   Base price $0.50
   Optional prices $1.00, $2.00, $5.00
C. Any Order (3-way) 1 Play
   Base price $0.50
   Optional prices $1.00, $2.00, $5.00
D. Exact/Any Order 2 Plays
   1. Exact Order (6-way)
   Base Price $1.00
   Optional prices $2.00, $5.00
   2. Any Order (6-way)
E. Exact/Any Order 2 Plays
   1. Exact Order (3-way)
   Base Price $1.00
   Optional prices $2.00, $5.00
   2. Any Order (3-way)
F. Front Pair 1 Play
   Base price $0.50
   Optional prices $1.00, $2.00, $5.00
G. Back Pair 1 Play
   Base price $0.50
   Optional prices $1.00, $2.00, $5.00

10.B.4 Play for Pick 3

A. Type of play:
   A Pick 3 play shall consist of three (3) numbers.

B. Method of play:

1. The player may select three (3) numbers from a field of numbers, 0 – 9 inclusive. The
   selected numbers may be three (3) separate individual numbers or an individual number
   may be repeated two (2) or three (3) times in a single play. Examples of single plays are:
   a. Individual numbers selected - (1, 3, 5)
   b. Two numbers repeated – (1,1,5) (1,5,1) (5,1,1)
   c. Three numbers repeated (1,1,1)

2. The player will select a bet type:
   a. Exact Order - Equals one (1) play. Player selects either three (3) unique
      numbers, one (1) unique number and two (2) numbers repeated, or three (3)
      numbers repeated from the field of zero through nine (0-9), inclusive.
   b. Any Order (6-way) – Equals one (1) play. Player selects three (3) unique
      numbers from the field of zero through nine (0-9), inclusive.
   c. Any Order (3-way) – Equals one (1) play. Player selects one (1) unique number
      and two (2) numbers repeated from the field of zero through nine (0-9), inclusive.
   d. Exact Order/Any Order (6-way) - Equals two (2) plays. Player selects three (3)
      unique numbers from the field of zero through nine (0-9), inclusive.
   f. Exact Order/Any Order (3-way) - Equals two (2) plays. Player selects one (1)
      unique number and two (2) repeated numbers from the field of zero through nine
      (0-9), inclusive.
   g. Front Pair - Equals one (1) play. Player selects either three (3) unique numbers,
      one (1) unique number and two (2) repeated numbers, or three (3) repeated
      numbers from the field of zero through nine (0-9), inclusive.
   h. Back Pair - Equals one (1) play. Player selects either three (3) unique numbers,
      one (1) unique number and two (2) repeated numbers, or three (3) repeated
      numbers from the field of zero through nine (0-9), inclusive.
3. The player may use Play Slips to make number selections. The Jackpot Game terminal will read the Play Slip and issue ticket(s) with corresponding Plays. If a Play Slip is not available, the Jackpot Game retailer may enter the selected numbers via the keyboard. A player may leave all or a portion of his/her play selections to a random number generator operated by the computer, commonly referred to as “Quick Pick” or “partial Quick Pick.”

C. Methods of winning

1. Exact Order – The player selected three (3) numbers match the Lottery numbers drawn in the exact same order

2. Any Order – The player selected three (3) numbers match the Lottery numbers drawn in any order

3. Exact Order/Any Order – The player selected three (3) numbers match the Lottery numbers drawn in exact order or any order

4. Front Pair - The first two (2) player selected numbers match the first two (2) Lottery numbers drawn in exact order

5. Back Pair - The last two (2) player selected numbers match the last two (2) Lottery numbers drawn in exact order

10.B.5 Prizes For Pick 3

A. Pick 3 prize amounts, for each drawing, are paid to those players who select a matching combination of numbers from the three (3) numbers selected by the Lottery in a random drawing. The prize amounts for each prize category and odds of winning are as follows:

<table>
<thead>
<tr>
<th>TYPE</th>
<th>Odds</th>
<th>If You Play</th>
<th>Winning Combinations</th>
<th>$0.50</th>
<th>$1.00</th>
<th>$2.00</th>
<th>$5.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exact Order</td>
<td>1:1000</td>
<td>567</td>
<td>567</td>
<td>$250</td>
<td>$500</td>
<td>$1,000</td>
<td>$2,500</td>
</tr>
<tr>
<td>Any Order (6-way) 3 unique numbers</td>
<td>1:167</td>
<td>567</td>
<td>567 576 657 675 756 765</td>
<td>$40</td>
<td>$80</td>
<td>$160</td>
<td>$400</td>
</tr>
<tr>
<td>Any Order (3-way) 2 of the same number</td>
<td>1:333</td>
<td>566</td>
<td>566 656 665</td>
<td>$80</td>
<td>$160</td>
<td>$320</td>
<td>$800</td>
</tr>
<tr>
<td>Exact Order/Any Order (6-way exact order)</td>
<td>1:1000</td>
<td>567</td>
<td>567</td>
<td>N/A</td>
<td>$250</td>
<td>$500</td>
<td>$1250</td>
</tr>
<tr>
<td>Exact Order/Any Order (6-way any order)</td>
<td>1:167</td>
<td>567</td>
<td>567 576 657 675 756 765</td>
<td>N/A</td>
<td>$40</td>
<td>$80</td>
<td>$200</td>
</tr>
<tr>
<td>Exact Order/Any Order (3-way exact order)</td>
<td>1:1000</td>
<td>566</td>
<td>566</td>
<td>N/A</td>
<td>$250</td>
<td>$500</td>
<td>$1250</td>
</tr>
<tr>
<td>Exact Order/Any Order (3-way any order)</td>
<td>1:333</td>
<td>566</td>
<td>566 656 665</td>
<td>N/A</td>
<td>$80</td>
<td>$160</td>
<td>$400</td>
</tr>
<tr>
<td>Front Pair</td>
<td>1:100</td>
<td>56x</td>
<td>560 561 562 563 564 565 566 567 568 569</td>
<td>$30</td>
<td>$60</td>
<td>$120</td>
<td>$300</td>
</tr>
<tr>
<td>Back Pair</td>
<td>1:100</td>
<td>X65</td>
<td>065 165 265 365 465 565 665 765 865 965</td>
<td>$30</td>
<td>$60</td>
<td>$120</td>
<td>$300</td>
</tr>
</tbody>
</table>

B. The maximum total liability for exact play style match is reached when a single combination is
purchased one thousand (1,000) times. No additional exact combinations may be sold once the one thousand (1,000) limit is reached (i.e. 1,2,3 is sold 1,000 times, no additional bets of 1,2,3 are allowed in the Exact Order or Exact/Any Order betting options).

C. All prizes levels are fixed as indicated in 10.B.5.A.

D. The prize fund for Pick 3 is fifty and twenty-nine one hundredths percent (50.29%).

10.B.6 Payment of Prizes

The holder of a winning ticket shall be entitled to the highest prize amount based on the play selection and bet amount as indicated in section 10.B.5 A.

10.B.7 Ticket Purchases

A. Pick 3 tickets may be purchased only from a Lottery retailer authorized by the Director to sell Jackpot Game tickets.

B. Pick 3 tickets shall show, at a minimum, the numbers selected, the bet type, the bet amount, drawing date, validation and reference numbers.

C. Plays may be entered manually using the Jackpot Game terminal keypad or by means of an original Play Slip provided by the Lottery. Facsimiles of Play Slips, copies of Play Slips, or other materials that are inserted into the Jackpot Game terminal's Play Slip reader and that have not been printed or approved by the Lottery shall not be used to enter a Play. No device shall be connected to a Jackpot Game terminal to enter Plays, except as may be approved by the Lottery. Unapproved Play Slips or other devices may be seized by the Lottery.

D. A player may cancel a ticket and receive a refund of the purchase price for any draw provided the following criteria are met:

1. The legible ticket is returned to the Jackpot Game retailer from whom the player purchased;

2. It is returned within one (1) hour of purchase;

3. The retailer is open;

4. The Jackpot Game system is available for wagering; and

5. The Jackpot Game system has not converted to the next drawing period.

10.B.8 Drawings

A. Pick 3 drawings shall be held as schedule by the Director, and as indicated in the Drawing Guidelines. In the event of force majeure the drawing shall be rescheduled at the Director’s, or the Director’s designee, discretion.

B. The drawings will be conducted by Lottery officials and comply with Colorado Revised Statutes.

C. Each drawing shall determine, at random, three (3) winning numbers in accordance with Drawing Guidelines. Any numbers drawn are not declared winning numbers until the drawing is certified by the Lottery in accordance with paragraph 10.B.8 B. The winning numbers shall be used in determining all Pick 3 winners for that drawing. If a drawing is not certified, another drawing will be conducted to determine actual winners.

D. The drawing shall not be invalidated based on the liability of the Lottery.

10.B.9 Licensee Commission
A. In addition to the six percent (6%) Commission set forth in Paragraph 10.13 of Rule 10, the Director may provide such additional compensation to licensees as is deemed appropriate by the Director to further the sale of Pick 3 tickets, so long as such additional compensation is made equally available to all licensees and does not exceed a total of ninety-six hundredths of one percent (0.96%) of the total amount received by the Division from all Pick 3 tickets sold or disbursed as of the date the Director determines to provide such additional compensation. The ninety-six hundredths of one percent (0.96%) described above shall consist of the following:

1. Forty-six hundredths of one percent (0.46%) of sales from all Pick 3 tickets lawfully sold or disbursed by an Jackpot Game retailer shall be accrued to pay Jackpot Game retailers a one percent (1%) cashing bonus for each Pick 3 prize redeemed by Jackpot Game retailers up to and including $599.99.

2. One-half of one percent (0.5)% of sales from all Pick 3 tickets lawfully sold or disbursed by a Jackpot Game retailer shall be accrued to pay Jackpot Game retailers a performance bonus as detailed in the current program for Colorado Lottery retailers.

B. In the event there is a residual resulting from the accrual of the ninety-six hundredths of one percent (0.96%) of sales after the bonuses described in 10.B.9.a. 1. and 2. has been expensed, the Director may provide additional compensation to licensees as described in 10.B.9 A or may revert the excess amount thereby decreasing the bonus expense.

10.B.10 Advance Play

Advance Play provides the opportunity to purchase Pick 3 tickets for more than one consecutive drawing. Advance Play tickets shall be available for purchase in variable increments. The Advance Play feature shall be available at the discretion of the Lottery Director.