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**OREGON STATE LOTTERY**  
**DIVISION 200**  
**GENERAL VIDEO LOTTERY GAME RULES**

**February 1, 2010**

**177-200-0005            Definitions**

For purposes of Division 200, the following definitions apply except as otherwise provided in OAR Chapter 177, or unless the context requires otherwise.

(1) **“Cash slip”** means the receipt issued by a video lottery terminal for the payment of a player’s credits remaining at the end of play.

**177-200-0010            Game Requirements**

(1) **General:** To play a video lottery game, a player deposits cash into a video lottery terminal that displays the deposit as a number of credits to which the player is entitled. Each credit represents a monetary amount as specified in each video lottery game. The player purchases a game play by wagering one or more credits. A prize for a winning wager shall not exceed \$600. Prizes are paid on the terminal in the form of credits. A player may wager the credits that the player has won on additional game plays or may direct the terminal to issue a cash slip for the remaining credits.

(2) **Bonus Game Plays:** In addition to the prizes paid as credits, and depending on the specific game, bonus game plays may be awarded to a player. A prize awarded on an individual bonus game play is independent of the original game play and may not exceed \$600.

(3) **Odds of Winning:** A close approximation of the odds of winning some prize for each game must be displayed on a video lottery terminal screen. Each game also must display the amount wagered and the amount awarded for each possible winning occurrence based on the number of credits wagered on a game play.

(4) **Payout Tables:** Each game shall provide a method for a player to view payout tables for that game.

(5) **Age Requirement:** A player must be at least 21 years of age.

**177-200-0011            Accuracy of Wagers**

It is the sole responsibility of a player to verify the accuracy of a wager placed on a video lottery terminal by the player. The Lottery is not responsible for any wager placed in error. The Lottery shall not cancel wagers or provide refunds.

**177-200-0012                    Ownership of Cash Slips**

- (1) Until such time as an individual's name is imprinted or placed upon a cash slip, a cash slip is a bearer instrument and is owned by the bearer of the cash slip. The bearer may be the person to whom the cash slip is issued by a video lottery terminal or a person to whom the cash slip is delivered for the purpose of giving that person the right to redeem the cash slip. A person who obtains possession of a cash slip by theft, fraud, or other illegal means is not a bearer.
- (2) When a name is placed upon a cash slip, the cash slip ceases to be a bearer instrument, and the individual whose name appears on the cash slip is the owner of the cash slip. A cash slip that bears a name may not be transferred to any other person for the purpose of redeeming the cash slip.
- (3) Only a natural person may own a cash slip and claim payment for it.
- (4) Multiple individuals may not jointly own, possess, or claim payment as owners of a cash slip. More than one name shall not be placed on a cash slip. If more than one name appears on a cash slip, the individual whose name was first placed on the cash slip is the owner of the cash slip.
- (5) The Lottery may delay payment on a cash slip in order to conduct an investigation to verify ownership of a cash slip.

**177-200-0015                    Game Play Price**

The price of a game play for a video lottery game shall be clearly displayed on the terminal screen during play. The minimum wager is one credit.

**177-200-0020                    Payment of Video Lottery<sup>SM</sup> Game Cash Slips**

- (1) **Original Cash Slip:** Except as set forth in sections (5) and (6) of this rule, an original cash slip is the only valid receipt for claiming prizes or for redeeming credits remaining on a terminal. A copy of a cash slip has no pecuniary or prize value and does not constitute evidence of a cash slip.
- (2) **Retailer Validation Requirements:** A retailer shall pay a cash slip only if:
  - (a) The player presents the cash slip for payment at the retailer location that issued the cash slip.
  - (b) The player is a person 21 years of age or older and authorized to play under these rules or Oregon statutes.
  - (c) The cash slip is presented to the retailer within 28 days of the date it was properly issued.
  - (d) It is intact and legible and meets all the Lottery's security requirements.

(e) It is not stolen, counterfeit, fraudulent, lacking the correct captions, altered, or tampered with in any manner.

(f) The information appearing on the cash slip corresponds with the computer record of the cash slip data recorded in the Lottery's central computer system.

(g) It has not been previously paid.

(3) **Retailer Validation Exception:** If a cash slip is presented for payment, and the cash slip meets the requirements of sections (1) and (2) of this rule, except the cash slip is not intact or legible, the cash slip may nevertheless be paid by the retailer as follows:

(a) **Software Validation:** Upon notification by a player that a video lottery terminal issued a cash slip that is not intact or legible, the retailer shall request a validation number from the terminal. If the retailer is able to obtain a validation number from the terminal that corresponds to the time and amount of the credits claimed by the player, then the retailer shall validate the cash slip through the validation terminal and pay the player.

(A) **Software Validation Report:** If the retailer pays the player pursuant to section (3)(a) of this rule, the retailer must complete a Retailer Software Validation Report signed by the player and the retailer. The retailer must retain the report for one year. The retailer must group the reports by month and must make them available for audit by the Lottery immediately upon request. The retailer must retain and attach the damaged or illegible cash slips to the reports.

(b) **Validation Number Unavailable:** If the retailer is unable to obtain a validation number from the terminal that corresponds to the time and amount of the credits claimed by the player as required by subsection (3)(a), the player may request payment of the cash slip from the Lottery as provided in section (5) of this rule.

(4) **Retailer Payment of Cash Slip:** Upon validation of a cash slip as set forth in sections (2) and (3) of this rule, a retailer may pay the amount due in cash or check, or any combination thereof.

(a) If a retailer's check is dishonored, the player may seek payment from the Lottery by presenting a copy of the dishonored check to Lottery Headquarters, Player Services Office, 500 Airport Road SE, Salem, Oregon during Lottery business hours, or by mailing a copy of the dishonored check with a winner claim form to Lottery Headquarters, P.O. Box 14515, Salem, Oregon 97309. If the Lottery determines that payment of the cash slip is authorized, the retailer has not paid the cash slip, and it is unlikely that the retailer will pay the cash slip, the Lottery may then issue a check to the claimant in the amount of the cash slip.

(b) A retailer that pays a cash slip with a check that is dishonored may be subject to termination of the Lottery Retailer Contract.

(5) **Lottery Validation and Payment of Cash Slips:** Payment of a cash slip may be made at Lottery Headquarters, Player Services, 500 Airport Road SE, Salem, Oregon. The cash slip presented for payment must meet all of the requirements in sections (1) and (2) of this rule and must be delivered to the Lottery in person or by mail at P.O. Box 14515, Salem, Oregon 97309 (registered mail recommended) before 5:00 P.M. within one year of the date that the cash slip was issued. If the final day of the one-year claim period falls on a day when the Oregon Lottery Headquarters is not open to the general public, such as a weekend, Lottery holiday, or furlough closure day, the claim period shall be extended until 5:00 p.m. on the next day the Oregon Lottery Headquarters is open to the general public. Upon validation of a cash slip, the Lottery will pay the amount of the credits showing on the cash slip. For cash slips of \$600 or less, payment may be made by check or in cash, or any combination thereof. Cash prize payments are limited to \$50 per person per day. For cash slips of more than \$600, payment will be made by check. Payment may be made in person or by mail, except that the Lottery will not mail cash.

(6) **Lack of Cash Slip or Validation Number:** If a player does not have a cash slip, or a retailer was unable to obtain a validation number, the Lottery will conduct an investigation of a claim presented for payment to the Lottery. The investigation will determine the reasons or causes for the failure of the terminal to produce a cash slip or to print an intact and legible cash slip, and why the retailer was unable to obtain a validation number.

(a) **Payment:** The Lottery may pay the claim if the Lottery can determine from its investigation that the credit was on the terminal identified by the player at the time claimed, and that no cash slip has been paid on the claim.

(b) **Signed Statement:** The Lottery will not pay any such claim without a signed statement by a player. The player's statement must contain game play information that can be compared to data in the Lottery's central computer system that substantiates that the player won a prize in the amount and at the time claimed, and information from which the Lottery reasonably can determine that the claim has not been paid.

(7) **Lottery Validation Exceptions:** If a cash slip cannot be validated because the cash slip data is not recorded on the Lottery's central computer system, the Director may still authorize payment if:

(a) The Lottery conducts an investigation of the claim, and

(b) The Director concludes that the claimant was an authorized player and that the absence of a record of the cash slip data in the Lottery's central computer system was the result of either a technical problem in the video lottery terminal or a communications problem that prevented the recording of the credits in the Lottery's central computer system.

(8) **Subsequent Claims:** If a cash slip paid by a retailer is later submitted for payment to the Lottery, the Lottery may pay the cash slip and debit the retailer's account for the amount of the cash slip. The Lottery will conduct an investigation in accordance with section (6) of this rule to determine that the Lottery properly may make payment.

(9) **Withholding of Payment:** The Lottery may withhold payment of any cash slip claim presented to it until the expiration of the 28-day prize claim period at the retailer's location or until the completion of any investigation by the Lottery to determine if payment is proper.

#### **177-200-0032            Retailer Payment Credit/Debit**

(1) **Retailer Payment Credit/Debit:** Except for cash slips that are presented for payment to the Lottery and which have not been recorded in the Lottery's central computer system, the amount of any cash slip paid by the Lottery at its headquarters shall be debited from the electronic funds transfer (EFT) account of the retailer from which the prize was won unless the retailer's account has already been debited under section (2) of this rule. Prizes paid by the retailer upon a validated cash slip shall be credited to the retailer's EFT account. Prizes that are paid by a retailer but not validated at the time of payment shall be credited to the retailer's account if payment is authorized under OAR 177-200-0020(1) and (2).

(2) **Automatic Debit of Unclaimed Prizes:** If a cash slip is not redeemed within 28 days of the date it was issued, the Lottery will charge back the amount of the cash slip to the retailer's account.

(3) **Limitation on Redemption Location:** A retailer shall only redeem cash slips for prizes awarded on terminals located on its premises. If a retailer redeems a cash slip from another location, the Lottery will not credit the retailer's EFT account for the payment.

#### **177-200-0050            Method of Determining Winners**

Each video lottery terminal must have a random number generator that will determine the occurrence of a specific card, symbol, or number to be displayed on the video screen during a game play. A selection process will be considered random if it meets the requirements of OAR 177-200-0055.

#### **177-200-0055            Requirements for Randomness Testing**

(1) **Chi-Squared Analysis:** Each card position, symbol position, or number position must satisfy the 99 percent confidence limit using standard chi-squared analysis. For purposes of this rule, chi-squared analysis is the sum of the squares of the difference between the expected result and the observed result. Card position means the first card dealt, second card dealt in sequential order, up to the last card dealt. Symbol position means the first symbol drawn, second symbol drawn in sequential order, up to the last symbol drawn. Number position means first number drawn, second number drawn in sequential order, up to the 20<sup>th</sup> number drawn.

(2) **Run Test:** Each card position, symbol position, or number position must not produce a significant statistic with regard to producing patterns of occurrences. For purposes of this rule, the run test is a mathematical statistic that determines the existence of recurring patterns within a set of data. Each card, symbol, or number position will be considered random if it meets the 99 percent confidence level with regard to the run test or any similar pattern-testing statistic.

(3) **Correlation Test:** Each card position, symbol position, or number position must be independently chosen without regard to any other card, symbol, or number drawn within that

game play. This test is the correlation test. Each pair of card, symbol, or number positions is considered random if it meets the 99 percent confidence level using standard correlation analysis.

(4) **Serial Correlation Test:** Each card position, symbol position, or number position must be independently chosen without reference to the same card, symbol, or number position in the previous game. This test is the serial correlation test. Each card, symbol, or number position is considered random if it meets the 99 percent confidence level using standard serial correlation analysis.

(5) **Outside Influences:** The random number generator and selection process must be impervious to influences from outside devices including, but not limited to, electromagnetic interferences, electrostatic discharge, and radio frequency interferences.

#### **177-200-0060 Requirements for Percentage Payout**

The maximum payout percentage for the Lottery's video lottery games is 96 percent. Extended play games may exceed this number.

#### **177-200-0065 Video Lottery Game Management**

(1) **Video Game Management:** The Director of the Lottery shall manage the video lottery games installed on its video lottery terminals pursuant to ORS 461.200. The Director may revise the Lottery's video lottery games at any time and in any manner. The Lottery is under no obligation to continue to operate existing games and may initiate new or revised games at any time.

(2) **Retailer's Sales:** A retailer's sales of all lottery tickets and shares and sales of non-lottery products are the prime factors considered by the Lottery in managing the games installed on its video lottery equipment. A retailer's sales from video lottery games must comply with the provisions of OAR 177-040-0017 or 177-040-0061 and OAR 177-045-0030.

(3) **Removal of Games:** The Lottery may furnish or remove video games from equipment on a retailer's premises at any time for any reason. The Lottery may limit the amount of time that a game is available at any time for any reason.

(4) **Test Equipment:** With the consent of the retailer, the Lottery may test new or revised games on its equipment on a retailer's premises.

(5) **Operation of Other Laws:** This rule does not preclude the Lottery from removing any or all of its games installed on its equipment or limiting the time or hours the games are operational pursuant to any other applicable law or contract provision.

#### **177-200-0070 Requirements for Poker Games**

Video lottery terminals offering poker games must meet the following requirements:

(1) Standard decks of 52 playing cards shall be used. Jokers may be added to the decks if the resulting payout percentages meet the requirements of OAR 177-200-0060.

(2) When the deck is shuffled, it must be shuffled randomly and frozen. All cards used for play must be taken in order from the top of the deck. All cards needed for play must be stored in the non-volatile memory of the video lottery terminal. Non-volatile memory is a device that stores information that cannot be erased or destroyed when power is disconnected to the video lottery terminal. The manufacturer need not represent the whole deck in memory. Shuffling is the process of generating the cards possibly used in the play and may be conducted in any manner that satisfies the randomness tests in OAR 177-200-0055.

(3) The program must deal the first cards in the order they are contained in the shuffled deck to the player. For draw poker games or hands, the player must have the option to hold or discard one or more of the cards initially drawn according to the game design. Any autohold features that assist players in their decision as to which of the cards to hold and discard for the chance to obtain a winning combination must be displayed. Any cards that are discarded must be replaced by the remaining cards in the deck by a predefined process that draws any additional cards in the order they are contained in the shuffled deck.

(4) If the initial cards dealt constitute a winning hand or hands according to the game's pay table, the video lottery terminal must automatically notify the player of the winning hand or hands, display the kind of hand (e.g., one pair, two pair, three of a kind), and the potential prize amount.

(5) At the conclusion of each game play, the video lottery terminal must display the winning combinations, if any, and the amount won.

(6) An extended play option may be included as long as a prize won under that option does not exceed \$600.

#### **177-200-0075                      Requirements for Video Line Games**

(1) **General:** A video line game must meet the following requirements:

(a) **Randomness:** The program must select numbers and symbols that satisfy the randomness requirements of OAR 177-200-0055.

(b) **Multi-Line Game Play:** When more than one line is played during a game play, each individual line that is brought into play by wagering additional credits must be clearly identified on the video lottery terminal screen.

(c) **End of Each Play:** At the end of each game play, the video lottery terminal must display and identify each winning combination of numbers or symbols, if any, and the amount won, if any.

(2) **Configuration:** A game may be configured as a matching game in which the player selects numbers or symbols from a fixed grid or pattern, or a game where randomly selected numbers or symbols line up in a row or other specified shape, or a game where one or more specified numbers or symbols must appear in order to constitute a winning game play.

(3) **Cessation of Movement:** A game may be configured so that after the player initiates game play, the movement of numbers or symbols stops automatically, or the player may manually choose to stop the movement prior to an automatic stop.

**177-200-0080 Discharge of Lottery from Liability**

(1) The State of Oregon, its agents, officers, and employees, and the Oregon State Lottery Commission, its agents, officers, and employees, are discharged of all liability upon award of a prize, or, if a cash slip is presented to the Lottery for payment, upon payment of the cash slip. The State of Oregon, its agents, officers, and employees, and the Oregon State Lottery Commission, its agents, officers, and employees, are not liable for any terminal malfunction nor are they liable for the payment of any cash slip presented to a retailer for payment.

(2) The Director's decisions and judgments regarding award of a prize and the payment of a cash slip are final and binding. If a question arises as to the amount of a prize, the amount of a cash slip, or whether a video lottery terminal malfunctioned, the Lottery may deposit any prize winnings into an interest-bearing escrow fund until it resolves the controversy, or it may petition a court of competent jurisdiction for instructions and a resolution of the controversy. All interest that may accrue while the prize winnings are on deposit in an interest-bearing fund is and remains the property of the Lottery.

(3) In the event a dispute occurs between the Lottery and a player as to the amount of a prize, the amount of a cash slip, or whether a video lottery terminal malfunctioned, the Director may replace the disputed wager with one of equivalent value. This is the player's sole and exclusive remedy. The Director's decision is final.

**177-200-0090 Governing Law**

(1) By playing a game on a video lottery terminal, a player agrees to abide by and comply with Oregon law, including the statutes and administrative rules governing video lottery games and terminals that are in effect and as may be amended, and any additional terms and conditions that may be found on the cash slip. In the event of a conflict between any additional terms and conditions on a cash slip with the Lottery's rules, the rules control.

(2) All materials distributed by the Lottery for playing video lottery games are to be used solely for playing the video games permitted under these rules. Any use or reproduction of the materials for purposes other than those permitted by these rules may constitute a violation of Oregon gambling laws.

(3) All decisions of the Director regarding video lottery games are final.

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