

MULTI-STATE LOTTERY AGREEMENT

Last Revised October 3, 2016

This Multi-State Lottery Agreement (hereinafter “Agreement” or “MUSL Agreement”) is made and entered into by the Party Lotteries hereto on the 16th day of September, 1987 in Washington, District of Columbia. The Party Lotteries initially entering this Agreement are:

1. D. C. Lottery and Charitable Games Control Board;
2. Iowa Lottery, a Division of the Iowa Department of Revenue and Finance;
3. Kansas State Lottery;
4. Missouri State Lottery Commission;
5. Oregon State Lottery;
6. Rhode Island State Lottery; and
7. West Virginia State Lottery.

Amended November 15, 2012.

WITNESSETH THAT:

WHEREAS, the Party Lotteries are legalized and regulated governmental lotteries within their respective jurisdictions that control and operate lottery games within their jurisdictions and keep the profits derived therefrom according to their jurisdictional statutes; and

Amended January 31, 2006; December 8-9, 2009; November 15, 2012.

WHEREAS, the Party Lotteries wish to maximize revenue by coordinating efforts to achieve together what they could not achieve individually for the purposes enunciated by their respective lottery jurisdictional statutes; and

Amended March 8, 1996; December 8-9, 2009.

WHEREAS, the Party Lotteries wish to develop and offer games, products, and programs consistent with the highest standards of security, integrity, and public accountability; and

Amended March 8, 1996; November 15, 2012.

WHEREAS, the Party Lotteries herein believe that entering into this Agreement will benefit their governments and provide enjoyment and pleasure to the inhabitants of their jurisdictions; and

Amended March 8, 1996.

WHEREAS, the Party Lotteries intend to maintain their full statutory authority to control and operate their lotteries and lottery games pursuant to their state authorizing laws but intend to enter into this Association along with other Party Lotteries in order to offer lottery games, products, and programs that they could not offer as individual lotteries.

Adopted November 15, 2012.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the Party Lotteries agree as follows:

WITNESSETH:

The Party Lotteries hereby agree to create the Multi-State Lottery Association, hereinafter referred to as MUSL, an association of governmental lotteries to render services for a fee to assist Party Lotteries in connection with those lotteries' operation of one or more joint games, as follows:

Amended January 7, 1992; January 31, 2006; November 15, 2012.

1. Creation of Association and Board. That the Party Lotteries herein establish and create the Multi-State Lottery Association, which shall be governed by the Multi-State Lottery Association Board of Directors, hereinafter referred to as the Board, on which each Party Lottery shall be represented. The purpose of the Association is to assist, facilitate, and coordinate among the lotteries that initiate, promulgate, administer, and carry out one or more lottery product offerings that will enhance the participating Party Lottery's revenue.

Amended January 7, 1992; March 8, 1996; January 31, 2006; November 15, 2012.

2. Duties of Board; Voting. That a Board shall be established consisting of the representative of each Party Lottery that sells at least one product offered by the MUSL. The Board's duties shall include the development of the MUSL's mission; establishment of bylaws, rules, policies, and procedures to be applied to all Party Lotteries and Licensee Lotteries; hiring and evaluation of the Executive Director; oversight of MUSL financial matters; exclusive approval of human resource plans; approval of the MUSL's fees charged to each Product Group for services rendered; approval of membership in the MUSL for lotteries proposed for admittance by a Product Group; approval of lotteries applying for a license to sell a Product Group game; approval of a Product Group's rules; exclusive approval of policies for compliance with the MUSL's standards of integrity, security, and financial soundness; and authority over all other items not specifically placed under the authority of a Product Group or other Committee by this Agreement or the Bylaws. Each Party Lottery shall have one vote. Unless a different percentage is provided in this Agreement, the percentage of votes necessary to allow action by the Board shall be a simple majority.

Adopted March 8, 1996; Amended January 31, 2006; December 8-9, 2009; November 15, 2012.

3. Duties of Product Group. That a committee of the Board known as a Product Group shall be established for each lottery game or group of games offered by the MUSL and shall consist of each Party Lottery that offers the product; each Party Lottery participating in that Product Group shall be represented as provided for in this Agreement. The Product Group's duties shall include the management of the product offering; establishment of its budget; establishment of product offering rules and policies; and, subject to the Board's final approval, approval of lotteries admitted to the Product Group and lotteries applying for a license to sell a Product Group's game. Each Product Group shall adopt rules that shall establish its voting method. *Amended March 8, 1996; December 8-9, 2009; November 15, 2012; June 5, 2014; October 3, 2016.*

4. **Quorum.** That the quorum necessary to hold an official meeting of the MUSL Board shall be representation in person or by appointed proxy from more than fifty percent (50%) of all Party Lotteries. Each Product Group shall adopt rules that shall establish its quorum requirements.

Amended March 8, 1996; November 15, 2012; October 3, 2016.

5. **Representation on the Board and Product Group.** That the director or a single designee of each Party Lottery shall represent it on the Board and in the Product Groups and may cast the votes allocated to it either in person or by appointed proxy. The Chair, or if the Chair cannot attend in person, the Vice-Chair, of a Product Group shall be represented at the Product Group's meetings by the director and not a designee. If neither officer can be represented by the Party Lottery's director, then the meeting shall be rescheduled.

Amended March 8, 1996; January 31, 2006; November 15, 2012; October 3, 2016.

6. **Executive Committee.** That the Board shall elect from its Membership, for a term as prescribed in its Bylaws, a President, Vice President, and Secretary, hereinafter referred to as the officers of the MUSL and who shall be members of the Executive Committee. Other members of the Executive Committee shall be the Chairpersons of each Product Group that includes more than fifty percent (50%) of the Board membership and the Chairs of the standing Board Committees. The most recent Past President shall also be a member of the Executive Committee.

Amended December 4, 1987; June 28, 1989; March 8, 1996; June 6, 1996; June 22, 2005; December 8-9, 2009; November 15, 2012; March 27, 2014.

7. **Prize Pool.** That a percent of the gross sales of a product offering, as determined by the Product Group and stipulated in the Product Group rules, may be aggregated in a common prize pool and may be held in trust by the MUSL for the benefit of the lotteries selling the game of the Product Group for eventual distribution to prize winners.

Amended September 17, 1990; March 8, 1996; January 31, 2006; December 8-9, 2009; November 15, 2012.

8. **Fees For Services Rendered.** MUSL shall charge each of the Party Lotteries represented on the Board and Licensee Lotteries a fee for services rendered by MUSL to each lottery. The Board will determine the acceptable method of payment. Each Product Group shall also charge the lotteries participating in the activities of the Product Group a fee for services rendered by the Product Group to each participating lottery. Party and Licensee Lotteries may accept or reject MUSL's or the Product Group's fee; if a Party or Licensee Lottery rejects the fee, it shall withdraw or be expelled from MUSL or the Product Group, respectively, pursuant to this Agreement, for failure to pay the assessed fee. The Audit and Finance Committee will recommend to the Executive Committee all fees MUSL and the Product Groups propose to charge. The Executive Committee will review the proposed fees and shall recommend action by the full Board. The Board will review for its approval all fees to be charged.

Amended September 17, 1990; March 8, 1996; December 12, 2001; January 31, 2006; December 8-9, 2009; November 15, 2012.

9. **Revenues to Remain With Lottery.** That the revenues generated within each Party Lottery or Licensee Lottery and that are neither allocated to prizes nor used to pay fees charged for services shall remain in that lottery jurisdiction.

Amended January 31, 2006; December 8-9, 2009; November 15, 2012.

10. **Board Operation.** That the Board's functions may be performed and carried out by the officers, committees established by the Board, employees, and independent contractors as may be appointed by the Board, except for duties expressly reserved as exclusive to the Board or to the full Board, which shall mean at least a quorum of the Board voting pursuant to Board Rules. All such officers, committees, independent contractors, agents, consultants, and employees shall serve at the pleasure of the Board, and the Board shall prescribe their powers, duties, and qualifications and fix their compensation and other terms of their service.

Amended March 8, 1996; January 31, 2006; November 15, 2012.

11. **Expenses.** That each Party Lottery shall be responsible for travel and per diem expenses incurred by its Board member unless otherwise approved by the Board. Each Participating Lottery in a Product Group shall be responsible for travel and per diem expenses incurred by its Product Group participant unless otherwise approved by the Product Group.

Amended October 3, 2016

12. **Promulgation of Rules.** That the Participating Lotteries shall operate and administer the product offerings in accordance with rules governing the establishment and operation thereof, as approved by the Product Group and the Board. Notwithstanding the above, the rules shall be promulgated by the Participating Lotteries of each Product Group offering the product.

Amended March 8, 1996; January 31, 2006; October 3, 2016.

13. **Amendment of Product Group Rules.** A Product Group's rules may be amended by the Product Group in accordance with its rules. The Board's Finance and Audit Committee and the Security and Integrity Committee shall have two weeks to state objections, if any to the adopted rules. Adopted rules shall become effective two weeks after notice is given to these two committees and no objection is stated or sooner if the Committees affirmatively approve the adopted rules. A Product Group may appeal a committee's objections to the full Board.

Amended March 8, 1996; November 15, 2012; July 24, 2013.

14. **Annual Reports.** That the Executive Committee shall make annual reports to the Party Lotteries, which shall include a full and complete statement of MUSL revenue, prize disbursements, other expenses, and any other information the Party Lotteries may require. MUSL shall use these reports to determine the fee for service charged to each lottery.

Amended December 8-9, 2009; November 15, 2012.

15. **Required Reporting.** That each Party Lottery and Licensee Lottery shall provide all necessary operational reports and other data required by MUSL.

Amended December 8-9, 2009.

16. **Annual Audit and Inspection of MUSL Records.** That all MUSL accounts and transactions shall be subject to annual post audits conducted by independent auditors retained by the Board for this purpose, and each of the Party Lotteries shall receive a certified copy of the same. All such records and transactions shall be available to all Party Lotteries for copying, inspection, and auditing purposes as may be required under the statutes of their jurisdiction. *Amended December 8-9, 2009; November 15, 2012.*

17. **Fiscal Year.** That the fiscal year of the MUSL shall be from July 1 of one calendar year to June 30th of the succeeding calendar year.

18. **Resolution of Prize Disputes.** That all Product Group games and prizes awarded in Product Group games offered pursuant to this Agreement shall be subject to the statutory authority and/or rules and regulations of the jurisdictional lottery wherein the ticket was purchased. Any litigation relating to tickets and/or prizes must be litigated in and shall be resolved according to the statutes and laws of the jurisdiction where the ticket was purchased. No Participating Lottery shall pay a prize in connection with a ticket purchased in another jurisdiction. *Amended January 31, 2006; December 8-9, 2009; November 15, 2012; October 3, 2016.*

19. **Termination of Agreement; Termination of Product Group; Withdrawal and Expulsion.**

That MUSL shall continue in existence until this Agreement is revoked by all of the Party Lotteries. The withdrawal or expulsion of one or more Party Lotteries shall not terminate this Agreement among the remaining lotteries. Upon termination of MUSL, any assets acquired by MUSL, with the exception of the prize reserve accounts, will be liquidated in a manner determined by the full Board and the appropriate Product Group. The proceeds from the liquidation will be divided among all of the Party Lotteries that are then members in good standing of the Board and a Product Group.

A Party Lottery wishing to withdraw from this Agreement or a Product Group shall give the full Board or the Product Group at least six (6) months' notice of its intention to withdraw (such notice may be waived by the Board or the Product Group); following notice of withdrawal the withdrawing lottery must continue to sell the game(s) of any Product Group to which they are participating, unless such requirement to continue selling is waived by the Product Group. However, a Party Lottery may terminate such Agreement or a participation in a Product Group at any time without prior notice if authority to participate is withdrawn by gubernatorial or legislative action or if participation in the MUSL or a Product Group is in conflict with the constitution or statutes of the withdrawing jurisdiction.

Unless otherwise agreed to by a Product Group, a Licensee Lottery wishing to terminate their license with a Product Group shall give the full Product Group at least six (6) months' notice of its intention to withdraw (such notice requirement may be waived by the Board or the Product Group); following notice of withdrawal the withdrawing lottery must continue to sell the game(s) of any Product Group to which they are participating, unless such requirement to continue selling is waived by the Product Group. However, a Licensee Lottery may terminate its license with a Product Group at any time without prior notice if authority to participate is withdrawn by gubernatorial or legislative action or if participation in the Product Group is in conflict with the constitution or statutes of the withdrawing jurisdiction.

The full Board can vote a Party Lottery out of the Board for cause, as determined in the sole discretion of the full Board, with the consent of a simple majority of the full Board. The Party Lottery being voted upon shall be excluded from the vote in that proceeding and in the calculations for the vote.

A Product Group can vote a Party Lottery out of its Product Group, or terminate the license of a Licensee Lottery in accordance with the applicable rules of that Product Group.

A Party Lottery that withdraws or is voted out by the Board or a Product Group prior to termination of the Board or the Product Group shall not be entitled to a share of the property or assets of the Board or the Product Group, except for such Party Lottery's proportionate share of the prize reserve accounts.

A Licensee Lottery that withdraws or is voted out by a Product Group prior to termination of the Product Group shall not be entitled to a share of the property or assets of the Product Group, except for such Licensee Lottery's proportionate share of the prize reserve accounts.

Unreserved Accounts or other monies distributed to the Party Lottery or Licensee Lottery shall not be considered an asset of the Board or the Product Group but shall be considered an asset of the Party Lottery.

Regarding Party Lotteries in a Product Group, in the event that:

- (a) a Party Lottery terminates its membership or participation in a Product Group, voluntarily or involuntarily, or
- (b) the MUSL or a Product Group is terminated by agreement of the parties

all prize reserve account shares of the Party Lottery or Lotteries in a Product Group (if any) shall not be returned to the Party Lottery or Lotteries until the later of: (a) the day following the last day to make a claim for a prize to any participant in the Group, or (b) final resolution of any pending unresolved liabilities arising from transactions processed during the tenure of the departing Party Lottery or Lotteries, whichever is later; such waiting period shall not begin until the expiration of the six (6) months following notice of withdrawal (unless waived by the Product Group) or the date of the last actual sales of the game by the departing lottery in the Product Group, whichever is later. However, with approval of the Finance and Audit Committee, a Product Group may authorize an alternate method to guarantee the payment of unforeseen prize claims within the prize claim period. The voluntary or involuntary termination of a Party Lottery or Lotteries does not cancel any obligation to MUSL or a Product Group that the Party Lottery or Lotteries incurred before the withdrawal date.

Regarding Licensee Lotteries in a Product Group, in the event that:

- (a) a Licensee Lottery terminates its participation in a Product Group, voluntarily or involuntarily; or
- (b) the Product Group is terminated by agreement of the participants in the Product Group;

All prize reserve account shares of the Licensee Lottery or Lotteries in a Product Group (if any) shall not be returned to the Licensee Lottery or Lotteries until the later of: (a) the day following the last day to make a claim for a prize to any participant in the Group, or (b) final resolution of any pending unresolved liabilities arising from transactions processed during the tenure of the departing Licensee Lottery or Lotteries, whichever is later; such waiting period shall not begin until the expiration of the six (6) months following notice of withdrawal (unless waived by the Product Group) or the date of the last actual sales of the game by the departing lottery in the Product Group, whichever is later. However, with approval of the Finance and

Audit Committee, a Product Group may authorize an alternate method to guarantee the payment of unforeseen prize claims within the prize claim period. The voluntary or involuntary termination of a Licensee Lottery or Lotteries does not cancel any obligation to MUSL or a Product Group that the Licensee Lottery or Lotteries incurred before the withdrawal date.

Amended January 7, 1992; March 8, 1996; June 6, 1996; April 11, 2001; January 31, 2006; November 15, 2012; July 24, 2013; March 27, 2014; June 5, 2014; October 3, 2016.

20. Intellectual Property Rights. That all intellectual property rights developed and approved by a Product Group with respect to a product offering, including, but not limited to, patents, trademarks, trade names, logos, copyrights, slogans, and devices shall be acquired and held by MUSL for the use and benefit of all Party Lotteries of a Product Group. The use thereof shall be limited to Party Lotteries and Licensee Lotteries participating in the product offering of the Product Group unless otherwise authorized by the Board and the Product Group. Each Party Lottery and Licensee Lottery agrees that upon termination from MUSL or the Product Group, or following termination of a Licensee Lottery's license, it will not use any of the intellectual property identified with a product offering, except that a former Party Lottery or Licensee Lottery shall be permitted to continue to use the intellectual property for a period of up to one (1) year solely for the purposes of prize redemption through that jurisdiction's claim period. If a Product Group terminates its relationship with MUSL, the Product Group shall be entitled to all intellectual rights necessary to continue the operation of its product offering outside of MUSL.
Amended January 7, 1992; March 8, 1996; May 7, 1996; December 8-9, 2009; November 15, 2012.

21. No Pledge of Credit and Sole Obligation. No Party Lottery or Licensee Lottery will be deemed to have pledged its credit to MUSL or any Product Group. Rather, the sole obligation a Party Lottery or Licensee Lottery owes to MUSL or to any Product Group shall be its proportionate shares of prize monies as specified in paragraph 7 and fees for services rendered as specified in paragraph 8 of this Agreement. A Party Lottery's or Licensee Lottery's liability under this Agreement to the Board, MUSL, or any other Party Lottery or Licensee Lottery for fees for service or proportionate shares of prize money shall at all times be limited to amounts lawfully available, under its constitution, statutes, and jurisdictional laws for the operation and administration of that Party Lottery or Licensee Lottery. This Agreement does not waive the defense of sovereign immunity as to any claim by any party. No Participating Lottery shall be responsible for the acts or omissions of the Association or any other Participating Lottery.
Amended March 8, 1996; June 6, 1996; December 8-9, 2009; November 15, 2012; October 3, 2016.

Comment. At its meeting on June 6, 1996, the Board required that each Party Lottery notify MUSL of any changes in their constitution or statutes that could limit that lottery's liability.

22. MUSL Standards and Prize Reserve Accounts. Compliance with MUSL standards, rules, and procedures is a prerequisite for MUSL membership. The full Board shall from time to time review the internal control procedures submitted by each lottery and vote upon whether or not each lottery's internal controls meet or exceed MUSL standards as set forth in MUSL rules and regulations. If a Product Group incurs a prize liability under this provision due to the error of a lottery whose internal control procedures have been approved and the error was

not due to a contractor's actions or omission, the Party Lottery or Licensee Lottery will pay to the prize winner the disputed prize or One Million (\$1,000,000.00) Dollars from their unreserved account (if any) or from their own funds, whichever is less, at the direction of the Product Group. Upon said payment herein before outlined, the Product Group, with the approval of the Board, will indemnify and hold harmless each Party Lottery or Licensee Lottery (if such Licensee Lottery is participating in the affected prize pools or prize reserve accounts) of the Product Group, as well as all other MUSL members not participating in the Product Group, for any additional Product Group prize payment liabilities. In addition, it is recognized that One Million Dollars may not be enough to cover the value of the prize liability incurred, and the Board may direct that a prize reserve account be established by a Product Group to enable the Product Group to account for the difference between this amount and the actual prize liability; each Product Group, subject to approval of the Finance and Audit Committee, shall develop rules concerning the management, uses, and funding of the prize reserve account(s). In addition, the companies that operate gaming systems on behalf of the Party Lotteries or Licensee Lotteries shall be required by the Party Lotteries or Licensee Lotteries to have some level of insurance to cover such liabilities in the event one of them makes a mistake.

If MUSL or a Product Group incurs any prize liability as the result of the acts of a third party contractually obligated to the Party Lottery or Licensee Lottery, that lottery shall pursue all contractual and legal remedies available to it under the contract. Any money recovered by the lottery related to MUSL or Product Group prize expenses will be turned over to MUSL or the Product Group up to the amount expended by MUSL or the Product Group as a result of the error. A lottery's pursuit of its contractual and legal remedies against the party at fault is that lottery's only obligation to MUSL or the Product Group in the event of a loss.

Except as authorized by the Board, each Product Group shall establish a prize reserve account, with the principal held in one or more trusts established by the Board, (1) 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 Board; and (2) for the payment of prizes or special prizes in the game, following review and comment of the Finance and Audit Committee. Each Product Group shall determine the rate of contribution to the prize reserve accounts, which shall also be approved by the Board. The Board will determine the manner in which the prize reserve account is to be invested and will direct the trustee accordingly, and interest earned on the account will be used as approved by the Product Group and the Board. The prize reserve accounts of a Product Group shall not be considered a general asset of MUSL or of another Product Group.

Amended July 9, 1990; September 17, 1990; January 7, 1992; March 8, 1996; May 7, 1996; December 12, 2001; August 1, 2003; January 31, 2006; December 8-9, 2009; November 15, 2012; July 24, 2013; March 27, 2014; June 5, 2014. All prize liability determinations shall be made according to the laws and procedures of the jurisdiction where the disputed play was acquired. All contract disputes between participating lotteries and third parties shall be controlled by the laws of the participating lotter(ies).

23. **Admission to MUSL / Product Group; Participation Terms for Licensee Lotteries.** That no lottery shall be allowed to join the MUSL or a Product Group without the consent of the Party Lotteries that are members of the Product Group voting pursuant to the adopted rules of the Product Group and by a simple majority of the full Board. The Board and the Product Group will designate the terms that must be met by a lottery seeking admission, including, but not limited to, setting the amount that the lottery must contribute to the Product Group's prize reserve accounts held in one or more trusts established by MUSL. The full Board shall vote on admission only after the Product Group votes to admit a member to a Product Group.

That no lottery shall be allowed to participate as a licensee in a MUSL Product Group Game without the consent of the Party Lotteries that are members of the Product Group voting pursuant to the adopted rules of the Product Group. The Board and the Product Group will designate any terms that must be met by a lottery seeking to participate as a licensee in a MUSL Product Group Game.

Amended January 7, 1992; March 8, 1996; January 31, 2006; November 15, 2012; July 24, 2013; October 3, 2016.

24. **Execution of Counterparts.** That this Agreement may be executed in as many counterparts as there are Party Lotteries. When so executed each shall be deemed to be an original and such counterparts together shall constitute one and the same Agreement.

25. **Amendment of Agreement.** That this Agreement may be amended by a vote of more than sixty-six percent (66%) of the total voting membership of the Board.

Adopted March 8, 1996; Amended November 15, 2012.

26. **Unreserved Account Funds.** The Association will hold any Unreserved Account Funds in trust for the benefit of such Member Lottery or Licensee Lottery. The Association will deposit and hold all Unreserved Account Funds in a segregated bank account designated solely for the purpose of holding such funds and will not commingle any Unreserved Account Funds with any of the Association's funds or any other funds held by the Association in trust for a third party. The Association will use Unreserved Account Funds only for Unreserved Account Funds Authorized Uses.

Adopted November 15, 2012.

27. **Notices.** That all notices required to be sent to a Participating Lottery pursuant to this Agreement shall be in writing and sent by facsimile transmission or other electronic transmission with receipt acknowledged or by certified mail, return receipt requested, at the addresses appearing hereunder or any other address that may be given from time to time to the Board. Notices may be sent to MUSL by personal delivery, mail, fax, or electronic transfer at the following address:

Multi-State Lottery Association
4400 NW Urbandale Drive
Urbandale, Iowa 50322-7919
Fax: 515-453-1420
E-mail: MUSL@MUSL.com

Amended October 15, 1989; March 8, 1996; November 15, 2012; October 3, 2016.

28. **Party Lottery Defined.** "Party Lottery" and "Member Lottery" or "Members" as used herein or in Multi-State Lottery Association bylaws, rules, policies, and procedures mean a state lottery or lottery of a governmental unit, political subdivision, or entity thereof that has joined the MUSL. Unless otherwise indicated, "Party Lottery" and "Member Lottery" shall not include "Licensee Lotteries." The plural of Party Lottery will be "Party Lotteries" and the plural of Member Lottery will be "Member Lotteries."

Adopted March 8, 1996. Amended January 31, 2006; December 8-9, 2009; November 15, 2012; March 27, 2014.

29. **Licensee Lottery Defined.** "Licensee Lottery" as used herein or in Multi-State Lottery Association bylaws, rules, policies and procedures, whether referred to as a "Licensee Lottery" or otherwise, means a state lottery or lottery of a governmental unit, political subdivision, or entity thereof that is not a Party Lottery but has agreed to comply with all applicable MUSL and Product Group requirements and has been authorized by the MUSL and by a Product Group to sell that Product Group's game(s).

Adopted December 8-9, 2009; Amended November 15, 2012; June 5, 2014.

30. **Participating Lottery Defined.** "Participating Lotteries" as used herein or in Multi-State Lottery Association bylaws, rules, policies and procedures, unless the usage is clearly indicated otherwise, shall include both Party Lotteries and Licensee Lotteries participating in a Product Group or Product Development Group.

Adopted October 3, 2016

31. **Agreement Defined.** "Agreement" and "MUSL Agreement" as used herein or in Multi-State Lottery Association bylaws, rules, policies and procedures mean this written agreement known as the Multi-State Lottery Agreement first entered into between Party Lotteries on the 16th day of September, 1987 and subsequently amended from time to time in order to add Party Lotteries and amend terms.

Adopted November 15, 2012.

32. **Association Defined.** “Association,” “Multi-State Lottery Association” and “MUSL” as used herein or in Multi-State Lottery Association bylaws, rules, policies and procedures mean the unincorporated nonprofit legal entity distinct from its Party Lotteries and formed under this Agreement and the Bylaws of the Multi-State Lottery Association for the purpose of aiding in the development and operation of one or more games, products, or programs offered by Party Lotteries.

Adopted November 15, 2012.

33. **Board Rules and Product Group Rules Defined.** “Board Rules” and “MUSL Rules” as used herein or in Multi-State Lottery Association bylaws, rules, policies and procedures mean the rules promulgated by the Association’s Board of Directors. “Product Group Rules” as used herein or in Multi-State Lottery Association bylaws, rules, policies and procedures means the rules promulgated by a Product Group for its games.

Adopted November 15, 2012.

34. **Bylaws Defined.** “Bylaws” and “MUSL Bylaws” as used herein or in Multi-State Lottery Association bylaws, rules, policies and procedures mean the bylaws promulgated by the Association.

Adopted November 15, 2012.

35. **Board Policies Defined.** “Board Policies” as used herein or in Multi-State Lottery Association bylaws, rules, policies and procedures mean the Board policies promulgated by the Association.

Adopted November 15, 2012.

36. **Product Defined.** “Product” means the lottery games, products, programs or other goods or services offered by Party Lotteries of the MUSL through Product Groups.

Adopted June 5, 2014

37. **Unreserved Account Funds Defined.** “Unreserved Account Funds” means the funds of a Member Lottery or Licensee Lottery deposited with or directed for deposit with the Association that are not reserved for a specific purpose and that are available to the Member Lottery or Licensee Lottery for Unreserved Account Funds Authorized Uses.

38. **Unreserved Account Funds Authorized Uses Defined.** “Unreserved Account Funds Authorized Uses” means the funding of a Member Lottery’s or Licensee Lottery’s share of fees for services rendered as specified in paragraph 8 of this Agreement or for other uses as may be directed by the Member Lotteries or Licensee Lotteries as authorized by Board Policies.

Adopted November 15, 2012.

39. **Other Terms Defined.** Terms used, but not defined herein, shall have the meanings ascribed to them in the Bylaws, rules, policies and procedures.

Adopted November 15, 2012.

40. **Governing Law.** The Multi-State Lottery Association is an unincorporated nonprofit legal entity governed by the State of Iowa's *Revised Uniform Unincorporated Nonprofit Association Act*, Iowa Code Chapter 501B.
Adopted November 15, 2012.

IN WITNESS WHEREOF, the party lotteries have duly signed this agreement at the date and place first herein above mentioned.