



## Ohio Administrative Code Rule 3770:1-8-04 Payment of prize awards.

Effective: November 27, 2015

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(A) Payment to be made to claimant. Prizes shall be claimed in the name of the holder or holders of the ticket. After validation and proper submission for payment within the established redemption period as specified in this rule, payment of prize awards shall be made promptly to the person in whose name the claim is made. Validation of any ticket does not complete the claiming process and will be subject to the redemption period as specified in this rule.

(B) Method of payment. As permitted by applicable law, the director may order that prizes up to and including five hundred ninety-nine dollars will be paid by sales agents out of the proceeds of their ticket sales. All valid tickets for prizes up to and including five hundred ninety-nine dollars must be validated and cashed by the sales agent within one hundred eighty days of the drawing date of the winning ticket if the lottery game is an on-line game, one hundred eighty days from the ticket purchase date if the lottery game is an EZPLAY game, or one hundred eighty days after the close of the game if the lottery game is an instant game. All other prizes will be paid by official check, warrant or other electronic forms of payment. After issuance of a pay-to-bearer by a sales agent to a prize winner, prizes from six hundred dollars up to and including five thousand dollars may be redeemed by a prize winner presenting proper identification as determined by the director at any authorized branch office of a banking institution participating in the lottery's bank cashing program or at any authorized sales agent participating in the lottery's licensed retailer cashing program. The lottery's licensed retailer cashing program for prizes from six hundred dollars up to and including five thousand dollars shall hereafter be referred to as the "LRC program." The LRC program shall be conducted in accordance with lottery rules, regulations, policies and procedures and the director shall have the authority to determine which sales agents may participate in the program and the director shall have the discretion to terminate the LRC program or remove a sales agent from the LRC program at any time and for any reason. All valid tickets for prizes from six hundred dollars up to and including five thousand dollars must either be redeemed at an authorized banking institution or at an authorized sales agent participating in the LRC program, or all tickets along with a completed claim form must be received by a lottery office, within one hundred eighty days of the drawing date of the winning ticket if the lottery game is an on-line game, one hundred eighty days from the ticket



purchase date if the lottery game is an EZPLAY game, or one hundred eighty days after the close of the game if the lottery game is an instant game. After validation by the banking institution or a sales agent authorized to participate in the LRC program in conjunction with the lottery, the banking institution or a sales agent authorized to participate in the LRC program may pay the winner in cash, by official check, by deposit to an account or other electronic forms of payment. The participating banking institution may charge the prize winner a fee agreed to by the director. All valid claims exceeding five thousand dollars shall have the applicable state and federal withholding taxes withheld along with any other deductions required by law, and must be received by a lottery office within one hundred eighty days of the drawing date of the winning ticket if the lottery game is an on-line game, one hundred eighty days from the ticket purchase date if the lottery game is an EZPLAY game, or one hundred eighty days after the close of the game if the lottery game is an instant game in accordance with the procedures set forth in rule 3770:1-8-02 of the Administrative Code. All valid claims must be filed and redeemed for payment within one hundred eighty days of the drawing date of the winning ticket if the lottery game is an on-line game, one hundred eighty days from the ticket purchase date if lottery game is an EZPLAY game, or one hundred eighty days after the close of the game if the lottery game is an instant game.

(C) Payment of prizes.

(1) When there is more than one winning ticket for any prize subject to pari-mutuel distribution, each winning ticket shall entitle its holder to receive a pro rata share of the prize in accordance with the number of winning selections validated by the on-line computer system and the game rule governing that particular game.

(2) Prizes shall be paid in a lump sum unless otherwise provided or required in the game rule.

(3) If applicable, installment payments may be made by official check, warrant or other electronic forms of payment, sent to the prize winner's address by mail delivery within the United States, or, all but the initial installment payment, may be sent to the prize winner via electronic funds transfer to an established bank account located anywhere within the United States. Requests by a prize winner to have installment payments sent to addresses outside the United States, or to have payments sent via electronic funds transfer to any off-shore accounts, may be considered by the director. However, such requests may be denied. Prize winners may also request to pick up their installment payments at



a designated lottery office.

(4) In the event that prizes may be paid as an annuity, the director may adopt an order that gives winners the option to receive a discounted cash value of a prize less the appropriately withheld state and federal income taxes and any other amounts required by law. The formula for setting the discounted cash value shall be determined by the director in accordance with the game rule governing the game in which the prize is won. The prize winner(s) shall have sixty calendar days from the date of the redemption for payment of their valid claim to the lottery, as prescribed by paragraph (B) of this rule, to opt for the discounted cash value of the prize award, and such option shall not be revoked. At the time the valid claim is presented to the lottery, the discounted cash value of the prize, the formula used to compute that amount and the amount of appropriately withheld state and federal income taxes shall be disclosed in writing to the prize winner. A single winning ticket may be paid pursuant to these rules in either annual installments or in a lump sum equaling the discounted cash value. Prize winners who claim a joint prize from a single winning ticket will all receive prize payments in either annual installments or in a single, lump sum equaling the discounted cash value of their portion of the joint prize award. Prize winners who claim a joint prize from a single winning ticket may not opt to receive different forms of payment. Notice of such selection must be received by the lottery or post office stamped by the sixty calendar day deadline, or the prize winner shall be paid in annual installments as set forth in the applicable game rule in which the prize was won.