CONNECTICUT LOTTERY CORPORATION

Notice of Intent to Adopt Policy on Bulk Purchases of Lottery Tickets

In accordance with Conn. Gen. Stat. §1-121, the Connecticut Lottery Corporation ("CLC") hereby gives notice that it intends to adopt a Policy on Bulk Purchases of Lottery Tickets.

Statement of the substance and purpose of the procedures: The purpose of this proposed Policy on Bulk Purchases of Lottery Tickets is to preserve the integrity, fairness, security, and financial sustainability of all CLC Lottery games by establishing the authority of CLC to prohibit, limit, or otherwise manage bulk purchasing activity that is inconsistent with CLC's mission, the interests of the playing public, or the financial interests of CLC. A copy of the proposed policy is included below.

Manner of presenting views: All interested persons are invited to present their views in writing no later than November 27, 2026. Comments are to be submitted to CLC Assistant Corporate Counsel, Angelica Mack, either by e-mail to legal@ctlottery.org (please put "Public Comment" in the subject line) or by postal mail addressed to Connecticut Lottery Corporation, ATTN: Legal Department, 15 Sterling Drive, Wallingford, CT 06492.

Angelica Mack
Assistant Corporate Counsel

Policy on Bulk Purchases of Lottery Tickets

Department: Sales

Policy Number: TBD

Effective Date: TBD

Revision Date:

Policy Owner: Director, Sales Department

Executive Sponsor: President & CEO

1. Purpose

The Connecticut Lottery Corporation ("CLC") is committed to conducting all Lottery games in a manner that is fair, secure, transparent, and financially responsible while maximizing revenue for the State of Connecticut in accordance with its statutory mission.

Lottery games are intended to provide entertaining games of chance that are broadly accessible to the public. They are not intended to serve as commercial investment opportunities or vehicles for organized purchasing strategies designed to exploit game structures, prize information, or statistical probabilities.

In recent years, commercial entities have developed large-scale purchasing strategies intended to capitalize on Lottery game structures by acquiring substantial quantities of Lottery tickets. These practices may reduce equitable access for the general public, undermine public confidence in the integrity and fairness of Lottery games, create financial risks that diminish proceeds available for transfer to the State of Connecticut, and, in certain circumstances, may be inconsistent with CLC's commitment to responsible gambling principles.

Accordingly, the purpose of this policy is to preserve the integrity, fairness, security, and financial sustainability of all CLC Lottery games by establishing the authority of CLC to prohibit, limit, or otherwise manage bulk purchasing activity that is inconsistent with CLC's mission, the interests of the playing public, or the financial interests of CLC.

2. Scope

This policy applies to all Lottery ticket products offered by the Connecticut Lottery Corporation, including but not limited to:

- Instant (Scratch) Games
- Draw Games (including daily and jackpot games)
- Fast Play Games
- Keno and other Monitor Games
- Any other Lottery ticket product offered now or in the future

3. Definitions

Bulk Purchase - A Bulk Purchase means the purchase or attempted purchase of Lottery tickets in quantities or through purchasing practices that CLC determines exceed ordinary consumer play and are intended to

obtain a significant portion of available tickets for a game or drawing.

Bulk purchases may include, but are not limited to:

- Purchasing an unusually large quantity of instant tickets, Fast Play tickets, or draw game tickets.
- Purchasing one or more entire books or packs of instant tickets.
- Purchasing all or substantially all remaining inventory of a particular game.
- Purchasing a volume of draw game wagers designed to materially increase the purchaser's statistical probability of winning through coverage of large numbers of number combinations.
- Coordinated purchases made by multiple individuals or entities acting together.
- Purchases made through agents, intermediaries, or affiliated parties.
- Any purchasing strategy intended to exploit publicly available prize information, game mathematics, or remaining prize data.

4. Policy Statement

CLC reserves the right to prohibit, limit, delay, or refuse the sale of Lottery tickets when, in its sole judgment, a purchase is inconsistent with the integrity of Lottery games, equitable access for the public, or the financial interests of the Corporation.

No person, entity or group has a right to purchase Lottery tickets in unlimited quantities.

5. Protection of Game Integrity

The Connecticut Lottery Corporation is responsible for protecting the integrity, fairness, security, and financial sustainability of all Lottery games.

Accordingly, notwithstanding any other provision of this policy, CLC may, in its sole discretion, deny, limit, condition, delay, or refuse any Lottery ticket transaction or purchasing activity that it reasonably determines:

- is inconsistent with the fair and equitable operation of Lottery games;
- materially disadvantages the general playing public;
- threatens public confidence in the integrity of Lottery games;
- creates an unreasonable financial risk to CLC or the State;
- constitutes an attempt to exploit the design, prize structure, or operational characteristics of a Lottery game; or
- otherwise conflicts with the mission or best interests of the Connecticut Lottery Corporation.

The examples and provisions contained in this policy are illustrative and are not intended to limit CLC's authority to address new or evolving purchasing practices that may adversely affect Lottery operations.

6. Prohibited Activities

CLC may prohibit or restrict purchases that:

- Seek to acquire all or a substantial portion of the available inventory of a Lottery game.
- Are designed to exploit published prize information or remaining prize data.
- Are made by businesses, investment groups, syndicates, partnerships, or similar organizations whose primary purpose is commercial gain through large-scale Lottery purchases.
- Circumvent purchase limitations through multiple retailers, multiple individuals, affiliated entities, or repeated transactions.
- Materially reduce the opportunity for members of the public to participate in Lottery games.

- Create unreasonable financial exposure to CLC or diminish proceeds available for transfer to the State.
- May elevate the risk of problem gambling behavior or gambling-related harm to oneself or others.

7. Authority of the Connecticut Lottery Corporation

As determined by the CLC President & CEO, CLC reserves the sole discretion to:

- Establish purchase limits for any Lottery game.
- Limit the number or value of tickets purchased by any person, entity or group.
- Decline or discontinue any transaction.
- Refuse sales that CLC determines constitute a Bulk Purchase.
- Delay, suspend, or cancel transactions pending review.
- Investigate purchasing activity that appears intended to circumvent this policy.
- Issue administrative directives establishing product-specific purchase limits without amending this policy.

Nothing in this policy requires CLC to establish uniform purchase limits across all Lottery products, Retailers, or circumstances. Purchase limits may vary based on operational, financial, security, responsible gambling, or game integrity considerations.

CLC's interpretation and application of this policy shall be final.

8. Retailer Responsibilities

Licensed Lottery Retailers shall:

- Comply with all purchase limitations established by CLC.
- Refuse transactions when instructed by CLC.
- Promptly report any attempted, suspected, or successful Bulk Purchases by an individual or group to circumvent bulk purchase limits to the Department of Consumer Protection (DCP) and CLC.
- Cooperate with investigations conducted by CLC and/or DCP.
- Refrain from assisting purchasers in circumventing this policy.
- Comply with applicable responsible gambling requirements and any CLC guidance concerning high-volume, unusual, or potentially harmful purchasing activity.
- Cooperate with CLC in implementing temporary or permanent purchase limits.

Failure to comply may result in may result in adverse action under the Retailer Contract, up to and including termination.

9. Factors Considered

CLC may consider any relevant factors, including:

- Number or value of tickets requested.
- Percentage of game inventory sought.
- Number of draw game combinations purchased.
- Remaining top prizes.
- Timing of the purchase relative to game closing or prize availability.
- Historical purchasing patterns.
- Whether multiple purchasers appear to be acting in concert.
- Whether the purchaser is acting for commercial or investment purposes.

- Potential impact on game integrity, public confidence, or Lottery revenues.
- Potential impact on the security or orderly administration of Lottery operations.
- Whether the purchasing activity presents indicators of, or may contribute to, an elevated risk of gambling-related harm.
- Any other factors CLC determines are relevant.

10. Enforcement

If CLC determines that a transaction violates this policy, CLC will take such action as is necessary to protect the interests of the Lottery and the State, which include reporting to DCP, and may include:

- Decline the transaction.
- Reduce the quantity permitted.
- Restrict future purchases.
- Direct Retailers not to complete the transaction.
- Conduct an investigation.
- Take action against Retailers who knowingly facilitate prohibited purchases.

Nothing in this policy creates any contractual or legal right to purchase Lottery tickets in any particular quantity.

DCP may, in its sole discretion, conduct its own investigation and take action against individuals and licensees for violation of this policy.

11. Reservation of Rights

CLC reserves the right to interpret, modify, suspend, or amend this policy at any time as necessary to protect the integrity, fairness, security, and financial sustainability of Lottery operations.