

# IOWA LOTTERY

## Retailer Compensation Program

November 16, 2009

### ON-LINE (LOTTO) GAMES

Retailers will receive a base commission rate of 5.5% on the sale of all on-line tickets sold.

#### Ticket Allowance:

Retailers will receive an additional 0.1% of the sales of all on-line games added to the base commission rate for tickets that are misprinted or produced in error. The Ticket Allowance will become effective with the change in software programming that enables it to be applied.

#### Sliding Scale Incentive

In addition to the base commission, the Lottery will establish an on-line sales base\* for each eligible retailer. Retailer sales will be monitored and retailers who increase their sales will be awarded bonuses as defined by the chart below:

#### Sliding Scale for sales increases:

10-19% increase	1% of increase Bonus
20-29% increase	2% of increase Bonus
30-39% increase	3% of increase Bonus
40%+ increase	4% of increase Bonus

\* Mega Millions sales will be included in this incentive beginning July 1, 2011. Raffle game sales are not included in the sliding scale incentive bonus.

In addition to the sliding scale bonus, retailers will be eligible for these additional bonuses:

#### Additional Bonuses

#### High Tier Prize Sales Bonus:

Powerball Jackpot winning ticket	\$10,000
Mega Millions Jackpot winning ticket	\$10,000
Hot Lotto Jackpot winning ticket	\$ 5,000

All non-jackpot winning on-line game tickets of \$100,000 or more will receive a bonus of 1/10 of 1 percent of the prize amount (e.g. \$100,000 winning ticket earns a \$100 bonus).

### Peak Sales Bonuses:

Retailers will receive a 0.5% sales bonus on all Powerball/Powerplay sales when the Powerball jackpot is equal to or exceeds \$150 million. Sales will be tracked during the jackpot run and the bonuses will be awarded after the jackpot is won.

Retailers will receive a 0.5% sales bonus on all Mega Millions/Megaplier sales when the Mega Millions jackpot is equal to or exceeds \$150 million. Sales will be tracked during the jackpot run and the bonuses will be awarded after the jackpot is won.

### **PULL-TAB GAMES**

Retailers will receive a 5% commission on the sale of all pull-tab tickets sold.

### **INSTANT GAMES**

Retailers will receive 5.5% commission on the sale of all instant tickets sold. Retailers can become GOLD STAR PROGRAM members and will receive a 7% commission on the sale price of tickets sold when they meet the following requirements:

#### **1. Comply with all advertising requirements:**

- A. Lottery Door Decal
- B. Game Brochures
- C. 1 Lottery sign:
  - (16" W X 8"H) Pole mounted "Play Here " sign
  - (20"W X 6½"H) Hanging "Play Here" sign

The sign must be located in the primary sales area adjacent to the cash registers(s).

#### **1. Sell twelve (12) or more different games from dispenser(s). Six (6) of these games must be multi-dollar games. Tickets must be:**

- A. Located in the primary sales area adjacent to the cash registers(s)
- B. Displayed in plain view of the public

Gold Star retailers must be in compliance with the above requirements. If the retailer is not in compliance when the DSR makes the weekly sales call, the DSR must change the retailer back to the 5.5 % commission rate. If the retailer meets the requirements, they will remain at the 7% Gold Star commission rate.