

## Retailer Manual <br> 2024

Your complete Virginia Lottery retailer guide

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## General Information

## The Lottery Mission

The Virginia Lottery's mission is to contribute to Virginia's future one play at a time.

## A History of Lotteries

Lotteries, as a means of raising funds, have existed for centuries. Ancient Rome used lotteries to fund public construction and support military operations. One of America's first permanent settlements, Jamestown Colony, was largely funded with lottery monies. Many highly regarded colleges, including Harvard, Dartmouth, Columbia, and Virginia's own William \& Mary, were founded and built with lottery money.

New Hampshire was the first state to start a modern lottery. That was in 1964 . Since then, 46 states plus the District of Columbia have followed New Hampshire and established lotteries. Virginia began selling lottery tickets in September 1988. Jurisdictions with legalized lotteries include:

| Arizona | lowa | Nebraska | South Carolina |
| :--- | :--- | :--- | :--- |
| Arkansas | Kansas | New Hampshire | South Dakota |
| California | Kentucky | New Jersey | Tennessee |
| Colorado | Louisiana | New Mexico | Texas |
| Connecticut | Maine | New York | Vermont |
| Delaware | Maryland | North Carolina | Virginia |
| District of Columbia | Massachusetts | North Dakota | Washington |
| Florida | Michigan | Ohio | West Virginia |
| Georgia | Minnesota | Oklahoma | Wisconsin |
| Idaho | Mississippi | Oregon | Wyoming |
| Illinois | Missouri | Pennsylvania |  |
| Indiana | Montana | Rhode Island |  |

## Where do all the funds go?

By law, $100 \%$ of Virginia Lottery profits go to K-12 public schools in the Commonwealth. The funds are distributed to local school divisions by the Virginia Department of Education to a variety of programs prioritized by Virginia's General Assembly.

## Customer Service Center Information

## Northern Virginia

14550 Potomac Mills Road | Woodbridge, Virginia 22192
Phone: 703-494-1501 | Fax: 703-494-0640
Hours: 8:30 a.m. - 5:00 p.m. Monday- Friday.
Directions: From I-95 take exit 156 West toward Dale City (VA-784). Turn right at second traffic light. Then turn right at next traffic light on Town Center Road. Turn left onto Potomac Mills Road, and then turn left into the VA Lottery parking lot (Festival II Shopping Center).

## Shenandoah Valley

1790-26 E. Market Street | Harrisonburg, Virginia 22801
Phone: 540-433-7979 | Fax: 540-433-9299
Hours: 8:30 a.m. - 5:00 p.m. Monday - Friday
Directions: From I-81 take exit 247-A (US Route 33). Go to the second traffic light and turn left into the Spotswood Valley Square Shopping Center.

## Richmond - Virginia Lottery Head Quarters |

600 East Main Street \| 1st Floor | Richmond, Virginia 2319
Phone: 804-692-7000
Hours: 8:30 a.m. - 5:00 p.m. Monday - Friday
Directions coming from West on I-64: Follow I-64 until it merges with I-95 South. Continue I-95 South when it splits from I-64. Take exit 74B (Franklin Street). At the stoplight at the bottom of the exit ramp, turn right onto Franklin Street. Go one block to the first stoplight and turn left onto 14th Street. Go one block and turn right onto Main Street. Lottery Headquarters is at the intersection of Main Street and 7th Street. The entrance to the Prize Zone is on the Main Street side of the building.

Directions coming from East on I-64: Follow I-64 to I-95 South. Take exit 74B (Franklin Street). At the stoplight at the bottom of the exit ramp, turn right onto Franklin Street. Go one block to the first stoplight and turn left onto 14th Street. Go one block and turn right onto Main Street. Lottery Headquarters is at the intersection of Main Street and 7th Street. The entrance to the Prize Zone is on the Main Street side of the building.

Directions coming from North on I-95: Take exit 74B (Franklin Street). At the stoplight at the bottom of the exit ramp, turn right onto Franklin Street. Go one block to the first stoplight and turn left onto 14th Street. Go one block and turn right onto Main Street. Lottery Headquarters is at the intersection of Main Street and 7th Street. The entrance to the Prize Zone is on the Main Street side of the building.

Directions coming from South on I-95: Take exit 74A onto I-195/Downtown Expressway (this is a toll road). From l-195/Downtown Expressway, take the 7th St Exit, drive up 3 blocks and Lottery Headquarters is at the intersection of 7th Street and Main Street. The entrance to the Prize Zone is on the Main Street side of the building.

## Prize Zone West

1620 E. Parham Road | Richmond, VA 23228
Phone: 804-692-7950 | Fax: 804-266-1748
Hours: 8:30 a.m. - 5:00 p.m. Monday - Friday
Directions: Head northwest on I-95 N toward Exit 78. Take exit 83B to merge onto VA-73 W./E. Parham Road. Continue to follow E. Parham Road. Destination will be on right.

## Hampton Roads

2306-2308 W. Mercury Boulevard | Hampton Roads, Virginia 23666
Phone: 757-825-7800 | Fax: 757-825-7813
Hours: 8:30 a.m. - 5:00 p.m. Monday- Friday
Directions coming from North: Take 1-64E exit 28A toward Norfolk/VA Beach. Take Mercury Blvd. N/US258N/ VA 134S, exit 263 toward Coliseum and merge on US 258S/W. Mercury Blvd. on the left to James River Bridge. The lottery office will be on the right.

Directions coming from South: Take I-64W toward Richmond then merge on US 258S/W. Mercury Blvd. via exit 263A toward James River Bridge. The lottery office will be on the right. Follow West Mercury Boulevard the Customer Service Center is in a small shopping center on the right.

## Central Virginia

Longwood Village Shopping Center | 1506 South Main Street | Farmville, Virginia 23901
Phone: 434-392-7294 | Fax: 434-392-7292
Hours: 8:30 a.m. - 5:00 p.m. Monday - Friday
Directions: From Route 460, take the second Farmville exit, and turn right onto Route 15. Travel north to the second stop light. Turn right into the Longwood Village Shopping Center.

## Roanoke Valley

1287 Towne Square Boulevard | Roanoke, Virginia 24012
Phone: 540-561-7011 | Fax: 540-561-7402
Hours: 8:30 a.m. - 5:00 p.m. Monday - Friday
Directions: From I-81 take exit 143 onto I-581 South. Take exit 3-E and get over in the far-left lane after you get off the exit ramp. Follow Hershberger Road to the first stop light and turn left onto Rutgers Street. Go straight until you come to a stop sign. Then turn right onto Towne Square Boulevard. Turn left into the parking lot when you see the Subway sign. The Lottery office is at the far-right side of the shopping center.

## Southwest Virginia

408 East Main Street | Abingdon, Virginia 24210
Phone: 276-676-5540 | Fax: 276-676-5548
Hours: 8:30 a.m. - 5:00 p.m. Monday - Friday
Directions: Take I-81 to exit 17, Cummings St. West. Proceed to third traffic light. Turn right on Main Street. Go approximately $1 / 4$ mile. The office is on the right.

## Scratchers

## Scratcher Background Information

In Virginia, Scratchers range in price from $\$ 1$ to $\$ 50$. Some are designed to be played very quickly. Other games, generally at the higher price points, are designed to create more of an "extended play" experience. Each Scratcher has its own characteristic elements that set it apart from others. Graphic design, theme, prize structures, odds, and the number of winners change for every game. Scratchers account for more than $1 / 2$ of all Lottery sales in Virginia.

## Game Rules

Basic game rules are explained on the front of each ticket. For a complete copy of game rules for a specific Scratcher, contact your Customer Service Center.

## Prize Allocations

Prize allocations differ slightly for each Scratcher. The higher price point games usually have a slightly higher percentage of money in the prize fund.

Play Action
THERE ARE FOUR BASIC PLAY ACTIONS:
Add Up: In an "add up" game, players add a series of numbers and try to match or exceed a number printed elsewhere on the ticket.

Line Up: In a "line up" game, players try to find several symbols in a pre-determined pattern or sequence.

Match: In a "match" game, players try to find matching symbols or dollar amounts.
Key Symbol: In a "key symbol" game, players try to find or match a specified number or symbol.

## Price of Scratchers

The price of a ticket pack is the retail value minus the $5 \%$ commission. Here are how the current price points compare:

| \$1 Games: \$200 Retail Value (200 ct) | \$10 Games: \$400 Retail Value (40 ct) |
| :---: | :---: |
| Less \$10 (Commission) | Less \$20 (Commission) |
| \$190 (Cost) | \$380 (Cost) |
| \$2 Games: \$200 Retail Value (100 ct) | \$20 Games: \$400 Retail Value (20 ct) |
| Less \$10 (Commission) | Less \$20 (Commission) |
| \$190 (Cost) | \$380 (Cost) |
| \$3 Games: \$6 Retail Value (100 ct) Less | \$30 Games: \$600 Retail Value (20 ct) |
| \$10 (Commission) | Less \$30 (Commission) |
| \$285 (Cost) | \$570 (Cost) |
| \$5 Games: \$200 Retail Value (40 ct) | \$50 Games: \$1,000 Retail Value (20 ct) |
| Less \$10 (Commission) | Less \$50 (Commission) |
| \$190 (Cost) | \$950 (Cost) |

## Retailer Compensation

## Licensed Retailers Receive:

- Five percent (5\%) commission for all Scratchers sold at your store. This money is deducted up front from your cost of tickets.
- One percent (1\%) of all prizes from scratch prizes cashed at your store. This money is credited on your Weekly Settlement Report.
- From time-to-time, retailer promotional programs may be offered to increase your compensation. These programs are designed to reward you for improved performance and results. Your sales representative will inform you when these programs occur.
- Retailers who sell scratch tickets with prizes of $\$ 20,000$ or more receive an additional bonus. Ask your sales rep for more information.


## Scratcher Sale Restrictions

- It is against the law for you to sell Lottery tickets to any customers under the age of 18.
- You may allow employees 16 years or older to sell or redeem Lottery tickets if they are supervised by an on-site manager who is 18 years of age or older.
- You are required to activate Scratchers before placing them for sale.
- Scratcher sales from retailers to customers must be for the price shown on the ticket. You may not charge tax or any additional service fees.
- You may not sell Lottery tickets to customers by credit card or by charging them to a store account. (Debit and cash are acceptable forms of payment)
- You may not accept food stamps or food coupons as payment for Lottery tickets.


## Maximizing Scratcher Sales

Most Scratcher sales are impulse purchases. You can maximize your store's potential for Scratcher sales by following these tips:

- Display the Scratchers in a highly visible, unobstructed location. If players cannot see the games, they will not remember to purchase them. Your sales rep can provide you with highly visible, secure ticket dispensers and suggest the best location for placement. These ticket dispensers are provided at no cost to you.
- Carry a variety of games. Like other products in your store (i.e. sodas, candy) if you carried only 2 or 3 varieties, you would not have choices that appeal to all your customers. Scratchers are the same. We suggest you carry at least 20 games in order to have choices that appeal to all your current customers and potential customers.
- Always activate and display the newest games as soon as they are available. Players always want to try a new game when it comes out. Your Scratcher sales will be higher during the first 2 weeks of a new game if you stock and merchandise them properly.
- Effective Point-of-Sale merchandising will help to increase awareness and sales for scratch tickets. Your sales rep will provide ideas and materials to effectively merchandise your store. Point-of-Sale materials are provided to Lottery retailers at no charge.
- Create "winner awareness" in your store. Players like to play where people win. Even the smallest of prizes add up to impressive totals over time. Your sales rep can provide ideas and materials to improve winner awareness in your store.

In addition to ticket dispensers that fit any type of counter set-up, we also have Scratcher vending machines that have proven to be successful for certain trade styles. Ask your sales rep for help in determining the best fit for your business.

## Ordering Scratchers

## Regular Orders

When you become a Virginia Lottery retailer your sales rep will send an order of tickets based on your store's weekly sales.

## YOU MAY NOT PURCHASE FOR RESALE OR EXCHANGE PACKS OF TICKETS WITH OTHER LOTTERY RETAILERS OR STORE LOCATIONS. PACK NUMBERS ARE CODED TO THE RETAILER WHO ORDERS THEM FOR SECURITY AND ACCOUNTING REASONS.

## Emergency Ticket Orders

There may be times when your ticket inventory runs low. If this happens:

- You may contact your sales representative directly to get tickets.
- If you do not have your sales representative contact information, please call retailer support at 1-800-654 2500.


## Scratch Ticket Delivery

Tickets are delivered via UPS. It takes from 2 to 3 business days after the order is placed. Tickets are not delivered on Saturday or Sunday. When you receive the tickets, compare the pack numbers listed on the tickets to the pack numbers listed on the enclosed packing manifest. If everything is correct, scan the barcode on the packing manifest with the online terminal's CCD reader to acknowledge delivery.

If the ticket pack numbers do not match the pack numbers on the invoice, you should:

- Select the option to exclude the applicable packs when confirming the order; report those missing and/or incorrect packs to the Investigations Manager at VMissingpacks@valottery.com within 48 hours of delivery*; and notify your sales representative so that a replacement order can be placed.
*A police report is not required in this case.


## Lost or Stolen Tickets

- You should take all reasonable measures to safeguard Lottery tickets in your possession.
- Immediately upon arrival, tickets should be confirmed and placed in a locked and secure area.
- Report lost or stolen tickets to the local police and Lottery Security.

Contact Lottery Security by calling a Customer Service Center (p.6) or Virginia Lottery Headquarters in Richmond (804-692-7220).

After 5 p.m. and on weekends, contact Retailer Support at 1-800-654-2500.

- It is always important to keep an accurate inventory of tickets, especially activated tickets, to include game, pack, and ticket numbers.
- If you provide the pack, game, and ticket numbers, Lottery Security will change the ticket status of packs that you report to "Lost /Stolen". Security is only able to change the status of activated tickets to lost or stolen if they have not been cashed.
- You will be billed for any tickets that were lost or stolen after you confirmed them.
- In the instance tickets are reported as lost or stolen and subsequently recovered the administrative fees shown in Table 1 will apply.
- Upon the first occurrence retailers will receive their first, and only, warning letter that subsequent missing packs will incur administrative fees according to Table 1.
Table 1:
Non-refundable* fees shall be assessed as follows:
- 

| PRIOR TO END-OF-GAME ANNOUNCEMENT |  |
| :--- | :---: |
| Occurrence | Administrative Fee |
| First | none |
| Second | $\$ 25$ per Missing pack |
| Third | $\$ \$ 00$ per Missing pack |
| Fourth and subsequent | Equal to the value of the Missing pack(s) |
| AFTER END-OF-GAME ANNOUNCEMENT |  |
| All | Equal to the value of the Missing pack(s) |

*Fees are non-refundable, whether or not the missing pack(s) is/are recovered, unless an investigation determines the issue to be the fault of the Virginia Lottery.

- If you have any questions, we urge you to reach out to your sales representative or contact Retailer Support at (804)692-7777.


## Defective Scratch Tickets

Report defective scratcher tickets to your sales rep. Your sales rep will pick up the tickets and issue you credit. The credit for any defective tickets will be issued during the billing cycle in which the ticket return is processed.

## Paying Prizes

A ticket is a bearer instrument. The person who signs the back of the ticket is considered the bearer, or owner, of the ticket. Payment of prizes will be made to the bearer of the validated winning ticket. Do not pay prizes from tickets unless you validate them through the system.

## Prize Amounts of $\$ 600$ or Less

Prize-winning tickets must be validated before payment. You must pay prizes up to $\$ 600$, even if the ticket wasn't purchased at your location.

Retailers may pay prizes with cash, certified check, cashier's check, business check, money order, or any combination of these methods. Players prefer to receive cash, and retailers who pay prizes in cash are likely to sell more tickets and increase their overall store sales. You are encouraged to pay prizes with cash or a combination of cash and money order. A retailer cannot impose a fee or additional charge for cashing a winning Lottery ticket. If a check used to pay a prize does not clear for any reason, you will be subject to the same service charge, interest and penalty payments that would apply if the check were made payable to the Lottery.

You will receive a $1 \%$ cashing bonus on the total dollar amount of prizes that you pay in your store.

## Prizes Greater Than \$600

Prizes of $\$ 601$ or more must be redeemed at a Lottery office in person, by mail, or in the Virginia Lottery mobile application. The ticket holder may present the signed ticket and completed claim form at any Lottery Customer Service Center or mail the signed ticket to Lottery Headquarters at P.O. Box1254, Richmond, VA 23218. Players presenting tickets in person must provide a photo I.D. and proof of their Social Security number. Prizes above $\$ 5,000$ will have the minimum amount of taxes ( $25 \%$ federal, $4 \%$ state) withheld allowed by law. All prizes of $\$ 100$ or more that are claimed at a Lottery Office are subject to withholding for debt set-off. Players can claim prizes up to $\$ 5,000$ in the Virginia Lottery mobile application.

## Non-Cash Prizes

Some Scratchers award non-cash prizes. The Lottery may or may not choose to pay all associated taxes related to non-cash prizes. The Lottery will provide every recipient with a completed W-2G for all noncash prizes valued at more than $\$ 600$. Prize recipients will be required to complete a Virginia Lottery Retailer Contest Claim Form.

## Withdraw Vouchers

Players can withdraw winnings from their online player wallet at any Virginia Lottery retailer. Withdraw vouchers valued at $\$ 1$ up to $\$ 250$ can be paid at retail. Retailers can validate up to five vouchers per player per day ( $\$ 1,250$ maximum).

## Ticket Cashing into an Online Player's Wallet

Players can scan winning tickets purchased at retail and have the prize amount (up to $\$ 5,000$ ) added to the player's online player wallet.

## Online Cash Vouchers

Players can purchase online cash vouchers at retail and with the voucher code deposit money on their valottery.com accounts without entering debit card or bank account information. These vouchers are available for $\$ 10, \$ 20, \$ 50$, and $\$ 100$.

## Returning Scratcher Tickets

## Full Packs

You may return, for full credit, unbroken ticket packs at any time before the announced end of the game. You must notify your sales rep that you have tickets to be returned for credit. The sales rep will pick up the packs to be returned and provide a receipt for your signature. You will be given a copy for your records.

The amount of credit for each full pack will be determined by the amount you paid for the pack of tickets, which is retail value minus your commission. Credits will be issued in the billing cycle that the tickets are processed. These credits will appear on your Settlement Report. If your retailer's license should be revoked or suspended, all unsold tickets may be returned to the Lottery for credit.

## Partial Packs

You may return partial packs of tickets for credit. You must notify your sales rep that you have tickets to be returned for credit. The sales rep will pick up the packs to be returned and fill out a receipt for your signature. You will be given a copy for your records. Partial pack ticket credits will be determined by the
cost of a full pack divided by the number of tickets in that pack and then multiplied by the actual number of tickets being returned.

Credits will be issued in the billing cycle that the tickets are processed. These credits will appear on your Settlement Report. Any full or partial packs that are returned will also be billed in the same cycle as the credits appear unless they have already been billed.

If your retailer's license should be revoked or suspended, all unsold tickets may be returned to the Lottery for credit.

## End-of-Game Procedures

Each Scratcher will end on a date announced in advance by the Lottery. The Lottery may suspend or terminate a game without advance notice if this action will serve and protect the public interest. In either case, a Director's Order will be issued stating the game and ending date. Retailers will be notified when a game will end. No Scratcher game tickets from that game shall be sold after the announced end of that game. Retailers must return Scratchers within 30 business days of the announced end of game to receive credit. Retailers should notify their sales rep if they have tickets to return for credit.

## No More Top Prizes in a Game

Occasionally the final top prize in a Scratcher game will be claimed before the game has sold out. When this happens, you will receive a message via the online terminal letting you know to stop selling this game immediately. You must pull any remaining unsold tickets from your inventory and hold them for your sales representative to pick up. You will receive credit for any unsold, unscratched ticket.

## Draw Games

## Draw Game Background

Online games are very popular. The Virginia Lottery offers several varieties that appeal to a broad player base. These draw games are separated into three distinct categories:

- Daily Games are drawn twice a day, seven days a week. These games have a loyal customer base and offer very stable sales.
- Jackpot Games offer players the opportunity to play for large jackpots worth millions of dollars. These games also offer many significant prize levels other than the jackpot.
- For-Life Games offer players a set prize for life.
- Print n' Play Games offer players extended play action and instant wins (no drawings take place for these games).
- Raffle Games run for a limited period, and all prizes are drawn at the end of sales.


## Game Rules

Game rules are explained in summary fashion on the back of the play slip for each game. Complete online game rules and regulations may be obtained by contacting your Customer Service Center.

## Retailer Compensation

## As a licensed online retailer, you receive:

- Five percent (5\%) commission for all draw tickets sold at your store. This money will appear as a credit on the Weekly Settlement Report.
- One Percent (1\%) of all draw prizes cashed at your store. This money will appear as a credit on the
- Weekly Settlement Report.
- Periodically, retailer promotional programs will be offered to increase your compensation. These programs are designed to reward you for improved performance and results. Your sales rep will inform you when these programs occur.
- Retailers who sell draw tickets with prizes of $\$ 20,000$ or more receive an additional bonus. Ask your sales rep for additional details.


## Draw Ticket Sales Restrictions

- It is against the law for you to sell Lottery tickets to any customers under the age of 18.
- You may allow employees 16 years or older to sell or redeem Lottery tickets if they are supervised by an on-site manager who is 18 years of age or older.
- Draw ticket sales from retailers to customers must be for the price shown on the ticket. You may not charge tax or any additional fees.
- You may not sell Lottery tickets to customers by credit card or by charging them to a store account. (Debit and cash are acceptable forms of payment)
- You may not accept food stamps or food coupons as payment for Lottery tickets.
- You may not accept wagers over the phone. All transactions must be in person at the licensed location.


## Maximizing Draw Ticket Sales

The sales of draw games are both planned and impulse purchases. For the frequent player, it is a planned purchase made on a regular basis. Infrequent players may purchase tickets when the jackpot rises to a level that interests them or if they have a lucky number that they want to play. Here are some tips to maximize sales on these products:

- Allow players to play without a play slip, so they can play extra numbers that occur to them at the last minute.
- Post your own store’s "lucky picks," which players and potential players will sometimes play along with their favorite numbers.
- Players like to play combinations of recent winning numbers.
- Jackpot awareness is the most important factor. The impulse sales for these games are driven by the jackpot. Always keep the correct jackpot posted in highly visible areas.
- Let your customers know that players win at your store.
- Pay as many prizes as possible in cash. Players like to be paid in cash instead of checks or money orders. It also gives them cash to spend on merchandise in your store.
- Keep your Lottery terminal highly visible and free of clutter.


## How to Play Draw Games

For a list of draw games available from the Virginia Lottery please, see the "How to Play" Brochure. This brochure also includes detailed information on prize structures and how to play.

|  | Monday | Tuesday | Wednesday | Thursday | Friday | Saturday | Sunday |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1:59 p.m. | Pick 3 | Pick 3 | Pick 3 | Pick 3 | Pick 3 | Pick 3 | Pick 3 |
| \& | Pick 4 | Pick 4 | Pick 4 | Pick 4 | Pick 4 | Pick 4 | Pick 4 |
| 11:00 p.m. | Pick 5 | Pick 5 | Pick 5 | Pick 5 | Pick5 | Pick 5 | Pick 5 |
| 9 p.m. Only | Cash4Life | Cash4Life | Cash4Life | Cash4Life | Cash4Life | Cash4Life | Cash4Life |
| $\begin{aligned} & 11 \text { p.m. } \\ & \text { Only. } \end{aligned}$ | Cash 5 w/EZ <br> Match <br> Powerball | Cash 5 w/EZ <br> Match <br> Mega <br> Millions | Cash 5 w/EZ <br> Match <br> Powerball <br> Bank a <br> Million | $\begin{gathered} \text { Cash } 5 \text { w/EZ } \\ \text { Match } \end{gathered}$ | Cash 5 w/EZ <br> Match <br> Mega <br> Millions | Cash 5 w/EZ <br> Match <br> Powerball <br> Bank a <br> Million | Cash 5 w/EZ Match |
| $9 \text { a.m. }$ | Cash Pop | Cash Pop | Cash Pop | Cash Pop | Cash Pop | Cash Pop | Cash |
| $5 \text { p.m. }$ |  |  |  |  |  |  |  |
| 9 p.m. |  |  |  |  |  |  |  |
| $\begin{array}{r} \text { 11:59 } \\ \text { p.m. } \\ \hline \end{array}$ |  |  |  |  |  |  |  |

KENO draws every 4 min.

## Virginia Lottery Rewards

Players can earn points for any product purchased at retail or online, and the points are redeemable for free play (at retail or online) or for drawing entries.

How Can Players Earn Points?

- Purchase any Virginia Lottery game.
- Register for a Virginia Lottery account.
- Opt-in for promotional emails.
- Download the Virginia Lottery mobile app.
- Make a first-time deposit.
- Celebrate a milestone such as a player's birthday or anniversary of joining Virginia Lottery Rewards.


## Equipment



## Sales and Advertising Support

Tips to Increase Sales
We at the Virginia Lottery want to help you sell Lottery products. Time-tested ways to increase sales are:

- Use the knowledge, experience and resources of your sales rep.
- Communicate with the customer; be sure everyone on your staff knows about Lottery products and equipment.
- Place Lottery point-of-sale materials where customers can see them.
- Keep your Scratchers where customers can see them.
- Place long-term signs (like jackpot reminders) where customers can see them.
- Keep your jackpot games signage up-to-date and accurate.
- Use special or seasonal point-of-purchase pieces.
- Participate in ongoing retailer incentive programs.
- Communicate number of winning tickets or prizes you have sold in your store through a visible winner awareness program.
- Keep your Lottery equipment clean and free of clutter.
- Keep your scratch ticket dispensers stocked.


## Advertising

Advertising is a very important method the Virginia Lottery uses to make our retailers successful in generating sales and attracting consumers. We make a conscientious effort to educate the importance of playing responsibly. We strategically design and implement campaigns that appeal to our loyal players while attracting new players. In addition to promoting our products and high jackpots, we highlight winners. Our advertising mix includes:

- Television
- Radio
- Digital - banner, web, and Facebook ads
- Mobile App
- Out of Home - billboards, bus, and gas pump
- Point-of-Sale - in-store posters, and signs


## Mobile App

The Virginia Lottery mobile app is available for download in Apple store and Play store. Retailers can encourage players to download the mobile app to check for winning numbers, create digital play slips, and cash winning tickets valued up to $\$ 5,000$.

## Digital

The Virginia Lottery uses social media to connect with players and retailers and drive traffic to its social media accounts.

The Virginia Lottery website also gives players information on Scratcher tickets, online game play, download instructions, and direct access to their online account. Visit the Virginia Lottery website at: www.valottery.com.

The Virginia Lottery is active on Facebook, Twitter, YouTube, Instagram, and LinkedIn. Lottery Facebook fans have the chance to participate in unique promotions, including ones that are tied to the purchase of a ticket.

Connect with us on all our social media platforms:

Advertising Support from the Virginia Lottery
Point of Sale and Merchandising


Playcenter


Door Panel


Mega Millions Winner Awareness


Change Mat


Writing Surface Insert


Terminal Shield


Powerball Winner Awareness


Flutter Flag

Curb Sign



LED Sign


Door Decal

## Licensing \& Accounting

## Licensing

How to become a Lottery retailer

## Eligibility

Any person (see exceptions below) who is 18 years of age or older and who is bondable may apply for a license as a Lottery retailer in accordance with the provisions and requirements of the Lottery's licensing procedures. No one may apply who:

1. Will be engaged primarily in the business of selling Lottery tickets.
2. Is a board member, officer or employee of the Virginia Lottery or resides in the same household as a board member, officer or employee of the Virginia Lottery.
3. Is a board member, officer or employee of a vendor to the Virginia Lottery, working on a contract with the Virginia Lottery, or whose business is owned by or controlled by or affiliated with that vendor.

## General Standards for Licensing

The director or designee may license those persons who will best serve the public interest, convenience and public trust in the Lottery and promote the sales of Lottery tickets. Before issuing or renewing a license, the director may consider factors, including, but not limited to, the following:

1. The financial responsibility and security of the applicant and his/her business or activity.
2. The accessibility of the place of business or activity to all the public.
3. The sufficiency of existing Lottery retailers to serve the public convenience.
4. The expected sales volume of Lottery tickets.
5. The ability to offer a high level of customer service to Lottery players.

The Director may develop and, by Director's Order, publish additional criteria that, in their judgment, are necessary to serve the public interest and public trust in the Lottery.

After notification of selection as a Lottery retailer, the applicant shall file all required forms with the Lottery. The applicant must submit all information required to be considered for licensing. Failure to submit required forms and information within the times specified by the Lottery may result in the loss of the opportunity to become or remain a licensed Lottery retailer.

## Bonding

All retailers are required to have and maintain a surety bond in the amount determined by the Lottery from a surety bond company entitled to do business in Virginia. The Lottery may establish a sliding scale for surety bonding requirements based on the volume of Lottery ticket sales by a retailer to ensure that the Commonwealth's interest is adequately safeguarded.

## Lottery Bank Accounts and Electronic Funds Transfer (EFT) Authorization

All retailers are required to have and maintain a separate bank account in a bank participating in the Automatic Clearing House System. This account shall be titled as: (Retailer-Business Name / Virginia Lottery Trust) and shall be exclusively for Lottery business. This Lottery account will be used by the retailer to make funds available to the Lottery through the EFT process to settle a retailer's account for funds owed due to the sale of tickets. All retailers shall make payments to the Lottery though the EFT in accordance with the Lottery's licensing procedures unless the director designates another form of payment and settlement under appropriate terms and conditions.

## License Fees

The initial, amended, and periodic license fees shall be determined annually by the Lottery Board.

## Equipment Fees

The fees for all Lottery equipment services shall be determined by the Director. All fees are subject to change based upon a cost review by the Lottery. Each retailer shall be assessed a weekly telecommunications line charge determined by the director. This fee is subject to change based upon a periodic review by the Lottery.

## Application Procedure

- The retail applicant submits a completed licensing application packet, including application fee. Applications are accepted in-person at our Customer Service Centers or Apply online via DocuSign.
- The Lottery conducts a background investigation on the business and business owners. This background investigation includes a credit history check, a tax record check, and a criminal record check.
- If approved, the local Customer Service Center (CSC) will notify the applicant, so they can complete the final submissions for the licensing process. The Lottery requires a signed Authorization Agreement for Preauthorized Payments from a specified bank account set-up for Lottery transactions. This account must be titled as: (Retailer-Business Name / Virginia Lottery Trust).
- At this point the applicant must also provide proof of bonding. All Lottery retailers are required to have a surety bond. Contact the Lottery's Licensing or Finance department for help securing one.
- Once the application is approved, your SR and local CSC will coordinate the installation of equipment at your place of business. Your sales rep will call to set up your call day and place your Scratcher ticket order. Your assigned sales rep will provide you with training on how to work Virginia Lottery terminals. The license is mailed to the retailer listed address once the installation is completed and the retailer is selling.
- If your application is denied, you will be notified in writing, and you will have the option to appeal the decision. Look under the DENIAL OF LICENSE section for more information.


## How to Get Additional Online Terminals

If a current retailer would like to have additional terminals, the Virginia Lottery does allow for a test to occur in the store.

## Vending (GT28): 6-month Test

Reduced Scratch sales requirement is $\$ 7 \mathrm{k} /$ week for a 6 -month test. Test locations are expected to continue to sell from the counter and increase sales incrementally by $\$ 2.8 \mathrm{k} /$ week by the end of the 6 month test period.

## Flex unit: 6-month Test

The minimum Draw sales requirement for a second unit is $\$ 12 \mathrm{k} /$. Minimum expectation for a 3 rd unit is $\$ 24 \mathrm{k} /$ week in Draw sales. Test locations are expected to increase Draw sales by $\$ 3 \mathrm{k} /$ week by the end of the 6-month test period.

All requests for additional terminals are based on the availability of equipment at the time of the request.

## License Renewal

Approximately 60 days before your license expiration date, a line item will appear on your statement showing your license renewal fee. If you do not wish to renew your Lottery license, please contact the Licensing Department at 804-692-7690 between 8:15 a.m. and 5:00 p.m., Monday through Friday.

## Bond Renewal

For retailers bonded through the Lottery's bonding vendor: Approximately $30-45$ days before your bond expiration date, a line item will appear on your Lottery statement showing the premium due for a one -year renewal. This amount will be swept from your Lottery bank account.

For retailers bonded through independent insurance: Approximately 2 months prior to your bond expiration date, you will receive a letter requesting a continuation on your surety coverage for the next year. This certificate must be received by the Licensing Department 14 days PRIOR to your bond expiration date. Failure to supply this documentation will result in your license being inactivated until the certificate is received.

## Denial of License

The Lottery Director may refuse to issue a license if the retailer does not meet the eligibility criteria and standards for licensing or if:

- The retailer has been convicted of a felony.
- The retailer has been convicted of a crime involving moral turpitude.
- The retailer has been convicted of any form of illegal gambling.
- The retailer has been convicted of knowingly and willfully falsifying, misrepresenting, or concealing a material fact, or makes a false, fictitious, or fraudulent statement or misrepresentation.
- The retailer's place of business caters to or is frequented predominantly by persons under 18 years of age.
- The nature of the retail business constitutes a threat to the health or safety of prospective Lottery patrons.
- The nature of the retailer's business is not consistent with the principles and ideals of the Commonwealth of Virginia.
- The retailer has committed any act of fraud, deceit, misrepresentation or conduct prejudicial to public confidence in the Virginia Lottery.

If you receive a denial on your license application, and you wish to appeal the decision, please complete the "Request for Informal Conference" form that is with the letter and return it to the Lottery. Please note that there is a 30 -day time limit for filing an appeal request. Upon receipt of the completed form, someone will contact you to schedule a day and time for the conference.

## Suspension, Revocation, or Refusal to Continue License

The Lottery Director may suspend, revoke, or refuse to continue a retailer's license if a retailer:

- Fails to account properly for online terminal ticket roll stock, canceled tickets, prizes claimed and paid, or the proceeds of the sales of Lottery tickets.
- Fails to file or maintain the required bond or the required Lottery bank account.
- Fails to comply with all applicable laws, instructions, terms or conditions of the license, or rules and regulations of the department concerning the license activity, especially about the prompt payment of claims.
- Is convicted, following the approval of the license, of any of the offenses cited in DENIAL OF LICENSE.
- Fails to file any return or report or to keep records or to pay any fees or other charges as required by the State Lottery Law or the rules or regulations of the Lottery or Lottery Board.
- Commits any act of fraud, deceit, misrepresentation or conduct prejudicial to public confidence in the Virginia Lottery.
- Fails to maintain Lottery ticket sales at a sufficient level to meet the department's administrative costs for servicing the retailer, provided that the public convenience is adequately served by other retailers.
- Fails to notify the Lottery of a material change after the license is issued, of any matter required to be considered by the Director in the licensing process.
- Fails to comply with the game rules.
- Fails to meet minimum point-of-sale standards.

Any action affecting the status of a retailer license has the right of appeal. Please follow the instructions contained in your notification letter, paying special attention to the time limits for filing the appeal.

## Change of Ownership Procedures

If you sell your business, the new owner must apply for a new Lottery license. The license issued to you is no longer valid once the change of ownership takes place. Please allow 8 weeks for a change of ownership to take place.

The procedure for a change of ownership is as follows:

- Notify your sales rep that a change of ownership will take place. We ask that as much notice as possible be given. The Sales Department will notify the Licensing Department.
- The new business owner follows the same application process as listed in the HOW TO BECOME A LOTTERY RETAILER section of this manual. Failure to submit the required application paperwork prior to the change in ownership will result in the immediate inactivation of the current license. Lottery products and equipment will be removed from the place of business until the new application has been submitted and approved for the new ownership.


## Display of License

All Lottery retailers must display their license in general view of the public where Lottery tickets are sold.

## Accounting

Billing Cycles \& Sweep Dates for Scratchers
All Scratchers are sold to retailers on consignment. Simply put, tickets are not put into the accounting cycle until retailers activate the pack as it is put on sale.

Our accounting cycles for Scratchers are set up in one-week segments. A cycle begins on Wednesday and ends on the following Tuesday. For all retailers, in our billing cycle, credits are posted in the billing cycle in which they occur. All ticket cashing credits between Wednesday, Day 1, and Tuesday, Day 7, will be included in the billing sweep on Thursday Day 9. All tickets activated between Day 1 and Day 7 will not be billed until the settlement for cycle Day 21 - 28 and are not collected until Day 30.

Below is a Calendar Showing Examples of the Billing Cycle:

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Day 1 <br> Start of <br> biling cycle | Day 2 | Day 3 | Day 4 |
| Day 5 | Day 6 | Day 7 | Day 8 | Day 9 <br> Sweep <br> Includes <br> Credits from <br> Days 1 - 7 | Day 10 | Day 11 |
| Day 12 | Day 13 | Day 14 | Day 15 | Day 16 | Day 17 | Day 18 |
| Day 19 | Day 20 | Day 21 | Day 22 | Day 23 | Day 24 | Day 25 |
| Day 26 | Day 27 | Day 28 | Day 29 | Day 30 <br> Sweep <br> Includes <br> Activations <br> from Days <br> $1-7$ | Day 31 |  |

On each Wednesday following the end of a billing cycle, you will need to print the Settlement Report when you sign on the online terminal. You will need to deposit the amount owed into your bank account in time for the Thursday collection (or sweep). If the balance due is a credit for you, these funds will be transferred to your account on Thursday as well.

## Insufficient Funds

The Lottery will act immediately to resolve all items returned due to insufficient funds by:

- Inactivating the Lottery license and terminal of the retailer.
- Pursuing collection of the amount owed.
- Charging penalty and interest as a result of the financial institution returning an EFT draft unpaid.


## Tax Information

Federal Form 1099s are mailed to retailers whose business structure is not a corporation by January 31 of each year. Retailers whose business structure is a corporation may contact Lottery Headquarters for their 1099 information.

## Retailer Support

## Virginia Lottery Services Portal

The Virginia Lottery Services Portal is an interactive website that allows retailers to see their sales and commissions on any device at any time. Retailers can contact their sales representative to fill out a form to set-up their portal profile. The portal is accessible at the link below.
https://retailer.valottery.com/RetailerWizard/\#/home.

## Learning Wizard

Learning Wizard ensures retailers, and their employees are comfortable with Lottery equipment and Lottery products, processes, and procedures. The Learning Wizard site is available with terminal simulations and audio, video and product-knowledge resources retailers can complete at their own pace.

## How to access Learning Wizard:

- Visit https://learningwizard.lotteryservices.net/vas
- Enter your Lottery Retailer Number in the Username box.
- Enter Password: WelcomeToLW.
- Click Log in.

Retailers also can access Learning Wizard in the Lottery Services Portal.

- Visit https://retailer.valottery.com/RetailerWizard/\#/home
- Enter your Lottery Services Portal credentials.
- Select Training on the home screen.

