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ARIZONA CORPORATION COMMISSION

JAMES MATTHEWS
EXECUTIVE SECRETARY

SECURITIES DIVISION
Office: (602) 542-4242
FAX: (602) 542-3583

December 15, 1992

Randy Nussbaum, Esq.
Jaburg & Wilk, P.C.
Pointe Corridor Centre II
7600 North 15th Street, Ste. 100
Phoenix, Arizona 85020

RE: Lucky Lotto Advertising Inc.

Dear Mr. Nussbaum:

Please be advised that the Securities Division declines to take a position with respect to the "no action" request dated July 23, 1992, which was submitted by you on behalf of Lucky Lotto Advertising Inc. The issuance of a no action letter by the Securities Division is discretionary, and is granted after a thorough review of all pertinent facts known to the Division. The Division, for example, would decline to grant relief to any transaction which, although in technical compliance with the provisions of the Arizona Securities Act (the "Act"), is part of a plan or scheme to avoid the registration requirements of the Act.

Therefore, the Division chooses to exercise its discretion to take no position with respect to the legality of the proposed activities.

The fee submitted in connection with no action requests is a nonrefundable filing fee pursuant to A.R.S. Section 44-1861(L). Accordingly, the fee may not be refunded for this request. If you seek additional clarification, please contact Michael G. Burton of the Division at 542-4242.

Very truly yours,

DEE RIDDELL HARRIS
Director of Securities

DRH:MB:mgb

JABURG & WILK, P.C.

ATTORNEYS AT LAW

POINTE CORRIDOR CENTRE II
7600 NORTH 15TH STREET, SUITE 100
PHOENIX, ARIZONA 85020

POST OFFICE BOX 9010
PHOENIX, ARIZONA 85068
(602) 861-9000
(602) 285-0915

TELECOPIER (602) 371-3570

LEGAL ASSISTANTS

ANNE M. BURROUGHS
DEBRA J. HANLEY
GAIL E. KOVEN
CONRAD J. KRANZ
DAVID P. LANNAN
JUDITH G. NERONE
STEVEN P. SCHUBERT

ROBERT G. ANDERSON**
BARTLET A. BREBNER
ROGER L. COHEN
GARY J. JABURG*
JOHN E. KAROW
CHARLES A. KELLERS
JAMES P. KNELLER
STEPHEN C. LEPLY
MARVIN W. MANROSS
RANDY NUSSBAUM
KATHI MANN SANDWEISS
LEON B. SILVER
ALAN H. SUSMAN
LAWRENCE E. WILK
JEFFREY H. WOLF

July 23, 1992

Securities Commission
1200 West Washington, Suite 201
Phoenix, Arizona 85007

RE: My Client: Lucky Lotto Advertising
Request for No Action Determination

To Whom it May Concern:

This letter is intended to constitute a "no action" letter. In accordance with the procedures promulgated by the Securities Commission, you are being requested to render a purely advisory opinion regarding my client's proposed advertising program. My client recognizes that your opinion is not binding upon the Securities Commission and that you are not rendering legal advice or bound by your determination. Instead, your response to this no action request is purely advisory and intended to simply provide my client with a general overview of the Securities Commission's position regarding this program.

Enclosed is a check in the sum of \$200.00 to cover the cost of issuing a response.

I have also enclosed a copy of the original letter that was sent to the Securities Commission which specifically outlines my client's program

Securities Commission
July 23, 1992
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Your cooperation regarding this matter is appreciated.

Very truly yours,

JABURG & WILK, P.C.



Randy Nussbaum
For the Firm

RN:klt
enclosure
cc: Mr. Paul Chamberlain

4801.001/L006KLT.RXN

JABURG & WILK, P.C.

ATTORNEYS AT LAW

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7600 NORTH 15TH STREET, SUITE 100
PHOENIX, ARIZONA 85020

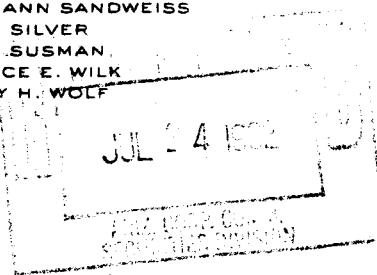
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LAWRENCE E. WILK
JEFFREY H. WOLF



June 16, 1992

Attorney General's Office
1275 West Washington
Phoenix, Arizona 85004

RE: My Client: Lucky Lotto Advertising

To Whom It May Concern:

My client, Lucky Lotto Advertising, Inc., has asked this office to contact the appropriate governmental agencies to insure that its promotional activities are in compliance with Arizona law.

Enclosed is a copy of a Lucky Lotto Advertising, Inc. advertising exemplar. With the exception of the top half of the page, this example is representative of the material which my client will be promoting throughout the state.

This promotional device does not entail any gimmicks or come-ons. My client is going to sell advertising space to a number of companies which will be allotted a number of the handouts. Customers of that company will receive the entry forms at the discretion of the advertising company. A customer will then send in the application to my client. At the beginning of the program, my client will buy 20 specified lottery numbers which will be identified on the hand-out. So long as a customer follows the rules and sends in the entry form on time, that customer will be entitled to share in a grand prize jackpot if one of the twenty numbers is a winner.

One entry form will be good for up to 10 weeks. The same numbers are going to be selected every week so that a customer will not have to monitor what numbers are being used. At the end of a week period, the customer can simply return to the appropriate business and pick up a new entry form.

* CERTIFIED SPECIALIST, BANKRUPTCY LAW, ARIZONA BOARD OF LEGAL SPECIALIZATION

** CERTIFIED SPECIALIST, REAL ESTATE LAW, ARIZONA BOARD OF LEGAL SPECIALIZATION

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Page 2

There may be up to two thousand winning entries if one of the numbers is a correct pick. The only fee that will be assessed against a winner will be the \$2.00 processing fee. In other words, if there is a million dollar payout on a jackpot and a 1,000 entries, each entry will be worth a \$1,000.00 minus the \$2.00 processing fee.

Advertisers are being instructed that this promotion should not be tied into an obligation to purchase any product or pay any money. My client is going to hand the distribution of the entry forms, the processing of the completed forms, and distribution of any winnings if a lucky number is picked.

This office has reviewed the lottery laws and cannot find any statutes that restrict this type of activity. Nevertheless, since my client is intending on promoting this advertising program throughout the state and will be investing substantial sums of money, it has asked me to confirm that this business will not be in violation of any state statutes or regulations.

Your anticipated cooperation regarding this matter is appreciated.

Very truly yours,

JABURG & WILK, P.C.

/s/
Randy Nussbaum
For the Firm

RN:lmg
cc: State Security Commission W/Encl.
Mr. Paul Chamberlin W/Encl.
Arizona Lottery W/Encl.

G:\4801.001\L001lmg.rn

PLAY 20 PICKS IN THE ARIZONA LOTTERY FOR 10 WEEKS FREE

Serial # _____

FROM: _____

TO: _____

SATURDAY JACKPOTS ONLY

RETURN COUPON AND PLAY 20 FREE PICKS IN UPCOMING SATURDAY LOTTOS

- | | | | |
|----|-----|-----|-----|
| 1. | 6. | 11. | 16. |
| 2. | 7. | 12. | 17. |
| 3. | 8. | 13. | 18. |
| 4. | 9. | 14. | 19. |
| 5. | 10. | 15. | 20. |

IMPORTANT; KEEP YOUR NUMBERS IN A SAFE PLACE. RETAIN THIS CERTIFICATE. All winnings of this Special FREE lotto play will be split equally among the participants.

The information on the coupon must be completely filled out, mailed, and postmarked one week prior to the date indicated above. (See date marked "FROM")

TO ACTIVATE YOUR LOTTO NUMBERS FILL OUT THE COUPON AND MAIL TO:

Lucky Lotto, P.O. Box 13561, Scottsdale, AZ 85260

OFFICIAL LUCKY LOTTO ADVERTISING, INC. GAME RULES

No Purchase Necessary to Enter or Win

1. Complete the official entry form and mail to Lucky Lotto Advertising, Inc., P.O. Box 13561, Scottsdale, AZ 85260. Entries must be mailed in separate envelopes and postmarked no later than Date . No mechanically reproduced or photographed entries will be honored. No responsibility for lost, late or misdirected mail.
2. All winnings of this FREE Lotto Game shall be shared equally by participants of the winning ticket.
3. **Winners will not be Notified.** Winners holding a participant's interest in a winning lottery ticket **MUST** send a self-addressed envelope to *LLA, Inc. within thirty (30) days of the date that the winning numbers were announced. Participants failing to comply with this request forfeit their interest in winning ticket.
4. A \$2.00 fee will be subtracted from participant's winnings by LLA* for handling and distribution of said winnings.
5. Employees, relatives, and/or agents of LLA* are not eligible for jackpot prize.
6. This coupon is for **Saturday drawings only** for the dates indicated above. The jackpot option elected is the cash value, one-lump-sum payoff, or approximately half the amount of actual jackpot listed amount. These picks are for jackpot prize only and do not include second, third, or fourth prize combinations. Not affiliated with or an agent of any State Lottery. Offer void where prohibited, and subject to all Federal, State and local laws.
7. The Lucky Lotto Advertising Corporation produces promotions for various clients. The Lucky Lotto Game promotion is operated, managed and controlled by LLA, Inc. Responsibility and accountability are accepted by LLA, Inc. Therefore, we deem it important for all to know that the conditions and rules of this promotion are all listed on this contract below the Client's Advertisement. That no other promises, contentions, conditions, stipulations or requirements, written or oral shall be recognized or deemed valid by Lucky Lotto Advertising, Inc.

*Lucky Lotto Advertising, Inc.™
P.O. Box 13561
Scottsdale, AZ 85260

.....
SERIAL # _____

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Social Security #: _____

I have read and understand all the rules and regulations for participants in this FREE LOTTO PROMOTION.

Signature: _____ Date: _____