

Exhibit K

STATE OF NEW JERSEY DIVISION OF STATE LOTTERY

Cash 4 Life New Jersey Lottery Draw Activity

April 1, 2017 - March 31, 2018

**STATE OF NEW JERSEY,
DIVISION OF STATE LOTTERY**

CASH 4 LIFE NEW JERSEY LOTTERY DRAW ACTIVITY

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**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

State of New Jersey
Division of State Lottery

We have performed the procedures enumerated below, which were agreed to by the management of the State of New Jersey, Division of State Lottery (the "Division of State Lottery") and other member lotteries in states that operate Cash 4 Life, solely to assist you in connection with your reporting requirements related to Cash 4 Life for the period from April 1, 2017 to March 31, 2018. The Division of State Lottery is responsible for monitoring the reporting requirements related to Cash 4 Life. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures we performed and the associated findings are as follows:

- a. Obtained from the Division of State Lottery the "Draw Activity" (Exhibit I) report and the "Fixed Prize Analysis" (Exhibit II) report for the period from April 1, 2017 to March 31, 2018, and verified the mathematical accuracy of the exhibits and noted any exceptions.

No exceptions were found as a result of applying this procedure.

- b. Randomly selected five draw dates from the period April 1, 2017 to March 31, 2018. The dates we selected were May 11, 2017, July 10, 2017, November 30, 2017, February 22, 2018, and March 19, 2018.

No exceptions were found as a result of applying this procedure.

- c. For each draw date selected in step "b" above, compared the total amount of sales as shown on the daily sales report produced by the Division of State Lottery's gaming system and the total amount of sales shown on the related daily sales report produced by Internal Control System ("ICS"), with the balance listed in the "Sales" column for the respective draw date on the "Draw Activity" report attached as Exhibit I and ensured they were in agreement.

No exceptions were found as a result of applying this procedure.

- d. Calculated the total dollar amount of the fixed prizes for the draw dates selected in step "b" above, based on the total number of winners from the Division of State Lottery's gaming system for each prize level and the prize structure of the Cash 4 Life fixed prizes (as defined in the official game rules). Also compared the calculated expense with the amount listed in the "Actual Fixed Prizes" column for the respective draw dates on the "Draw Activity" report attached as Exhibit I and ensured they were in agreement.

No exceptions were found as a result of applying this procedure.

- e. For each draw date selected in step "b" above, compared the amount of sales, actual fixed prizes and share of fixed prizes shown on the "Draw Activity" report attached as Exhibit I to the amounts shown on the applicable Cash 4 Life Prize Settlement Reports and ensured they were in agreement.

No exceptions were found as a result of applying this procedure.

- f. For the period April 1, 2017 to March 31, 2018, randomly selected two months and obtained the "Expired Prize Settlement Report" distributed by the Virginia Lottery. For the two months selected, May 2017 and March 2018, obtained from the Division of State Lottery's ICS the actual fixed prizes awarded and the prizes unclaimed. Compared the ICS data back to the data reported from the Virginia Lottery for each draw of the subject months and ensured they were in agreement.

No exceptions were found as a result of applying this procedure.

- g. Compared the amounts shown as the total of the actual fixed prizes and the total of the share of fixed prizes on the "Draw Activity" report attached as Exhibit I to the applicable amounts shown on the "Fixed Prize Analysis" report attached as Exhibit II and ensured they were in agreement.

No exceptions were found as a result of applying this procedure.

- h. Compared the total of the period transfers from/to the Division of State Lottery to/from the Virginia Lottery for settlement of the fixed prize liability as shown in the Division of State Lottery's cash disbursement subsidiary records to the amount listed in the "Qtrly/Yrly Settlements Transfers In/(Out)" column on the "Fixed Prize Analysis" report attached as Exhibit II and ensured they were in agreement.

No exceptions were found as a result of applying this procedure.

- i. Compared the balance listed as the Division of State Lottery's receivable as of March 31, 2018, for the fixed prizes as shown on the "Fixed Prize Analysis" report attached as Exhibit II to the Division of State Lottery's financial accounting records and to the Cash 4 Life Prize Settlement Report as of March 31, 2018, and ensured they were in agreement.

No exceptions were found as a result of applying this procedure.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the "Draw Activity" (Exhibit I) and on "Fixed Prize Analysis" (Exhibit II) for the period from April 1, 2017 to March 31, 2018. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management, others within the Division of State Lottery, and other member lotteries in states that operate Cash 4 Life, and is not intended to be and should not be used by anyone other than these specified parties.

Mercadieu, P.C.
Certified Public Accountants

September 21, 2018

EXHIBITS

**STATE OF NEW JERSEY,
DIVISION OF STATE LOTTERY**

Exhibit I

Cash 4 Life New Jersey Lottery Draw Activity

For the period from April 1, 2017 to March 31, 2018

Winning State	Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Tier 2 Amount	Grand Prize Amount
GA	4/3/2017	\$ 415,100	\$ 119,363	\$ 120,763	\$ -	\$ -
	4/6/2017	383,236	120,882	119,602	-	-
	4/10/2017	404,462	120,131	112,131	-	-
	4/13/2017	381,684	108,483	104,030	-	-
	4/17/2017	385,942	127,538	130,043	-	-
	4/20/2017	378,996	114,955	105,741	-	-
	4/24/2017	400,242	117,383	111,811	-	-
	4/27/2017	372,432	118,471	112,881	-	-
	5/1/2017	401,464	146,522	140,162	-	-
	5/4/2017	383,934	126,507	124,305	-	-
	5/8/2017	402,876	104,488	106,423	-	-
	5/11/2017	381,260	109,808	113,372	-	-
	5/15/2017	399,240	114,698	116,543	-	-
	5/18/2017	372,866	102,516	103,261	-	-
	5/22/2017	392,944	114,350	115,117	-	-
	5/25/2017	383,688	145,964	141,848	-	-
	5/29/2017	356,524	105,142	110,002	-	-
	6/1/2017	394,282	115,360	117,180	-	-
	6/5/2017	419,908	110,064	108,276	-	-
	6/8/2017	389,310	99,045	101,367	-	-
	6/12/2017	400,596	116,846	116,065	-	-
	6/15/2017	370,312	121,279	115,706	-	-
	6/19/2017	386,488	113,722	116,163	-	-
	6/22/2017	374,816	94,866	94,265	-	-
	6/26/2017	392,618	108,710	104,029	-	-
	6/29/2017	373,594	138,114	132,289	-	-
	7/3/2017	388,092	103,747	106,428	-	-
	7/6/2017	361,564	102,254	100,395	-	-
	7/10/2017	388,386	111,088	107,256	-	-
	7/13/2017	370,372	106,824	105,735	-	-
NY	7/17/2017	393,210	135,604	140,233	-	-
	7/20/2017	369,742	88,392	93,299	-	-
	7/24/2017	393,900	115,281	113,566	-	-
	7/27/2017	378,614	104,858	98,095	-	-
	7/31/2017	401,900	116,037	122,044	-	-

**STATE OF NEW JERSEY,
DIVISION OF STATE LOTTERY**

Exhibit I

Cash 4 Life New Jersey Lottery Draw Activity (Continued)

For the period from April 1, 2017 to March 31, 2018

Winning State	Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Tier 2 Amount	Grand Prize Amount
MD	8/3/2017	386,840	141,999	144,136	-	-
	8/7/2017	414,024	120,288	119,211	-	-
	8/10/2017	408,902	139,364	130,605	-	-
	8/14/2017	427,026	126,195	129,591	-	-
	8/17/2017	399,976	133,567	132,056	-	-
	8/21/2017	428,236	154,842	150,109	-	-
	8/24/2017	418,398	109,285	116,634	-	-
	8/28/2017	408,586	126,619	125,506	-	-
	8/31/2017	382,814	97,232	95,774	-	-
	9/4/2017	361,708	100,427	105,344	-	-
	9/7/2017	386,122	128,606	127,225	-	-
	9/11/2017	401,624	92,264	96,356	-	-
	9/14/2017	379,116	122,592	118,795	-	-
	9/18/2017	395,966	122,932	120,051	-	-
	9/21/2017	366,592	109,738	106,728	-	-
	9/25/2017	383,880	107,671	108,986	-	-
	9/28/2017	359,186	92,927	92,218	-	-
	10/2/2017	386,880	100,670	103,687	-	-
	10/5/2017	366,068	102,405	103,597	-	-
	10/9/2017	365,662	104,508	101,313	-	-
	10/12/2017	358,246	99,772	94,791	-	-
	10/16/2017	378,158	107,500	109,732	-	-
	10/19/2017	351,000	88,477	90,776	-	-
	10/23/2017	367,434	93,492	95,856	-	-
GA	10/26/2017	342,786	119,220	118,879	-	-
	10/30/2017	355,234	109,924	106,234	-	-
	11/2/2017	346,786	88,789	91,195	-	-
	11/6/2017	365,960	134,758	127,412	-	-
	11/9/2017	337,466	99,222	97,978	-	-
	11/13/2017	347,274	116,576	118,641	-	-
	11/16/2017	335,532	101,686	100,487	-	-
	11/20/2017	358,376	101,469	104,939	-	-
	11/23/2017	296,638	74,622	78,639	-	-
	11/27/2017	344,882	84,626	88,247	-	-
	11/30/2017	333,966	101,192	103,025	-	-
	12/4/2017	361,482	88,429	92,162	-	-
NY	12/7/2017	336,238	96,482	90,073	-	-
	12/11/2017	346,388	94,975	97,928	-	-
	12/14/2017	322,180	91,198	93,928	-	-

**STATE OF NEW JERSEY,
DIVISION OF STATE LOTTERY**

Exhibit I

Cash 4 Life New Jersey Lottery Draw Activity (Continued)

For the period from April 1, 2017 to March 31, 2018

Winning State	Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Tier 2 Amount	Grand Prize Amount
	12/18/2017	360,652	133,120	129,902	-	-
	12/21/2017	352,344	108,473	106,484	-	-
	12/25/2017	291,744	83,679	82,387	-	-
	12/28/2017	359,826	106,794	104,480	-	-
	1/1/2018	336,180	116,743	114,149	-	-
	1/4/2018	294,570	85,263	83,885	-	-
	1/8/2018	370,998	101,255	109,001	-	-
	1/11/2018	342,588	88,914	90,816	-	-
	1/15/2018	350,290	106,667	106,180	-	-
	1/18/2018	332,490	86,092	84,264	-	-
	1/22/2018	358,578	132,300	134,135	-	-
	1/25/2018	335,242	107,634	98,730	-	-
	1/29/2018	369,060	111,369	118,918	-	-
	2/1/2018	352,618	108,159	107,933	-	-
	2/5/2018	367,666	95,288	94,874	-	-
	2/8/2018	341,078	87,415	91,521	-	-
	2/12/2018	365,014	127,790	128,537	-	-
	2/15/2018	351,694	80,777	89,615	-	-
	2/19/2018	359,016	109,035	113,351	-	-
	2/22/2018	357,150	101,922	95,415	-	-
	2/26/2018	388,410	108,076	103,559	-	-
NJ	3/1/2018	386,318	156,362	157,219	-	7,000,000
	3/5/2018	391,804	96,092	96,885	1,000,000	-
	3/8/2018	333,568	90,340	90,906	-	-
	3/12/2018	402,816	110,679	112,108	-	-
	3/15/2018	375,686	112,277	106,039	-	-
NY	3/19/2018	400,216	108,715	108,732	-	-
	3/22/2018	346,400	103,592	102,552	-	-
	3/26/2018	396,738	120,871	123,529	-	-
	3/29/2018	382,422	91,995	93,373	-	-
	Total	<u>\$ 38,711,402</u>	<u>\$ 11,423,520</u>	<u>\$ 11,388,749</u>	<u>\$ 1,000,000</u>	<u>\$ 7,000,000</u>

**STATE OF NEW JERSEY,
DIVISION OF STATE LOTTERY**

Exhibit II

Cash 4 Life New Jersey Lottery Fixed Prize Analysis

For the period from April 1, 2017 to March 31, 2018

	April 1, 2017 Receivable / (Payable)	Actual Fixed Prizes	Share of Fixed Prizes	Qtrly/Yrly Settlements Transfers In / (Out)	March 31, 2018 Receivable / (Payable)
Florida	\$ (67,101)	\$ 18,760,514	\$ 18,819,999	\$ (57,428)	\$ (69,158)
Georgia	5,984	2,973,463	2,978,452	(2,380)	3,375
Indiana	6,890	1,738,606	1,753,357	(733)	(7,128)
Maryland	20,712	3,979,036	3,991,151	(1,122)	9,719
New Jersey	10,223	11,423,520	11,388,749	52,007	(7,013)
New York	17,871	28,017,138	28,055,010	26,825	(46,826)
Pennsylvania	(14,459)	5,450,091	5,432,678	(16,200)	19,154
Tennessee	(86,475)	2,745,892	2,734,001	(90,987)	16,403
Virginia	106,355	4,529,981	4,464,844	90,018	81,474
Total	<u>\$ -</u>	<u>\$ 79,618,241</u>	<u>\$ 79,618,241</u>	<u>\$ -</u>	<u>\$ -</u>