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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Texas Lottery Commission and Mega Millions Member Lotteries
Austin, Texas

We have performed the procedures enumerated below, which were agreed to by the Texas Lottery Commission (the "Commission") and the Mega Millions Member Lotteries (collectively, the specified parties), solely to assist you with respect to procedures surrounding Megaplier accounting and reporting by the Commission. The Commission's management is responsible for the Commission's accounting records. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the 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.

Our procedures and findings are as follows:

1. Obtain from the Texas Lottery Commission the "Draw Activity" and the "Fixed Prize Analysis" for the period January 18, 2011 through March 31, 2012 and attach those as Exhibits I and II, respectively. Prove the mathematical accuracy of the schedules and note any exceptions.

Finding – No exceptions were noted.

2. Randomly select seven (7) draw dates from the period January 18, 2011 through March 31, 2012.

Finding – The following dates were selected for testing: January 18, 2011; February 25, 2011; May 3, 2011; July 1, 2011; October 18, 2011; December 9, 2011; and January 24, 2012.

Affiliated Company

ML&R WEALTH MANAGEMENT LLC

"A Registered Investment Advisor"

This firm is not a CPA firm

3. For each draw date selected in step “2” above, compare the total amount of sales as shown on the daily sales report produced by the Texas Lottery Commission’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 ensure they are in agreement.

Finding – No exceptions were noted.

4. Calculate the total dollar amount of the fixed prizes for the draw dates selected in step “2” above, based on the total number of winners from the Texas Lottery Commission’s gaming system for each prize level and the prize structure of the Megaplier fixed prizes (as defined in the official game rules). Compare the calculated expense with the amount listed in the “Actual Fixed Prizes” column for the respective draw date on the “Draw Activity” report attached as Exhibit I and ensure they are in agreement.

Finding – No exceptions were noted.

5. For each draw date selected in step “2” above, compare 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 Megaplier Prize Settlement Reports and ensure they are in agreement.

Finding – No exceptions were noted.

6. For the period identified, randomly select two months and obtain the “Expired Prize Settlement Report” distributed by the Virginia Lottery. For the two months selected, obtain from the Texas Lottery Commission ICS the actual fixed prizes awarded and the prizes unclaimed. Compare the ICS data back to the data reported from the Virginia Lottery for each draw of the subject months to ensure they are in agreement.

Finding – February 2012 and March 2012 Expired Prize Settlement reports were selected for examination and no exceptions were noted.

7. Compare 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 ensure they are in agreement.

Finding – No exceptions were noted.

8. Compare the total of the period transfers from the Texas Lottery Commission to the Virginia Lottery for settlement of the fixed prize liability as shown in the Texas Lottery Commission'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 ensure they are in agreement.

Finding – No exceptions were noted.

9. Compare the balance listed as the Texas Lottery Commission's receivable as of March 31, 2012 for the fixed prizes as shown on the "Fixed Prize Analysis" report attached as Exhibit II to the Texas Lottery Commission's financial accounting records and to the Megaplier Prize Settlement Report as of March 31, 2012 and ensure they are in agreement.

Finding – The Commission's financial accounting records agreed to the payable balance as shown on the "Fixed Prize Analysis" report and the Megaplier Prize Settlement Report as of March 31, 2012 after taking into consideration a timing difference, which resulted from the April 2012 posting of the final draw activity for the period.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the Commission's accounting records. Accordingly, we do not express such an opinion. 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 the specified parties and is not intended to be and should not be used by anyone other than those specified parties.

Maxwell Soche + Ritter LLP

July 31, 2012

EXHIBIT I

Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
1/18/2011	304,021	127,014	338,699		
1/21/2011	335,922	107,838	335,441		
1/25/2011	327,957	132,723	326,516		
1/28/2011	367,663	912,438	333,711		
2/01/2011	346,884	131,994	114,293		
2/04/2011	269,451	75,360	78,157		
2/08/2011	334,407	35,306	288,403		
2/11/2011	353,342	48,953	49,819		
2/15/2011	349,032	143,142	116,808		
2/18/2011	387,023	82,472	90,563		
2/22/2011	375,779	110,565	121,239		
2/25/2011	414,705	183,138	179,337		
3/01/2011	366,175	137,918	124,910		
3/04/2011	419,209	250,050	208,741		
3/08/2011	425,837	129,159	340,460		
3/11/2011	479,727	56,883	56,147		
3/15/2011	503,448	913,122	374,745		
3/18/2011	642,159	927,810	425,500		
3/22/2011	807,991	1,013,079	670,063		
3/25/2011	1,329,202	454,359	451,879		
3/29/2011	278,648	84,582	87,720		
4/01/2011	320,311	65,812	74,031		
4/05/2011	304,700	43,507	42,613		
4/08/2011	339,337	65,866	82,923		
4/12/2011	325,232	44,921	41,940		
4/15/2011	364,203	94,158	77,310		
4/19/2011	271,261	72,786	75,707		
4/22/2011	296,310	60,504	281,628		
4/26/2011	279,745	53,912	57,953		
4/29/2011	324,033	110,172	113,414		
5/03/2011	317,615	30,806	30,502		
5/06/2011	286,564	80,004	66,408		
5/10/2011	266,662	77,187	80,952		
5/13/2011	302,386	94,182	101,923		
5/17/2011	252,122	73,605	303,321		
5/20/2011	275,833	83,088	94,535		
5/24/2011	258,895	75,052	58,300		
5/27/2011	288,455	103,866	125,636		
5/31/2011	232,220	68,026	53,428		
6/03/2011	273,341	53,044	50,899		
6/07/2011	258,664	77,139	78,356		
6/10/2011	292,967	70,476	76,582		
6/14/2011	280,406	89,454	99,161		
6/17/2011	319,293	88,275	90,924		
6/21/2011	310,015	66,734	72,470		
6/24/2011	349,332	90,648	82,539		
6/28/2011	339,940	112,785	105,340		
7/01/2011	434,651	173,097	146,669		
7/05/2011	241,956	26,661	31,104		
7/08/2011	281,685	50,792	61,978		
7/12/2011	266,398	98,439	116,111		
7/15/2011	302,554	58,788	59,667		

Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
7/19/2011	283,059	127,323	121,769		
7/22/2011	317,134	113,652	109,957		
7/26/2011	303,371	61,694	288,220		
7/29/2011	343,391	170,463	131,174		
8/02/2011	335,302	113,208	113,240		
8/05/2011	382,061	88,926	88,713		
8/09/2011	251,519	70,095	81,724		
8/12/2011	269,503	83,658	90,606		
8/16/2011	259,366	76,800	80,862		
8/19/2011	292,150	29,178	28,498		
8/23/2011	239,711	47,376	56,208		
8/26/2011	261,985	54,166	286,382		
8/30/2011	247,148	74,859	85,497		
9/02/2011	288,271	72,682	58,344		
9/06/2011	252,224	72,516	82,642		
9/09/2011	300,466	1,641,378	579,765		
9/13/2011	293,712	81,621	87,657		
9/16/2011	331,233	101,688	107,031		
9/20/2011	322,114	89,535	86,396		
9/23/2011	366,243	138,174	114,551		
9/27/2011	375,286	851,760	566,877		
9/30/2011	459,029	895,383	380,437		
10/04/2011	254,971	70,084	55,116		
10/07/2011	276,616	126,363	138,364		
10/11/2011	256,140	106,218	82,775		
10/14/2011	287,597	85,059	92,769		
10/18/2011	268,378	35,333	29,942		
10/21/2011	294,650	65,656	289,921		
10/25/2011	281,189	121,068	106,210		
10/28/2011	312,257	84,996	306,406		
11/01/2011	322,152	816,670	290,602		
11/04/2011	264,657	70,470	92,104		
11/08/2011	244,405	68,118	292,850		
11/11/2011	309,392	103,362	101,060		
11/15/2011	261,694	120,936	120,267		
11/18/2011	288,488	118,407	114,885		
11/22/2011	277,760	48,809	33,827		
11/25/2011	279,621	67,160	52,908		
11/29/2011	291,747	95,634	327,786		
12/02/2011	337,190	127,059	134,428		
12/06/2011	321,789	99,915	106,818		
12/09/2011	406,750	178,194	136,223		
12/13/2011	407,595	131,163	150,838		
12/16/2011	465,646	141,370	112,007		
12/20/2011	489,416	177,930	379,624		
12/23/2011	584,299	204,801	493,336		
12/27/2011	610,501	171,836	390,073		
12/30/2011	303,152	83,316	107,319		
1/03/2012	261,753	28,914	31,510		
1/06/2012	292,501	32,391	30,186		
1/10/2012	273,071	52,882	52,643		
1/13/2012	313,949	62,070	72,752		

Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
1/17/2012	284,063	29,870	30,151		
1/20/2012	312,354	40,978	36,846		
1/24/2012	296,525	121,155	319,793		
1/27/2012	255,982	74,820	79,172		
1/31/2012	241,475	57,026	67,237		
2/03/2012	279,848	88,125	94,325		
2/07/2012	263,864	109,263	94,638		
2/10/2012	296,028	845,964	313,536		
2/14/2012	287,969	799,610	270,016		
2/17/2012	321,648	85,292	74,400		
2/21/2012	310,270	57,430	67,149		
2/24/2012	346,349	117,627	122,719		
2/28/2012	347,398	95,074	83,047		
3/02/2012	422,216	60,233	266,787		
3/06/2012	428,445	134,886	141,915		
3/09/2012	479,792	224,526	191,659		
3/13/2012	498,317	135,448	115,517		
3/16/2012	598,777	130,026	149,583		
3/20/2012	673,275	321,414	652,145		
3/23/2012	891,233	326,568	352,589		
3/27/2012	1,639,004	344,078	630,528		
3/30/2012	6,188,414	1,384,970	2,084,167		
* Totals *	50,952,518	22,748,393	22,537,493		

EXHIBIT II

	Receivable (Payable)	Actual Fixed Prizes	Share of Fixed Prizes	Qtrly/Yrly Settlements Transfers In(Out)	Receivable (Payable)
California					
Georgia		4,470,618	3,505,351	638,796	326,471
Illinois		8,330,070	7,298,410	209,631-	1,241,291
Massachusetts		3,096,419	2,572,031	147,037	377,351
Maryland		3,292,224	2,744,153	944,843	396,772-
Michigan		3,420,272	4,090,530	192,179-	478,079-
New Jersey		6,196,837	5,926,560	550,500-	820,777
New York		6,164,430	7,325,229	996,606-	164,193-
Ohio		10,116,907	10,848,091	892,111-	160,927
POWER BALL					
Texas		22,748,393	22,537,493	1,991,509	1,780,609-
Virginia		4,548,794	5,732,085	551,772-	631,519-
Washington State		1,645,107	1,450,138	329,386-	524,355
** Totals **		74,030,071	74,030,071		