**Section 1770.120 Agent Financial Adjustments**

a) Whenever instant tickets are lost, stolen or destroyed while in the possession of an Agent, the Department may provide for full or partial credit against the settlement due the Department from an Agent for lost or destroyed non-winning tickets, mid-tier tickets authorized prior to the loss, and mid-tier tickets properly reported as lost or destroyed and therefore unable to be claimed or redeemed. Each claim for credit shall be accompanied by an affidavit, an incident report, and a police or fire report, as appropriate, and/or other supplementary documentation as the Director may deem necessary to properly validate the loss.

b) Whenever an Agent pays a prize with a claimed value in excess of the amount permitted by Section 1770.190(b) and seeks reimbursement for the full amount paid, the Agent must submit:

1) A written explanation of the circumstances surrounding the prize payment;

2) The winning ticket or, if the Lottery game ticket has been destroyed, a written explanation of the circumstances surrounding the ticket's destruction;

3) A claim form completed in the Agent's name and taxpayer identification number; and

4) Any other documentation requested by the Department's Chief Financial Officer and General Counsel, or their designees.

c) The Department's Chief Financial Officer and General Counsel, or their designees, will review the documentation provided in conjunction with Department records and, if satisfied that an honest error occurred, such an error is not likely to occur again, and that the original holder of the winning ticket was paid the full amount due for the winning ticket, may jointly recommend that the Agent be reimbursed up to the full prize amount paid. If necessary to ensure that no other person has legal claim to the prize, the Department's Chief Financial Officer and General Counsel, or their designees, may withhold reimbursement to the Agent until the pertinent prize claim period has expired.

(Source: Amended at 47 Ill. Reg. 13924, effective September 18, 2023)