

MEGAN'S HOUSE - WHERE DREAMS COME HOME RAFFLE
OFFICIAL RULES

WARNING:

You must be 18 years of age or older and a U.S. resident at the time you place your order to enter this raffle. You must read the Official Rules of the "Where Dreams Come Home Raffle", (the "Raffle"). You must acknowledge that you understand that the Raffle is being conducted by The Megan House Foundation, Inc. ("MHF") and these Official Rules by signing the ticket if purchased in person. If purchased online at www.themeganhouse.org, by selecting "Checkout" and typing your electronic signature (which is equivalent to your written signature) you are (a) affixing your electronic signature to the order form (b) certifying that you have read and agree to the Official Rules of this Raffle, and (c) upon acceptance of your order, your electronic signature will also be electronically affixed to your Raffle Ticket(s) as may be required in certain circumstances by the Commonwealth of Massachusetts.

OFFICIAL RULES:

MHF, a Massachusetts nonprofit corporation and tax-exempt under Section 501(c)(3) of the Internal Revenue Code, is conducting the Raffle to raise funds for its ongoing charitable activities and purposes. The Official Rules (the "Rules") of the Raffle, set forth below, govern the Raffle, awarding of the prizes, and participation in the Raffle.

The Rules bind every person (a "Ticket Holder") who buys or holds a Raffle ticket. By purchasing or holding a ticket, each Ticket Holder agrees (a) to be bound by these Rules and (b) that MHF's interpretation and application of these Rules is conclusive and final.

The Raffle will take place on November 9th, 2017 at the Four Oaks Country Club in Dracut, Massachusetts. The final ticket purchase deadline for entry is October 31st, 2017. Only 5,000 Raffle tickets will be sold. A minimum of 4,250 tickets must be sold.

The drawing will be attended by the first 350 ticket holders to respond to an invitation sent via email on October 24, 2017, but the winner need not be present to win.

A. GENERAL RULES:

- 1. Permitting and Applicable Law:** This Raffle is being conducted pursuant to a permit issued by the City of Lowell, Massachusetts to The Megan's House Foundation, Inc., License # 2017-5. It is subject to the Laws of the Commonwealth of Massachusetts and being conducted in accordance with the applicable provisions of said laws, G.L. c. 271, §7A and 940 CMR 12.00 and other relevant rules and regulations ("Applicable Laws").

If there is a conflict between these Rules and the laws of the Commonwealth of Massachusetts, the laws of the Commonwealth of Massachusetts shall govern. MHF reserves the right to modify the Rules and/or impose additional conditions, procedures, and requirements as may be necessary or required for the Raffle and the award of the prizes hereunder to comply with the laws of the Commonwealth of Massachusetts and Applicable Law. This Raffle is void where prohibited by law. These rules are copyrighted proprietary materials and may not be copied, reproduced, or used in whole or part in any manner. For information or inquiries about this Raffle, contact Deb Belanger at dbelanger@themeganhouse.org.

- 2. Eligibility:** To be eligible to purchase a ticket, a ticket purchaser (an "Eligible Ticket Purchaser") must (a) be at least 18 years old at the time of purchase, (b) be a U.S. resident physically residing in the United States or District of Columbia (excluding CA, FL, NY, Puerto Rico, Territories and possessions), and (c) not be precluded by Applicable Law from holding or purchasing a ticket or participating in a raffle.

If a ticket is purchased by an Eligible Ticket Purchaser who designates another person as the Ticket Holder, then that person must (a) be at least 18 years old at the time of purchase, (b) be a U.S. resident physically residing in the United States or District of Columbia (excluding CA, FL, NY, Puerto Rico, Territories and possessions), and (c) not be precluded by Applicable Law from holding or purchasing a ticket or participating in a raffle.

A person cannot be an Eligible Ticket Purchaser or a Ticket Holder if such person or holder is a person (a) with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List") or under any statute or executive order or (b) who is acting, directly or indirectly, for or on behalf of any such person.

MHF officers, directors, trustees, and employees who have been directly involved in the promotion or operation of this Raffle and their immediate family members may not purchase a ticket and are not eligible to win the prizes.

MHF reserves the right to require reasonable evidence of the eligibility of an Eligible Ticket Purchaser or Ticket Holder at any time and to void any ticket sold to a person who does not meet the eligibility requirements or who is precluded by Applicable Law from holding a ticket or participating in a raffle.

- 3. How to Participate:** Eligible Ticket Purchasers may purchase Raffle tickets online at www.themeganhouse.org, or in person at publicized venues. Eligible Ticket Purchasers may also make a ticket reservation by calling 978-606-9955. At the time of purchase, Eligible Ticket Purchasers must provide their name, address, email address, phone number, and payment which may include credit card number, credit card security code and expiration date, and such other information as MHF may require. Eligible Ticket Purchasers may not purchase tickets by email or voice mail. All entries must include payment by cash, check, money order, or credit card.

Tickets will be distributed and ticket numbers will be assigned in the order that payment is received. All payments will be deposited upon receipt. MHF reserves the right to reject any entry form that it deems defective, illegible, ineligible, or submitted without "good funds."

In accordance with Applicable Law, MHF will not mail Raffle tickets to Ticket Holders. Raffle tickets purchased online will be issued and transmitted to the Ticket Holder as set forth in paragraph 7, Electronic Signature & Digital Tickets, below. Hard copies of official tickets shall be provided to those Eligible Ticket Purchasers who purchase Raffle tickets in person and are otherwise available upon

request. To win a prize, Ticket Holders do not need (a) to possess a hard copy of a Raffle ticket or a receipt and (b) do not need to be present at a drawing.

All Raffle ticket sales are final. MHF will make no refunds except under the following circumstances: MHF will return any payment that MHF receives (a) after (i) it has sold 5,000 tickets or (ii) the Final Ticket Purchase Deadline, or (b) in the event the minimum number of tickets set forth above is not sold. No other refunds are available except at the discretion of MHF. MHF assumes no responsibility for lost, late, misdirected, or non-delivered mail or fax messages, or any other failure to receive orders or deliver receipts prior to the drawing deadlines.

4. The Drawing: For the drawing, MHF will draw at random and determine the winning tickets under the supervision of MHF's certified games manager(s). The drawing will be open to eligible ticketholders, but winners need not be present to win. At the discretion of MHF and subject to Applicable Law, MHF may extend or modify ticket purchase deadlines (the Final Ticket Purchase Deadline") and the drawing date, time, and location. The Raffle winner will be posted on the Raffle website www.themeganhouse.org. The MHF Certified Games Manager(s) is the final authority in the event of any disputes regarding the drawing.

5. Odds of Winning: The odds of winning the Grand Prize will depend on the number of tickets sold. If MHF sells all 5,000 tickets, the odds of winning the Raffle is 1 in 5,000. If MHF sells less than 5,000 tickets, the chance of winning the prize will increase.

6. Fair Market Value: The Fair Market Value ("FMV") of the Raffle Grand Prize as determined by an appraisal performed by Priority Appraisals, LLC is \$454,900 and the FMV of the 8x10 Reeds Ferry Vinyl Historic Colonial Shed included with the Raffle Grand Prize is \$3,524 bringing the total FMV to \$458,424. The FMV of the 7-night stay Costa Rica is \$1,750, the FVM of the Roomba 980 from iRobot is \$999. and the Biggs miniature doll house FMV is \$999.

7. Electronic Signature & Digital Tickets: Ticket Holders purchasing online by selecting "Checkout" and typing your electronic signature (which is equivalent to a written signature) **acknowledge that he or she has read the Official Rules of this Raffle, and agrees that by submitting the order form, he or she will be contractually bound by the Official Rules of this Raffle upon acceptance of the Ticket Holder's order by MHF. Furthermore, the Ticket Holder also acknowledges and agrees that by clicking the "I Agree" box on the order form and by entering his or her electronic signature on the order form and submitting the order form to MHF, that the Ticket Holder will have affixed his or her electronic signature to the order form, certifying that he or she has read the "Official Rules" of this Raffle, and that he or she agrees to be bound by them. Moreover, the Commonwealth of Massachusetts requires that each Raffle ticket purchased be signed by the purchaser and the person selling the ticket. The Ticket Holder hereby acknowledges and agrees, that upon acceptance of the Ticket Holder's order, and issuance of his or her ticket(s), that the electronic signature provided with the order form will also be affixed as the Ticket Holder's electronic signature to the ticket(s) purchased by the Ticket Holder. The Ticket Holder also acknowledges and agrees that all Raffle tickets issued pursuant to this Raffle online will be digital tickets ("Digital Tickets"), and that no paper tickets will be issued for Raffle tickets purchased online. Each Digital Ticket issued shall have the electronic signature of the President of MHF affixed to it, at the time such Digital Ticket is issued.**

8. Arbitration: If there is a dispute of any kind regarding the award of the prizes or the conduct of the Raffle, MHF and all persons purchasing or holding a ticket agree to arbitrate such dispute. Such dispute shall be decided by binding arbitration in accordance with the rules of the American Arbitration Association then in effect and shall be governed by the United States Arbitration Act (9 U.S.C. §§ 1-16). While such arbitration is pending, MHF, in its sole and absolute discretion, may deposit the prize with the then Clerk of the Middlesex Superior Court, interplead the parties hereto, and upon so depositing such prize and filing its complaint in interpleader it shall be relieved of all liability under the terms hereof as to the property so deposited. By the purchase of a ticket, all persons purchasing or holding a ticket (a) do submit themselves to the jurisdiction of said court and appoint the then Clerk of said court as their Agent for the service of all process in connection with such proceedings and consent to the arbitration of disputes between them.

9. Release: Each Ticket Holder and each ticket buyer (a) agrees MHF, its directors, officers, employees, agents, representatives and the home seller is not responsible for any injuries, losses, or damages of any kind arising in connection with, or as a result of, this Raffle and/or that person's failure to win or redeem the prizes, or that person's award of, acceptance of, or use of, the prize; and (b) releases and agrees to indemnify, defend, protect, and hold harmless MHF and the home owner and their officers, directors, shareholders, employees, agents, advertising agency, contractors, insurers, attorneys, accountants, and affiliated entities from and against all losses, damages, rights, claims, and actions of any kind arising in connection with, or as a result of, this Raffle and/or that person's failure to win or redeem any prize, or that person's award of, acceptance of, or use of any prize, or that person's failure to comply with Applicable Law; and (c) represents and warrants to MHF that he or she has read and understands these Rules and agrees to be bound by these Rules and MHF decisions, which are final.

10. As Is, Where is, and with all Faults: The House will be transferred to the Grand Prizewinner as is, where is, and with all faults. MHF does not provide any guarantee or warranty, expressed or implied, in connection with the house and accepts no liability or responsibility regarding the construction or condition of the house. MHF does not warrant that the house is of merchantable quality or that it can be used for any particular purpose. NO EXPRESS OR IMPLIED WARRANTIES ARE GIVEN BY MHF AND NO AFFIRMATION OF MHF BY WORDS AND/OR ACTIONS WILL CONSTITUTE SUCH WARRANTY.

11. Closing Costs / Builder's Warranty: Closing costs (including but not limited to title and recording fees) are not included and are solely the Grand Prizewinner's responsibility. The builder's warranty will be assigned to the Grand Prizewinner at closing subject to the balance of time remaining on the warranty at the time of closing.

12. Taxes: The Internal Revenue Service takes the position that no portion of the ticket price will qualify as a charitable contribution for income tax purposes. Moreover, income, excise and sales taxes are not included and all federal and state tax retirements must be satisfied before the Grand Prize is awarded. The Internal Revenue Service and the Massachusetts Department of Revenue, the jurisdiction in which this Raffle is being conducted, treats the value of prizes won in a raffle as ordinary income for tax purposes. At the time of closing, all federal and state income taxes based on the value of the House, will be due from the Grand Prizewinner. The Grand Prizewinner, depending on his or her personal circumstances, may or may not be required to pay additional taxes to the Internal Revenue Service and/or the Commonwealth of Massachusetts. Any additional taxes that may be

due are the sole responsibility of the Prizewinner. Please consult with your tax advisor to determine what your personal tax liability would be should you win the Raffle.

13. **Jurisdiction:** The Ticket Holder acknowledges and agrees that this Raffle is being conducted exclusively in the Commonwealth of Massachusetts and that all issues and questions concerning the construction, validity, interpretation and enforceability of these Official Rules, or the rights and obligations of the Ticket Holder and MHF in connection **with the Raffle, shall be governed by, and construed in accordance with, the substantive laws of the Commonwealth of Massachusetts.**

B. RAFFLE SPECIFIC RULES:

1. **Tickets:** Raffle tickets cost \$100 each. Only one Eligible Ticket Purchaser (as defined above in the "Eligibility" section of these Rules) may purchase a ticket. This means, (a) one name per ticket and (b) one purchaser per ticket. An Eligible Ticket Purchaser may designate another person a Ticket Holder. If a ticket names more than one person as a Ticket Holder and that ticket is the winning ticket, then MHF will (a) deem the person named first on the ticket as the Ticket Holder, (b) declare the first person named on the ticket as the winner, (c) award the prize to the first person named on the ticket. In such case, the division of the prize shall be the sole responsibility of the first person named on the ticket. Once MHF awards the prize to the first person named on a ticket, MHF will have no further duties or obligations with respect to the division of the prize and all persons named on a ticket as Ticket Holders release MHF from all claims relating to the award of the prize or its division among other persons on a ticket named as Ticket Holders.

The Internal Revenue Service ("IRS") has taken the position that amounts paid for chances in raffles, lotteries or similar drawings for valuable prizes are not gifts and therefore do not qualify as deductible charitable contributions.

2. **Official Raffle Page:** The Official Raffle Page is defined as the page from which the ordering process for Raffle tickets begins. The Official Raffle Page is incorporated into these Official Rules as follows:

- a. **Prizes:** The prizes for the Raffle are described on the Main Raffle Page, subject to any restrictions referenced there or in these Official Rules.
- b. **Grand Prize:** The Grand Prize refers to the Where Dreams Come Home house located in Dracut, Massachusetts.
- c. **Entry Deadline:** The Entry Deadline for the Raffle is as referenced on the Official Raffle Page. However, MHF, at its sole discretion, may, without any notice, penalty, or offer of a refund, and as often as MHF, in its sole discretion, determines to be necessary, extend the Entry Deadline from the original time and date of the original Entry Deadline by changing the Entry Deadline on the Main Raffle Page to reflect the new Entry Deadline.
- d. **Drawing Date:** The Drawing Date for the Raffle is as referenced on the Official Raffle Page and the time shall be determined by MHF. However, MHF, at its sole discretion, may, without any notice, penalty, or offer of a refund, and as often as MHF, in its sole discretion, determines it to be necessary, extend the Drawing Date from the original Drawing Date by changing the Drawing Date on the Main Raffle Page to reflect the new Drawing Date.

3. **Location:** This Raffle is being held pursuant to a raffle permit issued by Lowell, Massachusetts. Moreover, the Raffle is being conducted in accordance with the laws of the Commonwealth of Massachusetts. The Ticket Holder and MHF hereby agree and confirm that all the elements of the contract created by and between these parties by these Official Rules and each party's obligations pursuant to this contract, have been formed and will be fulfilled and discharged solely within the jurisdiction of the Commonwealth of Massachusetts.

4. **Winner Notification:** MHF will make reasonable efforts to contact the winners of the Raffle ("Prizewinners") using information provided on the winning entry forms. If a Prizewinner does not contact MHF within thirty (30) business days after the first initial contact notifying the Prizewinner of his or her winning, then MHF shall give notice to such Prizewinner by U.S. Postal Service certified mail, return receipt requested, at the address set forth in the information provided by the Eligible Ticket Purchaser. This notice shall state (a) the prize won, (b) a telephone number of a contact person at MHF, (c) the time and location where the prize(s) can be claimed, and (d) that if the prize has not been claimed within thirty (30) days of the date the notification is given, that MHF may, at its option, retain the prize.

MHF will not award a prize if the Prizewinner (a) was ineligible to purchase a ticket or otherwise enter the Raffle, (b) provided materially false or misleading information to MHF in connection with the purchase of a raffle ticket, or (c) if participating in this Raffle or receiving a prize is prohibited with respect to such person pursuant to these Rules or Applicable Law. No other Raffle ticket will be substituted for a Raffle ticket, and MHF will retain the prize. A Ticket Holder cannot assign or transfer his/her interest in a Raffle ticket or a prize won by a winning Raffle ticket.

5. **Additional Documentation and Releases:** As a condition to being eligible to receive a prize, the Prizewinner must sign and deliver to MHF: (a) a sworn affidavit of eligibility under these Rules and Applicable Law and satisfactory proof that he or she is the person named on the winning entry; (b) a correct taxpayer identification number (e.g., social security number, individual taxpayer identification number, or employer identification number), (c) satisfactory proof that the purchaser of the ticket was an Eligible Ticket Purchaser at the time the ticket was purchased; (d) a publicity release, and (e) such other matters as MHF may reasonably request, such as proof of identification and proof of address to determine authenticity of individual claiming a prize. If the holder of a winning ticket does not provide a correct taxpayer identification number or otherwise comply with Applicable Law or these Rules, then MHF may, at its option, disallow the award of the prize to such Ticket Holder and retain the prize.

The winner of the Raffle Grand Prize authorizes MHF to withhold the required amount and report the award of the Raffle prize in accordance with Applicable Law. With respect to this non-cash prize, Applicable Law requires that the winner of the non-cash prize pay twenty-five (25%) percent of the fair market value of the prize to MHF, which will remit such payment to the IRS. This amount may vary depending upon Applicable Law. Subject to the foregoing, the Prizewinner must arrange for the transfer of the prize in a manner acceptable to MHF.

Each Ticket Holder agrees his or her name, likeness, voice and city of residence may be recorded by audio, video, or digital means and may be used in any print, audio or visual media without notice or compensation for any purpose, including related to this or any other MHF Raffle, or promotional materials.

6. Net Raffle Proceeds: As used herein, the term "Net Raffle Proceeds" means (a) the gross proceeds received by MHF from the sale of tickets in the Raffle less (b) all Raffle-related expenses as determined by MHF. The determination by MHF will be binding in all events other than a manifest error made by MHF in the computation of the revenues and expenses of the Raffle.