

COMMONWEALTH OF MASSACHUSETTS
STATE LOTTERY COMMISSION

In the Matter of:

NGHIA VAN NGUYEN,)
Respondent.)
)
)

Wednesday
May 1, 2019

Lottery Commission
150 Mount Vernon Street
Dorchester, Massachusetts

BEFORE: LAWRENCE P. MAYO, ESQ.
 Serving as Hearing Officer
 80 Washington Square, United C20
 Norwell, MA 02061

APPEARANCES:

For the State Lottery Commission:

GREGORY M. POLIN, ESQ.
Assistant Director and General Counsel
CANDACE HODGE, ESQ.
Associate General Counsel.
The Commonwealth of Massachusetts
State Lottery Commission
150 Mt. Vernon Street, Suite 300
Dorchester, MA 02125

For the Respondent:

NGHIA VAN NGUYEN, Pro Se

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P R O C E E D I N G S

(1:10 PM)

1
2
3 THE HEARING OFFICER: Good afternoon, everybody.
4 My name is Larry Mayo and I am serving as the designee of
5 the director of the Mass. State Lottery for purposes of this
6 prize claims suspension hearing. That is, Nghia Van Nguyen's
7 prize claim suspension hearing with the Massachusetts State
8 Lottery Commission. It is about 1:10 p.m. now. Before we get
9 started, I will have everybody introduce themselves for the
10 record, if they would, please. Why don't we start with the
11 Lottery Commission.

12 MR. POLIN: Greg Polin, General Counsel at the
13 Massachusetts State Lottery Commission.

14 MS. HODGE: Candace Hodge, Associate General
15 Counsel.

16 THE INTERPRETER: My name is Hoang Nguyen and I am
17 translator for English language for him. Whatever I can do.

18 THE HEARING OFFICER: Right. So, it is Hoang
19 Nguyen and you are his translator?

20 THE INTERPRETER: Yeah.

21 THE HEARING OFFICER: Great.

22 MR. NGUYEN: My name is Nghia Van Nguyen.

23 THE HEARING OFFICER: The subject of the hearing.
24 Yes, the respondent, we call you.

25 We also have in the room a couple of witnesses at

1 this point, who I will just ask to introduce themselves for
2 the record presuming they may be introduced.

3 MR. MANDEVILLE: Sure. My name is Paul Mandeville.
4 I'm the director of information technology for the Lottery.

5 MS. MCHUGH: I'm Maureen McHugh, and I'm a
6 compliance analyst at the Lottery.

7 THE HEARING OFFICER: Thank you for those
8 introductions. Again, just to reiterate, we are here today
9 in the matter of Nghia Van Nguyen. Mr. Nguyen is appealing
10 the decision of the Massachusetts State Lottery Commission
11 compliance department's decision to impose a prize claim
12 suspension on Mr. Nguyen, suspending his ability to claim
13 lottery prizes with a value of \$600 or more for a period of
14 90 days. The suspension was imposed pursuant to the High
15 Frequency Prize Regulation contained at 961 CMR 2.43(2).
16 Mr. Nguyen is here today exercising his right to a
17 director-level hearing before the prize claims suspension
18 goes into effect. The availability of a director-level
19 hearing is established in 961 CMR 2.43(3).

20 The question before me today as the hearing office
21 is whether Mr. Nguyen is a high-frequency prize winner and
22 if so, whether the submission by Mr. Nguyen of at least 20
23 claims for lottery prizes, each with a value of at least
24 \$1,000 within any period of 365 days, is factually or
25 statistically improbable. This is an informal hearing. I'm

1 going to observe the rules of evidence established in Mass.
2 General Law Chapter 30A Section 11 to the extent I can. I'll
3 recognize that Mr. Nguyen isn't represented by counsel, so
4 things will be a little bit looser, I'm sure. But, again,
5 I'm trying to keep as close to that standard as I can.

6 The parties will have an opportunity to call and
7 examine witnesses, give testimony, introduce exhibits. You
8 will be able to cross-examine each other. That is,
9 cross-examine the witnesses who testify and to submit
10 rebuttal evidence. If the Lottery's decision to suspend
11 Mr. Nguyen is supported by the preponderance of the credible
12 evidence, that its decision was justified, and that decision
13 will stand. The Lottery has the burden of proof. I'll afford
14 each of you an opening statement if you would like, a
15 closing statement if you would like to sum up the
16 information that you have provided for the Lottery. I will
17 have the stenographer administer oaths to each witness, and
18 at the close of the hearing I'll offer each the party the
19 opportunity to submit a written brief summing up their
20 position as stated in today's hearing.

21 And understanding that there is an interpreter in
22 the room, to the extent I'm going too fast or too far with
23 the information that you can absorb and represent to
24 Mr. Nguyen, let me know. Ask me to slow down; ask me to stop
25 at the end of a sentence if necessary, and I will do that. I

1 want to make sure that Mr. Nguyen gets all of the
2 information that is being presented to the fullest extent
3 that he can.

4 MR. NGUYEN: (Speaking Vietnamese.)

5 THE INTERPRETER: He understands some of it. If he
6 can't understand, he will stop me.

7 THE HEARING OFFICER: So, that said, I will invite
8 the Lottery to present an opening if it would choose and
9 hereafter present its witnesses and its evidence.

10 Before I start, if I may, I wanted to introduce as
11 what I will have marked as Exhibit 1 the High-Frequency
12 Claims Prize Suspension Notice that the Lottery sent
13 Mr. Nguyen, if nobody has any objection to it. I'm really
14 looking to make sure that he recognizes that letter and
15 that's the purpose.

16 MR. NGUYEN: Yes, I see it and I have read it.

17 MR. POLIN: No objection from the Lottery.

18 THE HEARING OFFICER: If you would mark that
19 Exhibit 1, please.

20 (Exhibit No. 1 was marked into
21 evidence.)

22 THE HEARING OFFICER: What I'm doing here is just
23 building a record as far as what we have discussed today and
24 the information that was presented by and among the parties.

25 MR. NGUYEN: Okay.

1 THE HEARING OFFICER: Mr. Polin, if you would
2 proceed.

3 MR. POLIN: Thank you, Mr. Mayo. Again, I'm Greg
4 Polin and I'm an attorney here at the Lottery. Back in
5 November of 2017, the Massachusetts State Lottery Commission
6 voted to authorize the executive director to promulgate
7 rules and regulations to address high-frequency lottery
8 prize winners. And in July of 2018, such regulations were
9 promulgated and in fact 961 CMR 2.43 was amended to
10 incorporate a high-frequency prize winner portion. And that
11 is the portion that is being relied on today by the Lottery
12 and the compliance department to suspect Mr. Nguyen's
13 ability to cash lottery prize claims in excess of \$600. Part
14 of the rationale for this new regulation is to address
15 patterns of high-frequency prize claims as they can define
16 statistical odds and the reason.

17 Certain patterns of high-frequency lottery prize
18 winning defy statistical odds and reasons and the Lottery
19 questions the legitimacy of such activities in certain
20 instances. As an aside, the Lottery is mandated to collect
21 outstanding child support liabilities and past due tax
22 liabilities before paying Lottery prize claims exceeding
23 \$600. Also, winners of Lottery prize claims in excess of
24 \$600 must submit a claim form where they attest to that they
25 are not claiming the prize to assist another in avoidance of

1 financial obligations.

2 MR. NGUYEN: (Speaking Vietnamese.)

3 THE INTERPRETER: Okay.

4 MR. POLIN: Further, the Massachusetts Lottery Law
5 prohibits non-lottery sales agents from selling lottery
6 tickets, and the Massachusetts Lottery Law also prohibits
7 the assignment of lottery prize winnings except under
8 certain circumstances.

9 MR. NGUYEN: (Speaking Vietnamese.)

10 THE INTERPRETER: Okay.

11 MR. POLIN: So, the Lottery would like to hold
12 this hearing to better understand how Mr. Nguyen is coming
13 into possession of these tickets. The compliance department
14 of the Lottery has determined in light of the amount of
15 these claims that such claims are statistically or factually
16 improbable.

17 So, the regulations define a high-frequency prize
18 winner as a person who submits at least 20 claims for
19 lottery prizes, each with a value of at least \$1,000 within
20 any period of 365 days.

21 In 961 CMR 2.43(2), allows the executive director
22 or a designee to conduct an internal review of
23 high-frequency prize winners and their claims.

24 The Lottery, at this hearing, intends to present
25 witnesses that will provide documentation that demonstrates

1 that during the period of July 27, 2018 to January 27, 2019,
2 Mr. Nguyen submitted 163 lottery prize claims of \$1,000 or
3 more.

4 The Lottery's compliance department has determined
5 that these lottery prize claims are factually or
6 statistically improbable.

7 MR. NGUYEN: (Speaking Vietnamese.)

8 THE INTERPRETER: He says he is not making any
9 profits anyway.

10 THE HEARING OFFICER: If I may, right now, just so
11 you know, if I may, hold that. He's just giving his opening
12 presentation. No questions yet have been asked. He is
13 letting you know why we are here right now, sort of giving
14 the background of it all. He will present the Lottery's side
15 and then you can present your side. Or he will have the
16 opportunity to ask questions.

17 MR. POLIN: So, depending on the information we
18 hear at this hearing, I do anticipate that at the conclusion
19 of this hearing, the Lottery will be asking Attorney Mayor
20 to not overturn the compliance department's imposition of
21 this Lottery prize claim suspension. With that, I'd like to
22 call a Lottery employee, Maureen McHugh to share information
23 about this matter.

24 MAUREEN MCHUGH, Sworn

25 EXAMINATION BY MR. POLIN:

1 Q Can you reiterate, or can you say why the
2 compliance department of the Lottery has moved to impose a
3 prize claim suspension against Mr. Nguyen?

4 A When the new regulations came into effect, um, we
5 reviewed reports of high frequency cashes between July 27th
6 to January 27th, and we just started -- we took the top five
7 people on the list as high frequency cashes and you were on
8 that list, so that's where we started. Then we looked more
9 into the claims that you had filed in that period.

10 THE HEARING OFFICER: If I may, quickly, your
11 position with the Lottery is?

12 THE WITNESS: I'm a compliance analyst.

13 MR. POLIN: And I'll state for the record the
14 director of the compliance department is a gentleman named
15 Brian Taylor, who was planning on being here today but due
16 to a rather urgent personal matter, he is out of the office
17 for a certain period of time. In his absence, Ms. McHugh
18 will be filling -- performing his functions.

19 BY MR. POLIN:

20 Q So, Ms. McHugh, was there an internal review
21 conducted of Mr. Nguyen's lottery prize claims?

22 A Yes, there was.

23 Q At this point I'd like to put an exhibit on the
24 table and look at it. This is a document, an internal
25 lottery document that identifies lottery prize claims of

1 Mr. Nguyen during the period of July 27, 2018 through
2 January 27, 2019. It is partially redacted to remove the
3 street address of the claimant and the lottery sales agent
4 number.

5 THE HEARING OFFICER: And that shows 163 claims?

6 MR. POLIN: Yes.

7 THE HEARING OFFICER: If you could pass this down
8 to Ms. McHugh. Are those identical copies?

9 MR. POLIN: They are.

10 THE HEARING OFFICER: Oh, okay. Great. So, I'll
11 allow you to keep that document but if we could have her
12 authenticate it.

13 BY MR. POLIN:

14 Q Ms. McHugh, can you tell us what this document is?

15 A This is an internal document produced with all
16 claims in excess of \$600 filed between July 27th and January
17 27th of 2019 by Mr. Nguyen.

18 Q And do you know how the report was generated?

19 A Well, it was generated by our computer department.
20 Um, it was based on another report to begin with that we
21 could produce monthly for various outside agencies. IRS and
22 the Department of Revenue. Of anyone that cashes more than
23 20 tickets worth \$1,000 or more in a calendar year. So, we
24 started with that, but then we just took his information on
25 and added more information to further examine his claims

1 with the produce, game number and book number.

2 Q Can you state for the record the time period of
3 this report?

4 A July 27, 2018 until January 27, 2019.

5 Q And the claimant is identified as one person for
6 all of these claims, correct?

7 A Yes.

8 Q And who was that person's name?

9 A I apologize if I don't pronounce it correctly.

10 Q Is it Mr. Nguyen?

11 A Mr. Nguyen, yes.

12 Q For clarification --

13 THE HEARING OFFICER: Do you have any objection to
14 this exhibit?

15 MR. NGUYEN: I have no objection.

16 THE HEARING OFFICER: I will have the document
17 marked as Exhibit 2.

18 (Exhibit No. 2 marked into
19 evidence.)

20 BY MR. POLIN:

21 Q Ms. McHugh, can you go up to page three and tell
22 us what numbers are at the bottom of page three?

23 A 163 payments totaling \$280,741.00.

24 Q Can you for the sake of clarity tell us
25 specifically what those numbers mean?

1 A It means there was 163 tickets cashed, instant
2 tickets, different type of tickets, worth \$600 or more,
3 totaling \$280,741.00.

4 THE HEARING OFFICER: If I may, the nature of the
5 type of tickets again were?

6 THE WITNESS: There were -- some were instant,
7 some were online games like keno, numbers games.

8 BY MR. POLIN:

9 Q And just to help everyone understand, what is an
10 instant ticket?

11 A An instant ticket is more commonly called a
12 scratch ticket. An online game is anything we have to put
13 into the machine, and you get a ticket out.

14 Q Towards the right-hand part of the page, it
15 identifies a name, an address, and a city. The first one is
16 Sid's Smoke Shop. Do you see that?

17 A Yes.

18 Q So, in that whole column on all these pages, what
19 is contained on that page?

20 A The name, that's the store where the ticket was
21 purchased. And the address and the city. And then the next
22 column, the product name would be the type of ticket that
23 was purchased and if it happened to be a scratch ticket or
24 instant game, it's the game and book number which is the
25 identifier for the tickets.

1 Q So, is it far to say this report identifies
2 Mr. Nguyen's lottery playings and identifies the store where
3 those lottery tickets were sold?

4 A Yes.

5 Q What does the compliance department think about
6 the different locations of sales of these tickets?

7 A Well, the locations are from Boston up to Lynn,
8 out to Somerville. Different locations. Um, and it is not in
9 our experience a consistent pattern for someone that plays
10 lottery a lot. Most people that we encounter play lottery a
11 lot play in the same stores or at the same places they play.
12 It is not usual to have somebody just traveling all around
13 purchasing tickets.

14 MR. POLIN: So, I do plan to have my second
15 witness, Paul Mandeville, come and speak to a different
16 exhibit, but afterwards I would like to bring Maureen McHugh
17 back to follow up. Thank you, Ms. McHugh.

18 THE HEARING OFFICER: If I may, is there any cross
19 examination? Are there any particular questions you would
20 like to ask Ms. McHugh at this point?

21 THE INTERPRETER: Well, he -- I don't know if it a
22 question, but he say well, he might ride around and he
23 purchase tickets.

24 THE HEARING OFFICER: At all these different
25 stores?

1 THE INTERPRETER: Yes, he didn't do anything but
2 go to different stores. That is what he is saying.

3 THE HEARING OFFICER: He will be able to testify
4 to that, if that is his point. AT the time of his testimony
5 -- you know, when he has the opportunity to testify. Put
6 himself on at a witness. So, I will let him speak to that
7 point once the Lottery is done. But I understand the point
8 that he is trying to make.

9 (The witness was excused.)

10 MR. POLIN: I'd like to bring up Paul Mandeville
11 to testify.

12 PAUL MANDEVILLE, Sworn

13 EXAMINATION BY MR. POLIN:

14 Q Hello, Mr. Mandeville. Could you state for the
15 record what your title and position is here at the Lottery?

16 A My title is assistant executive director in charge
17 of information technology.

18 Q And are you here to provide information about the
19 statistical odds of Mr. Nguyen's lottery prize claims?

20 A Yes.

21 MR. POLIN: I'd like submit Exhibit 2 -- excuse
22 me. I think this would be Exhibit 3.

23 THE HEARING OFFICER: Can you look and let us know
24 if you have any objection to it? No objection? She'll have
25 that marked as Exhibit 3.

1 (Exhibit 3 was marked into
2 evidence.)

3 BY MR. POLIN:

4 Q Mr. Mandeville, who created this document?

5 A I did.

6 Q And can you briefly tell us what it is?

7 A I took the -- from the previous document that you
8 spoke to Maureen about, it identified all of the payments,
9 all of the checks that we actually made, all of the claims
10 of the \$600 or more at all of our offices. This specifically
11 breaks down -- I focused mostly on instant tickets because
12 instant tickets are more identifiable with regard to the
13 number of winners in a certain prize pool. So, to determine
14 the winners of \$1,000 or more, I focused in on instant
15 tickets. So, you can see at the top, the very top line just
16 says, 'Draw Games.' If they were 30. And if you look at the
17 last page, it shows on the left-hand side down the bottom,
18 it says, 'Draw Games only,' with 30. 'Instant Games Only,'
19 with 33. Total of 163. Which is the total from the report
20 that you were just talking about with Maureen.

21 So, this report focuses on instant tickets.
22 Instant tickets are not a random product. Instant tickets
23 are a defined product. And we know exactly the odds of
24 winning a specific prize value. So, this report shows all of
25 our instant games that were active during this timeframe.

1 And going across each column, it shows the game number, the
2 price of the ticket, the game name, the odds of winning
3 \$1,000 or more, which is what we are talking about here, and
4 then the payout prize structure for the entire game.

5 So, that's what we have for all of the instant
6 games that were available during this timeframe. So, I took
7 Mr. Nguyen's wins for that timeframe and broke them up by
8 game, by instant game number. So, if you look down at game
9 number 25, he had two cashes of \$1,000 or more for that
10 game. I did that for each of these games from the list that
11 you were just talking about before, from the actual cashes
12 that he made.

13 Q Thank you. And if we can look to game number 25,
14 the 10 million dollar big money game, you indicated the win
15 count there is is two, indicating that Mr. Nguyen claimed
16 two prizes of \$1,000 or more.

17 A Correct.

18 Q And if I look over at column D, which is the odds,
19 what does that -- can you tell us what that number is,
20 1,106.72?

21 A The -- as I said, instant tickets are not a random
22 game. There is a clearly-defined number of winners per game.
23 We break the game down into pools. And the prize levels are
24 distributed evenly across those pools. So, for this game,
25 the odds of winning \$1,000 or more, not specifically \$1,000.

1 \$1,000 or more are one in every 1,106.72 tickets. So, that
2 '2,' means that he won -- you cashed two prizes of \$1,000
3 more for that specific game. And at that odds rate,
4 statistically, if you move over to column G, and I have it
5 identified, the number of tickets required to win which is
6 column D times column F, so it is the odds of winning times
7 the win count, it is just math. 2,213.44 tickets would have
8 been required to purchase to statistically cash in two
9 \$1,000 or more winners.

10 Q In the next column is 'the cost of tickets
11 required.' Can you tell us how that number is calculated?

12 A Sure. In the heading, you can see it is column B
13 times column G. B is the ticket price. So, in this case it
14 was a \$20 ticket. Times the column G figure, which is 2,213.
15 That means to purchase those tickets would have cost
16 \$44,268.80.

17 Q Thank you. And in the next column, column I, 'The
18 Expected Win Amount,' it appears to say 35,592.12 cents. Can
19 you tell us what that number means?

20 A All of our instant games have a specifically
21 defined payout in the prize structure. So, -- and the entire
22 game in that game pays out 80.4 percent. So, once all of the
23 tickets are sold at \$20 each, and all of the prizes are
24 cashed, 80.4 percent goes back out in prizes for that game.
25 So, at that rate, again, I put the column numbers, column E,

1 which is the prize payout for that specific game times
2 column H which is how much would have had to have been spent
3 on that game to win the two \$1,000 winners, that means the
4 total amount of wins would have been \$35,592.12. That would
5 include all prizes, lower tier prizes, over \$1,000, every
6 prize. So, if you spent \$44,000 on the game, you could
7 expect to win \$35,000 in all the prizes.

8 Q So, you would win less money than you spent to
9 purchase the tickets?

10 A 80.4 percent. So, yes, less.

11 THE INTERPRETER: I have a question. You said if
12 is failed 80 percent --

13 THE HEARING OFFICER: If you would, please,
14 address me. Then you can ask the question. I'll allow it but
15 to observe the formality of the forum. Thank you. Go right
16 ahead, sir.

17 THE INTERPRETER: You say they would pay out 80.4
18 percent on that column 25 here.

19 THE WITNESS: On game 25, right.

20 THE INTERPRETER: Does that mean every single book
21 is a payout 80 percent?

22 THE WITNESS: The entire game is 80 percent.

23 THE INTERPRETER: The entire game. Oh, I got it. I
24 buy a lot of book early and I think I lose more --

25 THE HEARING OFFICER: I'm going to strike that.

1 It's not -- you are not here to testify, sir.

2 THE WITNESS: Instant tickets are an interesting
3 product in the specific defined levels. The 80 percent is
4 for the entire game. There are levels for the book, but the
5 80 percent is for the game.

6 THE INTERPRETER: Okay.

7 BY MR. POLIN:

8 Q Mr. Mandeville, thank you for going through as an
9 example that \$10,000 big money game number 25. But if I can
10 point your attention to page six, so the final page of the
11 report. Just to sum up the grand total amounts, I see the
12 instant game only is 133. And then further down that line is
13 \$326,921. Can you just explain the totality here and what
14 the big picture is of all of these claims?

15 A Right. So, through the body of the report, each
16 line is per game. So, there are the statistics that
17 Mr. Nguyen cashed per game to give what we have just talked
18 about, the number of tickets required, the cost of those
19 tickets and the expected amount of win for all of those
20 tickets. Down the bottom, it is simply math. It is just the
21 sum of all of those columns. So, those 133 wins would have
22 cost -- would have required 326,921.5 tickets to be
23 purchased. Based on the total ticket price, it would have
24 cost 3.2 million dollars to purchase all of those. And for
25 3.2 million dollars in purchase, you would expect to win 2.5

1 million in prizes.

2 Below that, -- do you want me to go down further
3 or just that line?

4 Q Yes, please go down further.

5 A So, below that is based on the purchases required,
6 so there were 326,921 tickets required to win the 133 \$1,000
7 winners or more. The period of this report, up at the very
8 top, is 184 days. From July 27, 2018 to January 27, 2019.
9 That period is 184 days. So, again, just simple math, the
10 326,921 divided by 184 days gives the total number of
11 purchases that would have been required per day. So, at
12 those rates, it would have been 1,776 tickets required to be
13 purchased per day.

14 The next line is just taking the per day divided
15 by 24. So, you would have had to have purchased 74 tickets
16 per hour.

17 And the next line is just the hourly divided by
18 the minutes. By 60 minutes. So, 1.23 tickets per minute
19 would have had to have been purchased in order to
20 accommodate those figures above. And that's 24 hours a day
21 every single day, no breaks.

22 Q And the lottery prize claim data that you used in
23 this report is the same data that was in the report that
24 Ms. McHugh testified to earlier.

25 A Yes. I took the number of wins at each game level.

1 Q And the total payment amount in your -- in this
2 Exhibit 3, the document you created, is \$280,741, correct?

3 A For the 163 claims of \$1,000 or more. Which
4 matches the bottom line of the previous report.

5 MR. POLIN: Thank you. No further questions.

6 THE HEARING OFFICER: Mr. Nguyen, do you have any
7 questions of Mr. Mandeville? No further questions.

8 MR. POLIN: If I may bring Ms. McHugh back
9 briefly?

10 THE HEARING OFFICER: Yes.

11 MR. POLIN: And we can leave that exhibit on the
12 table as I would like to ask her about it.

13 MAUREEN McHUGH, recalled

14 BY MR. POLIN:

15 Q Hello, Ms. McHugh. In front of you there is
16 Exhibit 3. It is the document that Mr. Mandeville created
17 with statistical odds of the lottery prize claims. Do you
18 see it?

19 A Yes.

20 Q Did the compliance department review that document
21 when it reviewed Mr. Nguyen's lottery prize claims?

22 A Yes.

23 Q And so that exhibit and the previous exhibit,
24 Exhibit No. 2, were both available to the compliance
25 department when it made the determination to suspend

1 Mr. Nguyen's ability to cash lottery prize claims, is that
2 correct?

3 A Yes.

4 Q And based on the compliance department's review,
5 did the compliance department determine that Mr. Nguyen's
6 lottery prize claims to be factually or statistically
7 improbable?

8 A Yes, we did.

9 MR. POLIN: No further questions.

10 THE HEARING OFFICER: I don't have any particular
11 questions for the witness. The witness can be dismissed.

12 (The witness was excused.)

13 THE HEARING OFFICER: I will ask Mr. Nguyen at
14 this point to provide any testimony or perhaps even ask any
15 other questions of the Lottery that he may have at this
16 particular point. Or perhaps even give an explanation as to,
17 you know, geographically his purchasing area. You know, give
18 an explanation for that the Lottery has presented here today
19 in defense of his case.

20 THE INTERPRETER: Yes.

21 THE HEARING OFFICER: Mr. Nguyen, do you have any
22 particular testimony you would like to enter into the record
23 as to explain how it is possible that you submitted 163
24 claims for prizes in excess of \$1,000 within a six-month
25 period -- I'm sorry, within a 365 day period. Because, you

1 know, on its face that the Lottery has just presented is
2 that it is both statistically and factually improbable.

3 THE INTERPRETER: I will testify that --

4 MR. NGUYEN: (Speaking Vietnamese.)

5 THE INTERPRETER: Well, he says that the amount
6 winning here, that he spent a lot of money on it. Every day,
7 he spends like several hundred dollars. Instant ticket or
8 keno, whatever. So, well, if he continue to gamble, that's
9 fine; if you not let him gamble, this is fine, too. That is
10 what he is saying. I correct, maybe 70 percent in English.

11 THE HEARING OFFICER: Could you repeat?

12 THE INTERPRETER: It is translating maybe 70
13 percent correctly in English. So, maybe 30 percent maybe I
14 don't understand him, you know? So.

15 THE HEARING OFFICER: I see. Do you have any --
16 And, Mr. Polin, feel free to ask any particular questions
17 you may want as well, do you have any evidence -- you just
18 testified that you spend a lot of money every day buying
19 tickets --

20 MR. NGUYEN: You can see if I win it over 100
21 hundred dollars.

22 THE HEARING OFFICER: -- at various outlets. Do
23 you have -- did you bring with you any supporting evidence
24 to demonstrate --

25 THE INTERPRETER: He just bought -- he just go

1 with me and he bought \$100 only.

2 MR. NGUYEN: \$100 hundred. I see him early and go
3 here. You can see a lot You can see a lot here. Other times,
4 I played a lot. I played it. You can see it. A thousand up.

5 MR. POLIN: If I may, Attorney, I don't believe
6 Mr. Nguyen was sworn in. Or maybe he was, and I just missed
7 it?

8 THE COURT REPORTER: No, he wasn't.

9 THE HEARING OFFICER: If you would swear the
10 witness. I appreciate that, thank you for bringing that up.

11 NGHIA VAN NGUYEN, Sworn

12 EXAMINATION BY MR. POLIN:

13 Q If I may ask, Mr. Nguyen, are you employed?

14 A I am -

15 THE INTERPRETER: He is selling roofing company,
16 someone he work for his own employment, he work
17 construction.

18 Q About how many hours a week do you work at that
19 job?

20 THE INTERPRETER: If he go to work, he will work
21 the day. But if not, he work for construction.

22 A And I work over two hours a day for the front desk
23 because I am owner.

24 Q You are the owner?

25 A Yes.

1 Q In a typical week within the past six months, have
2 you often worked eight hours a day?

3 A Yes, sometime work more than eight hours a day.

4 Q So, often you do work eight hours a day or more?
5 Is that what you said?

6 A Yeah.

7 THE INTERPRETER: Not all the time. Sometimes he
8 works, sometimes he does not.

9 THE HEARING OFFICER: If I may, are you indicating
10 he is self-employed is that what you said?

11 THE INTERPRETER: Yes.

12 THE WITNESS: Yes.

13 THE INTERPRETER: And he said some other time, he
14 worked for a company, like maybe a year ago or something
15 like that. It is not a specific time he didn't tell me
16 whether he worked for them, but, you know.

17 BY MR. POLIN:

18 Q Well, since last January 27, so since January 27,
19 2018, did you work for that company since that time?

20 A No, just year.

21 Q So, since January 27, 2018, you haven't worked for
22 that company. You have been self-employed and sometimes you
23 work eight hours a day or more, and sometimes you don't.

24 THE INTERPRETER: Yeah. A lot of times he's not
25 because no contracting.

1 BY MR. POLIN:

2 Q So, most of the time you are not working?

3 THE INTERPRETER: Yeah. Well, if it is
4 construction, the builder is very dependable. Whether you
5 got a job or not. You fix that somebody home.

6 A Yes. You go home, you come in, they tell you eight
7 hours, 12 hours a day, 14 hours a day because you are
8 working --

9 THE INTERPRETER: Sometimes a week you don't have
10 work. And one month you have work for them. Something like
11 that, construction like that.

12 Q How have the last six months been? Have there been
13 any months where they have been full of work, or have there
14 been several months where there hasn't been any work? Can
15 you describe that?

16 THE INTERPRETER: Sometimes, you know, they might
17 call on you.

18 A (Speaking Vietnamese.)

19 Q And actually if can clarify, during the period of
20 July 2018 to January 2019.

21 A Yeah.

22 THE INTERPRETER: He told me sometime he have job.
23 Sometime he worked a whole week. Sometime he take off a
24 week, some day off. Some day they have it. It depend on what
25 job he get.

1 Q And, Mr. Nguyen, did you physically go to these
2 163 lottery -- did you go to these lottery sales agent
3 locations and actually purchase these 163 lottery tickets
4 that were winners for over \$1,000?

5 A Yes. If I am working.

6 THE INTERPRETER: He said, well, it depend. Some
7 of very close, okay. But some far. He have a friend to walk
8 there and buy them and bring home to him. For luck, you
9 know. He said.

10 Q So, a friend purchased these tickets -- purchased
11 some of these tickets for you?

12 A Yeah. Some of them.

13 THE INTERPRETER: Some of them. Not like all of
14 them. But some of them. But a lot of them he buy. He go to
15 store and buy.

16 Q Did you say something about the far away
17 locations? Or why would a friend go buy tickets for you?

18 THE INTERPRETER: Over there, they work over there
19 so they go home, you know, by the time they go home.

20 Q Over where?

21 A Some in Malden. And Saugus. Some Revere. East
22 Boston. --

23 THE INTERPRETER: Sometime I went to --

24 A -- Medford --

25 THE COURT REPORTER: Could you repeat that?

1 THE WITNESS: Medford.

2 THE COURT REPORTER: Medford. Thank you.

3 A -- Many city I go.

4 Q Why -- and so other -- so those were cities that
5 you go to or are those the cities that other people go to to
6 get tickets for you?

7 A It is not only me. Some of my friends, they walk
8 there and I call them to buy for me, too.

9 Q Did you say one friend buys tickets for you or are
10 there multiple people that buy tickets for you?

11 A It both. Both.

12 THE INTERPRETER: Buy more. Yeah, more than one.

13 Q Do these friends that buy tickets for you, do they
14 get anything in return for doing so?

15 A They win some.

16 THE INTERPRETER: He say they win some. And he
17 cash in and he give them some, like a pack of cigarette or
18 something like that, you know.

19 Q And when they buy tickets for you, do they buy
20 whole books or do they buy single tickets?

21 THE INTERPRETER: Yeah, books. Sometimes they buy
22 whole books. Sometimes they go to single ticket. Buy a whole
23 bunch of single tickets to make it more chance to win.

24 Q So, some of the -- so, on the spreadsheet in front
25 of you that identifies 163 lottery claims, were some of

1 these the result of you or your friends purchasing full
2 books?

3 A Yes.

4 Q So, you said some of these friends buy these books
5 for you and in return if there are winners, do you share
6 some of the winnings with them?

7 THE INTERPRETER: I don't think so.

8 A They drop in.

9 THE INTERPRETER: He not share profits. Just like
10 a gift, a pack of cigarette or something like that. Or maybe
11 it is a little gas.

12 Q When they -- when these other people buy tickets,
13 do they scratch the tickets before they give them to you, or
14 do they give you the tickets before they are scratched?

15 THE INTERPRETER: Most of the time, they give it
16 to him when they are scratched. Sometimes they ask him to
17 scratch them. He ask them.

18 Q Sometimes the friends ask you to scratch --

19 THE INTERPRETER: No, sometimes he ask the friend
20 that buy for him to scratch.

21 A For good luck.

22 THE INTERPRETER: And you keep losing.

23 Q When the friend buys the ticket for you,
24 Mr. Nguyen, whose money are they using to buy the ticket?

25 A My money.

1 THE INTERPRETER: His money.

2 Q Since January 27 of 2018 through the past January,
3 can you say how much money you have spent on lottery tickets
4 or can you estimate how much money you have spent on lottery
5 tickets during that time period?

6 A I don't know how much. I win and I take money and
7 win and I play again, again, again.

8 THE INTERPRETER: He don't remember. He just buy
9 ticket. He win some, he cash in and he take the new one
10 until gone. So, he keep doing it, win, you cash money and
11 then you go out and spend it and cash in.

12 Q What do you think about Exhibit No. 3 that
13 identifies the statistical odds and what do you think about
14 this report indicating that in order to win as much money as
15 you have, you would have had to spend approximately 3.2
16 million dollars on lottery tickets?

17 THE INTERPRETER: He can't play it. He have money,
18 he buy and he win and cash in and he go buy and keep doing.
19 I mean, you don't have to spend -- that's the way I think,
20 you know.

21 MR. POLIN: I'm going to have you stop right
22 there. You are not giving testimony.

23 THE INTERPRETER: No, no, no, no. I just -- the
24 way he talking. Like that. I asked him a little.

25 MR. POLIN: I'm hearing --

1 THE INTERPRETER: The way he tracked all the money
2 he spend because he's saying -- he bought it, right? And he
3 cash in and he win it. And he kept cashing. Like you win
4 one, two hundred. And he cash back two hundred ticket. He
5 spent and scratched them again. So, you can't amount this
6 money. He spend, um, to that -- he did not spend three
7 million something to win that, you know. He just, like, keep
8 going, keep going. That's gamble. You win some, you lose
9 some, you win some, you lose some.

10 MR. POLIN: Understood.

11 A When you win money and like, again, again, and I
12 win money and you have -- and my money, too. I still have
13 money to play, too, you know what I mean?

14 Q Do you understand that from a statistical
15 standpoint this is very improbable?

16 THE INTERPRETER: Can you just repeat it?

17 Q From a statistical standpoint pursuant to the
18 report, Exhibit No. 3, it is very unlikely that you are
19 winning these lottery sales tickets?

20 A Yes.

21 THE INTERPRETER: Yeah, he sometime make profit on
22 that ticket.

23 Q Can you be more specific, how many people buy
24 tickets for you?

25 A Ten.

1 THE INTERPRETER: He say more than ten. Less than
2 20.

3 Q So, more than ten and less than 20 individuals?

4 THE INTERPRETER: Yeah, it would be more like ten.
5 Bought for him. They would be far away. They would want to
6 buy far away.

7 MR. POLIN: So, friends of Mr. Nguyen's?

8 THE INTERPRETER: Yes.

9 BY MR. POLIN:

10 Q So, there is between 10 and 20 friends of yours,
11 Mr. Nguyen, that purchased lottery tickets for you?

12 A Yes.

13 Q Can you tell us their names?

14 THE INTERPRETER: Well, he say his friends worked
15 with him and they bought for him. Just call them nicknames
16 or something.

17 Q So, do you know these friends by nicknames?

18 A Yeah, different name.

19 Q Do you know if they owe child support or back
20 taxes to the Commonwealth?

21 THE INTERPRETER: He doesn't know.

22 Q And would you be able to tell us their nicknames?

23 A Dung, Pho-Dat, Duc, Tuan.

24 THE INTERPRETER: Dung. Dat. Like that, he's
25 saying.

1 Q Dung? Dat? Could you spell that?

2 THE INTERPRETER: D-a-t. Dat. D-u --

3 A -- C.

4 THE INTERPRETER: O-n. D-u-c. Duc.

5 Q Those are three separate individuals?

6 A Yeah. One Dung.

7 THE INTERPRETER: One V-i-n-h. C-u-o-n-g. Van.

8 V-a-n.

9 Q Those are all the names you can remember right
10 now?

11 A Yeah.

12 Q And when these friends, between 10 to 20 friends
13 purchased tickets for you, could you tell us one more time
14 what they get in exchange for doing that?

15 THE INTERPRETER: A couple of beer, drink,
16 something like that, you know. A little honey is what he is
17 saying.

18 Q And so you give them money in advance, they take
19 that money and buy lottery tickets, and then they give those
20 tickets back to you. And in return you get them a beer or
21 something of that nature as a thank you.

22 A Yes.

23 Q And how do you know these friends?

24 A In a party, I work before.

25 Q I'm sorry. Say that again.

1 THE INTERPRETER: In a party at work, before he
2 work to come in here.

3 Q In your previous job, that is where you met them?

4 THE INTERPRETER: That is what he say, yes.

5 Q Can you tell us what job that was, where was that
6 employer, what was the name of the employer?

7 THE INTERPRETER: Accutech Machine in Beverly.

8 Q Accutech Machine in Beverly?

9 A Yeah.

10 Q Could you spell 'Accutech?'

11 THE INTERPRETER: A-c-c-u-t-e-c-h. I may be wrong
12 but it kind of like that. M-a-c-h-i-n-e. Some of them he
13 know by the owner of the house when he fix them. Okay? He
14 goes somewhere, some other house to fix the house and they
15 know they guy and he ask them to or something like that.

16 Q So, your friends -- these ten to 20 friends that
17 cash tickets for you, you know them all from when you worked
18 at Accutech, is that correct?

19 THE INTERPRETER: No, he told me he know some of
20 them in the company, some of them in a party. And some of
21 them he work--

22 A They buy for me. Not enough cash for me. They buy
23 from me.

24 THE INTERPRETER: He mean cash, like buy. Not like
25 that.

1 Q Some are from Accutech. Some were from previous
2 work. And some of them a party, is that what you are saying?

3 THE INTERPRETER: In a party.

4 A Yeah.

5 Q Social acquaintances.

6 A Or in any way, you are there or a star and I say,
7 you know, I buy ticket and hopefully, like that.

8 Q Do you mind if I ask if you live in a house or an
9 apartment?

10 A My parent.

11 THE INTERPRETER: He live with his parents.

12 Q Do you make money cashing lottery tickets?

13 THE INTERPRETER: What do you mean? Winning or --
14 yeah, you say he win the lottery?

15 MR. POLIN: Well, during the period of July 27,
16 2018 to January 27, 2019, Mr. Nguyen cashed over \$280,000 in
17 lottery prizes.

18 THE INTERPRETER: I get it.

19 MR. POLIN: What's -- where is the money?

20 THE INTERPRETER: I get it.

21 A A little.

22 Q I'm sorry?

23 THE INTERPRETER: A little. He said.

24 MR. POLIN: A little profit?

25 THE INTERPRETER: Yeah.

1 BY MR. POLIN:

2 Q But you are making more money than you are
3 spending on lottery tickets, is that what you mean by 'a
4 little'?

5 THE INTERPRETER: Yes, he is saying he is making a
6 little.

7 MR. POLIN: I think I am all set. Thank you very
8 much. I don't have any more questions.

9 THE INTERPRETER: Thank you.

10 THE HEARING OFFICER: I guess, if I may ask a
11 question really with respect to geography more than anything
12 else. I'm looking at these, what we have deemed Exhibit 2,
13 the locations of purchase of these 163 tickets, and I see
14 them ranging -- first off, understanding that Mr. Nguyen
15 lives in [REDACTED] correct?

16 THE INTERPRETER: Yeah.

17 THE HEARING OFFICER: And he's lived in [REDACTED]

18 THE INTERPRETER: He live in [REDACTED] yes.

19 THE HEARING OFFICER: -- for the last several
20 years consistently?

21 THE WITNESS: Yes.

22 THE HEARING OFFICER: And I guess, you know, I'm
23 looking at the city where the tickets were purchased. I see
24 Boston, Malden, Dorchester, Beverly, Somerville. They are
25 all in and around Boston. But, you know, these are -- Athol,

1 Everett. How is that you are asking your friends to provide
2 you -- or you are giving money to friends to go out and buy
3 lottery tickets. They are buying at these geographically
4 sort of distant locations from Lynn. And them coming back to
5 you with the ticket. In other words, that's a really big
6 effort or undertaking to go buy a ticket in Athol, for
7 instance, which by my estimation is 65 miles away. You know,
8 to come back to Lynn simply to hand you a lottery ticket. Or
9 Dorchester, so that matter. Or, you know, Quincy. When, as
10 an example, the testimony given earlier, by Ms. McHugh, was
11 that the purchasing pattern didn't fit the norm. So, it
12 looks unusual, I guess, is what I'm trying to make, right.
13 So, I guess that's the ultimate explanation I'm looking
14 forward.

15 THE INTERPRETER: He have an answer for that. He's
16 says he buy -- he work around someplace but not all of them.
17 Some of his friends work there and go home. And so, he asked
18 them to buy. So, they work from there and so he ask them to
19 bring home. He answered before.

20 THE HEARING OFFICER: Right, I understand. And I
21 think I'm understanding his position. I just need to firm up
22 my own understanding of what the position is. But in light
23 of the geography, you know, if you lay over, if you will,
24 the statistical probability of it, the amount of money it
25 would have taken to expend to, um, indicate -- the

1 persistence or the buying volume of what it would have taken
2 to win at the rate he is winning, how can that be explained?
3 Other than by sheer luck, which I'm not so sure is --

4 THE INTERPRETER: I know what you are talking
5 about. Again, how he, how he and -- ah --

6 THE WITNESS: So, I buy and more. Dollar --

7 THE INTERPRETER: He bought it. Some of his friend
8 bought it. Some of them, he partner with.

9 THE HEARING OFFICER: Partners with them?

10 THE INTERPRETER: Yeah, like you buy you to do it.
11 Buy booklet, three, four. And scratch it. So, we win and we
12 share it. If we lose, we chip in. That way I have a question
13 before like they say 80 percent of the book that win, and he
14 say I lose more than that.

15 THE HEARING OFFICER: In terms of sharing, then,
16 is anybody -- any of your partners -- well, who are your
17 partners, number one, and is there any other designated
18 prize winner, for lack of better words. For purposes of
19 turning the prize in and filling out the prize application
20 form at the lottery. Or is it always Mr. Nguyen?

21 THE INTERPRETER: Yeah, whatever. He is saying
22 they split even. Sometime, he go to cash in. Sometime other
23 people go to cash in.

24 THE HEARING OFFICER: Who are those other people?

25 THE INTERPRETER: His friend like he told you

1 before.

2 THE HEARING OFFICER: The same friends he
3 mentioned earlier?

4 THE INTERPRETER: Yes.

5 THE HEARING OFFICER: I don't have any other
6 questions.

7 MR. POLIN: Neither do we.

8 THE HEARING OFFICER: I'll offer you the
9 opportunity to close or not. I'll offer you the opportunity
10 to make a closing or a final statement if you would like.

11 MR. POLIN: Yes. I'll be brief in closing remarks.
12 Um, the compliance department has reviewed the two
13 spreadsheets that were submitted here today, and they have
14 determined that these prize claims by Mr. Nguyen are
15 factually or statistically improbable. In light of today's
16 hearing, I would ask Mr. Attorney Mayo here to affirm the
17 compliance department's determination. Mr. Nguyen just by
18 cashing 163 claims since last July is by definition a
19 high-frequency prize winner subject to review by the
20 executive director or a designee. That internal review has
21 been conducted and with all due respect, I haven't heard
22 anything in this hearing that would leave the Lottery to
23 believe that these lottery prize claims in question are not
24 factually or statistically improbable.

25 THE INTERPRETER: He understand. The question is,

1 can he still cash in the winning ticket. If he can, he can
2 play more. If not, he won't play any more. That is what his
3 question is.

4 THE HEARING OFFICER: I don't know if you want to
5 respond to that. We can answer that question after we close
6 the hearing. So, on that note I'm going to defer the
7 question. It isn't really relevant or material to the
8 proceedings at issue as far as I can see it. We will answer
9 the particular question afterwards. But on that note, I am
10 going to close this hearing now and invite the parties to
11 submit if they would like some form of a post-hearing
12 synopsis or brief to me further supporting their position
13 with respect to the matter. And I guess the question is how
14 much -- how long does the transcript take to produce.

15 THE COURT REPORTER: Generally it takes about two
16 weeks.

17 THE HEARING OFFICER: About two weeks? I would
18 suggest that within a week after the transcript is provided,
19 that the parties if they so choose send to me --

20 THE INTERPRETER: Okay.

21 THE HEARING OFFICER: -- whatever supporting
22 position they have. That's not to say you can't submit it
23 earlier. I don't necessarily know that the brief is
24 necessary but there will be a transcript available to
25 purchase if either of the party so chooses. So, within a

1 week after the availability of the transcript I would expect
2 submission of a brief.

3 MR. POLIN: Would you prefer that in email? How
4 would you prefer to receive the brief?

5 THE HEARING OFFICER: Oh, your submission. Email
6 is fine. Whatever is easiest for the parties. Email, mail.
7 As long as I have it within a week after.

8 MR. POLIN: Thank you.

9 THE HEARING OFFICER: You're welcome.

10 (The proceeding was adjourned at 2:31 p.m.)

CERTIFICATE OF TRANSCRIBER

This is to certify that the attached proceedings
before: State Lottery Commission

in the Matter of:

NGHIA VAN NGUYEN,)
Respondent.)
)
)

Place: Dorchester, Massachusetts

Date: May 1, 2019

Were held as herein appears, and that this is the true,
accurate and complete transcript prepared from the
recordings taken of the above entitled proceeding.

MaryAnn Rooney 05/01/19
Official Reporter Date

MaryAnn Rooney 06/11/19
Official Transcriber Date