



Randy Howry

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July 30, 2025

Via Email

Joe Nwaokoro

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OFFICE OF THE ATTORNEY GENERAL OF TEXAS
Assistant Attorney General
General Litigation Division
P.O. Box 12548, Capitol Station
Austin, Texas 78711

Re: Cause No. D-1-GN-25-003647; Moriarty v. Sergio Rey, in his Official Capacity as Acting Deputy Executive Director of The Texas Lottery Commission, and the Texas Lottery Commission, 345th Judicial District Court of Travis County, Texas; Rule 11 Agreement.

Dear Joe:

This letter will serve as a binding, enforceable Rule 11 agreement between Plaintiff Kristen Moriarty ("Moriarty") on the one hand and Defendants the Texas Lottery Commission ("TLC") and Sergio Rey ("Rey") on the other and confirms the parties have agreed to a full resolution and settlement of this above captioned matter, without any admission by any party as to the merits of any claim or defense, as follows:

- 1) Moriarty will complete TLC's prize claim validation procedures at 10:00 am on July 31, 2025.
- 2) TLC shall pay to or for the benefit of Moriarty the cash value Jackpot Prize of \$45,889.188.92 (the "Recovery"). TLC shall pay 76% of the Recovery (\$34,875,783.82) directly to Moriarty by direct deposit (ACH) to the Trust Account of her attorneys, Howry, Breen & Herman, LLP (The HBH Trust Account) on or before August 7, 2025, and 24% of the Recovery (\$11,013,405.10) to the IRS for the benefit of Moriarty per TLC's Rules.

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- 3) Plaintiff shall dismiss her lawsuit with prejudice upon receipt of the payment and no later than August 11, 2025, with a notice of nonsuit and order confirming same in a form substantially similar to Exhibit A to this Rule 11 agreement.
- 4) The hearing scheduled for August 1, 2025, will be cancelled and passed upon execution of this Rule 11 agreement.
- 5) Upon receipt of the payment, Moriarty waives, releases, and discharges Rey and TLC, and its past or present officers, directors, employees, agents and attorneys from any and all claims she now has or may have in the future arising from or related to the February 17, 2025 Lotto Texas drawing that is the subject of the above-captioned matter.
- 6) Any payments made by TLC shall not be construed and do not constitute admission of fault, wrongdoing, responsibility, or liability on the part of TLC or Rey.

Very truly yours,

Randy R. Howry and Sean E. Breen

AGREED:

OFFICE OF THE ATTORNEY GENERAL OF TEXAS

/s/ Joe Nwaokoro Joe Nwaokoro@oag.texas.gov

Attorney for Defendant Sergio Rey, In His Official Capacity as Acting Deputy Executive Director of The Texas Lottery Commission, and Texas Lottery Commission

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Caitlin Baker on behalf of Randy Howry

Bar No. 10121690

cbaker@howrybreen.com Envelope ID: 103821698

Filing Code Description: No Fee Documents

Filing Description: RULE 11 AGREEMENT LETTER

Status as of 7/31/2025 1:59 PM CST

Case Contacts

Name	BarNumber	Email	TimestampSubmitted	Status
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Associated Case Party: KRISTEN MORIARTY

Name	BarNumber	Email	TimestampSubmitted	Status
Caitlin Baker		cbaker@howrybreen.com	7/31/2025 1:00:24 PM	SENT

Associated Case Party: SERGIO REY DEPUTY EXECUTIVE DIRECTOR OF THE TEXAS LOTTERY COMMISSION

Name	BarNumber	Email	TimestampSubmitted	Status
Tristan AGarza		tristan.garza@oag.texas.gov	7/31/2025 1:00:24 PM	SENT
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