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FOR IMMEDIATE RELEASE

June 12, 2017

AG Schimel Announces Conviction of Lottery Fraudster

MADISON, Wis. – Today, Attorney General Brad Schimel announced that Eddie Tipton of Flatonia, Texas, pleaded guilty today in Dane County to “theft by fraud” (as party to a crime) and “computer crime” for his role in defrauding the Wisconsin Lottery in 2007. He faces a total maximum penalty of 13.5 years of imprisonment and \$35,000 in fines for these two felonies when he is sentenced on September 21, 2017.

“Mr. Tipton’s actions defrauding the lottery were a gross violation of the public’s trust and confidence and I’m grateful to the coalition of state entities and law enforcement agencies that spanned multiple states for their efforts to find truth and seek justice,” said Attorney General Schimel.

Tipton and his co-defendant, Robert Rhodes, conspired to win the December 29, 2007, Wisconsin *Megabucks* lottery game. Tipton was an employee of the Multi-State Lottery Association and responsible for programming the software used in the random number generator (RNG) machines that picked the winning numbers. Tipton programmed a modified code in the RNG software that, when certain conditions were met, produced a predictable set of winning numbers. Tipton supplied those numbers to Rhodes, who then purchased a ticket with the winning numbers. Rhodes later submitted the winning ticket for payment; and then Rhodes and Tipton split the proceeds totaling \$783,257.72.

Pursuant to a multi-state plea agreement, Tipton will also plead guilty to one count of “ongoing criminal conduct” in Iowa at a later date. Tipton further agreed to pay \$409,600 in restitution to Wisconsin for his half of the proceeds split with Rhodes, and also agreed to pay restitution to Colorado, Oklahoma, and Kansas for similar fraudulent lottery wins.

This case was investigated by the Wisconsin Department of Justice Division of Criminal Investigation, in conjunction with the Wisconsin Department of Revenue, Iowa Attorney General, Iowa Division of Criminal Investigation, and law enforcement agencies in Colorado, Kansas, Oklahoma, and Texas.

Assistant Attorney General David W. Maas represented the State of Wisconsin.