

IN THE IOWA DISTRICT COURT FOR POLK COUNTY

STATE OF IOWA, <i>Plaintiff,</i> v. TOMMY BOYD TIPTON, <i>Defendant.</i>	AGENCY CASE NO.: _____ AGENCY: ATTY. GEN. COUNTY ATTORNEY COMPLAINT REVIEW
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COMES NOW the undersigned Assistant Attorney General Robert Sand and states as follows:

I have read and reviewed the attached complaint and affidavit. I:

- Approve** the charges of Ongoing Criminal Conduct in violation of Iowa Code Section(s): 713.1(3), 706A.2(4), and 706A.1(5)
- A **No Contact Order** with the victim(s) of this crime is requested.


With regard to a bond amount, the State requests that:

- Bond be set according to the standard bond schedule.
- Bond be set in the amount of \$25,000 .
- Cash Only.
- Cash or Surety.
- 10% to the Court.
- The defendant be released on the defendant's own recognizance (O/R).

Based on the information currently available to me, I offer this additional information to the court / clerk:

- Other: _____
- The defendant currently has other pending charges.
- The defendant has a relevant criminal history.
- This crime occurred in violation of a No Contact Order.
- The defendant is currently on probation.

WHEREFORE the State respectfully requests the Court find probable cause and allow the case to proceed under the circumstances set out above.

Respectfully submitted,
TOM J. MILLER by:


Robert H. Sand
Assistant Atty General ATT0010489
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Polk County Complaint & Affidavit

STATE OF IOWA, COUNTY Polk
OF

STATE OF IOWA

Before (Judge, Magistrate) _____

Vs.

Criminal Case No. _____

Tommy Boyd Tipton

COMPLAINT

Defendant

5550 Cowan Road, Flatonia, Texas

Address June 6, 1964 Birthdate

The defendant is accused of the crime of Ongoing Criminal Conduct, in violation of §§ 714.1(3), 706A.1(5), and
(Name the Offense and code or Ordinance section)

706A.2(4) in that he from 2003-2012

at the Multistate Lottery Association Headquarters

(Here locate the City, or Township where the offense occurred)

in Polk County, did commit for financial gain on a continuing basis an act that is punishable as an indictable offense under the law of this state and the state in which it was committed, specifically by aiding and abetting thefts

(State the acts or omissions constituting the offense)

I certify under penalty of perjury and pursuant to the laws of the State of Iowa that the proceeding is true and correct. *

March 30, 2016

Date

X S/M Don Smith E-173

Complainant's signature

STATE OF IOWA,
COUNTY OF Polk, ss:

I the undersigned, being first duly sworn and under oath, state that the following facts known to me or told to me by other reliable persons form the basis for my belief that Tommy Boyd Tipton

the defendant committed the crime charged.

After Defendant's brother was convicted in July of 2015 of tampering with lottery equipment to win a \$16.5M jackpot ticket in Iowa, a tip was received that Defendant had won the lottery in Colorado, and later that a specific law enforcement official could provide additional information. An investigation ensued and showed the following. In Spring 2006, authorities began investigating Defendant, a Justice of the Peace in Texas, who was reported to have \$500,000 in consecutively marked bills. The investigation closed when Defendant informed authorities that he won \$568,990 on a Colorado Lotto ticket he purchased in November 2005 that won a share of a \$4.5 million jackpot. He recruited a friend to claim the ticket by claiming he did not want his wife to know about the win as they may be headed for divorce, on his behalf and gave the friend roughly 10% of the winnings. The friend verified this. The Colorado Lottery verified that the friend had in fact been paid that Colorado Lotto jackpot. Authorities were unaware that Defendant's brother, Eddie Tipton, was employed at the time with the Multistate Lottery Association (MUSL) to write the program and build the computer later installed in Colorado to pick the same winning numbers he used. The ticket Defendant's friend claimed was a "manual play" ticket (meaning the purchaser selected his own numbers), for a game in which the winning numbers are determined by a random number generator (RNG) computer. That RNG computer was built at MUSL (headquartered within Polk County) by MUSL staff, including Defendant's brother Eddie Tipton. In addition, a witness will testify that around the time of the Colorado jackpot, Defendant had asked him whether, and how, cash money could be traced. A witness will testify the Defendant showed him large stacks of consecutively marked bills, and requested to exchange them for non-sequential bills of various denominations.

Additional investigation revealed that on November 23, 2011, a Hot Lotto ticket purchased in Oklahoma hit the jackpot. The drawing for Hot Lotto game is conducted in Iowa at the Multi-State Lottery Association headquarters (MUSL). Oklahoma is one of many state lotteries that participate in offering the Hot Lotto game. The ticket's claimant will testify that he was asked to claim the ticket by a family member. That family member will testify that the ticket belonged to Defendant, who invited him on a trip to Oklahoma. While in Oklahoma, Defendant suggested they play the lottery, and filled out the card to play. Defendant later contacted him to state they had won, and asked to have someone else claim the ticket because he did not want his wife to know about the win as they may be headed for divorce. Defendant offered to give part of the prize money in exchange for making the claim as the winner. The ticket was claimed and paid. The proceeds were provided to the claimant's family member, who in turn provided them to Defendant.

On December 23, 2010 a winning Hot Lotto ticket was purchased at the Quick Trip on E14th and Interstate 80 in Des Moines, Iowa. This purchase was captured and recorded with video and audio surveillance, which the Iowa Lottery obtained promptly. On November 9 and 10, 2011, Philip Johnston of Canada contacted the Iowa Lottery claiming to be the winner of the lottery ticket. Johnston provided the ticket's 15 digit security number as verification of his claim. On December 6, 2011, Johnston advised he was not the owner of the ticket and stated he was representing an anonymous party. On August 22, 2013 Johnston was interviewed in Quebec City, Canada about his knowledge of the lottery ticket. Johnston advised he was first contacted on October 17, 2011 by Robert Sonfield and his client Robert Rhodes of Houston, requesting Johnston's assistance with claiming the lottery ticket. In October 2014, the video and audio recording of the purchase of the winning ticket was publicly released with a request for information regarding the identity of the purchaser. On October 13, 2014, a Maine Lottery employee provided a tip that the individual sounded exactly like Eddie Tipton. DCI interviewed additional individuals who also said the purchaser sounded like Eddie Tipton. Later, a DCI Special Agent interviewed Eddie Tipton, who admitted that as a MUSL employee, he cannot buy lottery tickets nor can he win the lottery. He stated that he "wasn't even in town in that time period" that the ticket was purchased. Cell phone records and bank records, however, indicate he was in the Des Moines area on the date the ticket was purchased. He was multiple times asked for contacts in Houston outside of his family; he did not mention Robert Rhodes. Cell phone records, however, indicate frequent and lengthy phone calls between the Eddie Tipton and Rhodes, including on the day Eddie Tipton purchased the Iowa ticket. Ed Stefan, a coworker of Eddie Tipton, reported that Rhodes is Eddie's best friend and traditionally visits Eddie in Iowa for 4th of July. Stefan and Jason Maher, another coworker, said that Eddie had the technical ability and the opportunity to tamper with the RNG machines that pick winning lottery numbers, in order to make the numbers predictable.

Additional investigation revealed that in February 2008, Robert Rhodes of Houston, Texas sought to claim a \$2 million Wisconsin Megabucks lottery ticket through a corporate entity by filing a lawsuit in the name of Delta S Holdings, LLC against the State of Wisconsin, seeking a court order that would require the Wisconsin Lottery to pay out the claim to the LLC instead of to Rhodes. Rhodes, like Tommy Tipton, selected the lump payment option. The LLC was paid \$783,257.72 for the ticket, which won on December 29, 2011.

Wisconsin Lottery officials report that the ticket which Rhodes presented was a "manual play" ticket (meaning the purchaser selected his own numbers), for a game in which the winning numbers are determined by a random number generator (RNG) computer. That RNG computer was built at MUSL by MUSL staff, including Defendant's brother.

Wisconsin authorities had the RNG used for Rhodes' winning draw examined because it had never been erased or destroyed. The examination showed that the .dll used to pick winning numbers was not the same that was verified as legitimate by a third-party vendor to MUSL. Instead, the Wisconsin RNG .dll had two additional segments of code. The first part re-directed the RNG for draws that met each of 3 conditions: that they occurred on 3 particular days of the year, and on two particular days of the week, and after a certain time of day. When those three conditions were met for a draw, the RNG would produce numbers produced by a multi-variable algorithm that were predictable for anyone familiar with the operation of the RNG, the security system, the lottery games, and the variables of the algorithm itself. The Defendant's brother would be familiar with all those items due to his employment at MUSL in Iowa. Upon re-creating the draws according to the algorithm, forensic examiners produced the very same "winning numbers" from the program that was supposed to produce random numbers.

I certify under penalty of perjury and pursuant to the laws of the State of Iowa that the preceding is true and correct. *

March 30, 2016

Date

X

S/A Don Smith I-173

Complainant's signature

Subscribed and sworn to before me by Samantha Kane Tibbitts at Des Moines, Iowa, this 30 day of March, 2016.

Samantha Kane Tibbitts Notary

