

**Title 11—DEPARTMENT OF PUBLIC SAFETY  
Division 45—Missouri Gaming Commission  
Chapter 20—Sports Wagering**

**PROPOSED RULE**

**11 CSR 45-20.110 Prohibition and Reporting of Certain Transactions**

*PURPOSE: This rule prohibits certain transactions and establishes the procedures for the reporting of certain transactions.*

*PUBLISHER'S NOTE: The secretary of state has determined that the publication of the entire text of the material which is incorporated by reference as a portion of this rule would be unduly cumbersome or expensive. This material as incorporated by reference in this rule shall be maintained by the agency at its headquarters and shall be made available to the public for inspection and copying at no more than the actual cost of reproduction. This note applies only to the reference material. The entire text of the rule is printed here. The SW Corporate Securities and Finance Transaction Information Sheet and the SW Corporate Securities and Finance Compliance Affidavit may also be accessed at <http://www.mgc.dps.mo.gov>.*

(1) The following forms are incorporated by reference and made part of this rule as adopted by the commission and published by the Missouri Gaming Commission, 3417 Knipp Dr., PO Box 1847, Jefferson City, MO 65102, and which may be accessed at <http://www.mgc.dps.mo.gov>:

(A) SW Corporate Securities and Finance Transaction Information Sheet as adopted by the commission on February 18, 2025. This rule does not incorporate any subsequent amendments or additions.

(B) SW Corporate Securities and Finance Compliance Affidavit as adopted by the commission on February 18, 2025. This rule does not incorporate any subsequent amendments or additions.

(2) The following definitions apply to the terms used in this rule:

(A) Material change in ownership or control: Any transfer or issuance of ownership interest in a Retail or Mobile licensee or other contract or arrangement resulting in a person or group of persons acting in concert, directly or indirectly:

1. Owning, controlling, or having power to vote twenty-five percent (25%) or more of the voting ownership interest in the Retail or Mobile licensee, if the acquiring person or group of persons did not previously hold twenty-five percent (25%) or more of the voting ownership interest of the Retail or Mobile licensee prior to the change in control; or

2. Controlling in any manner the election of a majority of the directors or managers of a Retail or Mobile licensee, if the controlling person or group of persons did not previously exercise such control; and

(B) Ownership interest: An interest which shall include, but not be limited to, any corporation stock, partnership interest, limited liability company interest, or similar ownership interest conveying equity or voting rights.

(3) No licensee may pledge, hypothecate, or transfer in any way any license issued by the commission or any interest in a license issued by the commission. Upon any purported pledge, hypothecation, or transfer of such a license or interest in such a license, the license shall automatically become null and void and of no legal effect.

(4) Ownership interest in a licensee that is not a publicly held entity—

(A) May not be pledged or hypothecated in any way to, or otherwise be subject to any type of security interest held by, any entity or person other than a financial institution without prior approval of the commission; and

(B) May not be pledged or hypothecated in any way, or otherwise subject to any type of security interest except in compliance with this rule.

(5) Any not publicly held licensee shall notify the commission of its intention to consummate any issuance of ownership interest in the licensee that will equal ten percent (10%) or greater of the ownership interest in the licensee after the issuance is complete. The notice shall occur at least sixty (60) calendar days prior to such consummation. The commission may disapprove the transaction or require the transaction to be delayed pending further investigation.

(6) Any publicly held Retail, Mobile, or SW Supplier licensee shall notify the commission of its intention to consummate any issuance of ownership interest in the licensee that will equal ten percent (10%) or greater of the ownership interest in the licensee after the issuance is complete. The notice shall occur at least fifteen (15) calendar days prior to such consummation. The commission may reopen the licensing investigation of the applicable licensee prior to or following the consummation date to consider the effect of the transaction on the licensee's suitability.

(7) Any entity required to report a transaction prior to consummation or obtain approval of a transaction under this rule shall submit the following as part of the required notice and before any approval shall be considered:

(A) An executed copy of the SW Corporate Securities and Finance Transaction Information Sheet; and

(B) An executed copy of the SW Corporate Securities and Finance Compliance Affidavit from each other party to the transaction or a representative authorized to act on behalf of such parties.

(8) Not later than ten (10) calendar days after the consummation of any of the following transactions, any licensee shall report such consummation to the commission:

(A) Any transfer or issuance of ownership interest in a publicly held licensee, if such transfer or issuance has resulted in an entity or group of entities acting in concert directly owning a total amount of ownership interest equaling ten percent (10%) or greater of the ownership interest in the licensee.

(B) Any pledge or hypothecation of, or grant of a security interest in, ten percent (10%) or more of the ownership interest in a publicly held licensee; provided that if any part of such ownership interest is transferred voluntarily or involuntarily pursuant to such a pledge, hypothecation, or security interest, separate notice to the commission is required not later than ten (10) calendar days after the consummation of such transfer.

(9) Any licensee shall notify the commission of its intention or the intention of any entity affiliated with it to consummate any transaction that involves or relates to the licensee and is 10% or greater of total assets, provided that such notice shall be given no later than ten (10) calendar days following such consummation.

(10) Any action or decision to refrain from acting by the commission under this rule shall not indicate or suggest that the commission has considered or passed in any way on the marketability of any securities of a licensee, or any other matter, other than the suitability of the pertinent licensee company for licensure by the commission under Missouri law.

(11) All notices required under this rule shall be addressed to the executive director of the commission and shall clearly contain the following language in bold type and all capital letters on the top of the first page: “REQUIRED SW CORPORATE SECURITIES AND FINANCE NOTICE”. The commission may waive or reduce any notice period required under this rule if such waiver or reduction is determined by the commission to be in the best interest of the public. Any notice or report required under this rule shall be in addition to any required application update or submission.

(12) Violations of this rule, including, but not limited to, consummation of transactions prohibited by the commission hereunder, may be grounds for discipline against any licensee or grounds for denial of any application. This rule shall not be construed as making any asset inalienable in nature but shall provide a regulatory penalty enforcement mechanism for certain types of asset transfers as set forth herein.

(13) Upon any voluntary material change in ownership or control, the licensee that is the subject of the material change in ownership or control, shall automatically become null and void and of no legal effect, unless the commission has approved such material change in ownership or control by vote of the commissioners prior to its consummation. The commission may grant a petition to approve a material change in ownership or control if the petitioner proves by clear and convincing evidence that—

(A) The transfer is in the best interest of the State of Missouri;

(B) The transfer is not injurious to the public health, safety, morals, good order, or general welfare of the people of the State of Missouri, and that it would not discredit or tend to discredit the Missouri sports wagering industry or the State of Missouri;

(C) It would have no material negative competitive impact;

(D) It would have no potential to affect the licensee’s suitability to hold a Retail or Mobile license; and

(E) It would not potentially result in any significant negative changes in the financial condition of the licensee.

(14) Upon an involuntary material change in ownership or control (including, but not limited to, open market acquisitions of publicly traded stock not facilitated by a licensee, death, appointment of a guardian by a court of competent jurisdiction, or involuntary bankruptcy) the executive director with the concurrence of the chairman may, within ten (10) calendar days, extend the license held by the licensee that is the subject of the material change in ownership or control until the next commission meeting, at which time the commission may extend the license until such time as a material change in ownership or control is approved. In the event the executive director does not extend the license within ten (10) calendar days of the involuntary material change in ownership or control, or the commission does not extend it at its next meeting, the license shall become null and void.

*AUTHORITY: section 39(g) of Article III, Mo. Const., sections 313.004 and 313.800–313.850, RSMo 2016 and Supp. 2024. Emergency rule filed Feb. 18, 2025, effective March 4, 2025, and expires Aug. 30, 2025. Original rule filed Feb. 18, 2025.*

*PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.*

*PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.*

*NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule via email to [MGCPolicy@mgc.dps.mo.gov](mailto:MGCPolicy@mgc.dps.mo.gov), or by mail to the Missouri Gaming Commission, Policy Section, PO Box 1847, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the **Missouri Register**. A public hearing is scheduled for April 17, 2025, at 10 a.m., in the Missouri Gaming Commission's Hearing Room, 3417 Knipp Drive, Jefferson City, MO.*

# SW CORPORATE SECURITIES AND FINANCE TRANSACTION INFORMATION SHEET

An SW Corporate Securities and Finance Notice is hereby filed by  (the "Company") with the Missouri Gaming Commission (the "Commission") pursuant to 11 CSR 45-20 for the following transaction (the "Transaction").

The Company hereby states the following regarding the Transaction:

1. The Transaction does not involve the pledge, hypothecation, or transfer in any way of any license issued by the Commission or any interest in a license issued by the Commission.
2. No ownership interest, as defined in 11 CSR 45-20, in the Company or any of its affiliates is proposed to be issued or transferred in any manner, except as provided on **Exhibit 1** attached hereto, which includes copies of all documents evidencing these arrangements, and includes a summary explanation of the arrangements, citing specific pages of the documents for the pertinent provisions.
3. No ownership interest, as defined in 11 CSR 45-20, in the Company or any of its affiliates is proposed to be pledged, hypothecated, or otherwise used as collateral in any manner, except as provided on **Exhibit 2** attached hereto, which includes copies of all documents evidencing these arrangements, and includes a summary explanation of the arrangements, citing specific pages of the documents for the pertinent provisions.
4. The Company and its affiliates understand fully that the Commission's review of the Transaction will involve issues of suitability to hold a license, and no action or decision to take no action by the Commission based on this review will indicate or suggest that the Commission has considered or passed in any way on the marketability of any securities or any other matter.
5. The Company and its affiliates also understand fully that the review of the transaction under 11 CSR 45-20 does not in any way preempt or preclude other investigations related to the Transaction, and that no action or decision to take no action by the Commission shall preempt or preclude any other action of the Commission related to the Transaction.
6. The Company will update this Information Sheet immediately with any change of information and, if documents that are attached are revised, the Company will provide the revised versions marked clearly to show all of the revisions.

(Signature)

(Name Printed or Typed)

(Title)

("Company")

# SW CORPORATE SECURITIES AND FINANCE COMPLIANCE AFFIDAVIT

This SW Corporate Securities and Finance Compliance Affidavit is hereby filed by  (the “Company”) with the Missouri Gaming Commission (the “Commission”) pursuant to 11 CSR 45-20. The Company is party to a transaction involving a gaming licensee. The representations in this affidavit relate to the following transaction (the “Transaction”):

The Company hereby states the following regarding the Transaction:

1. The Company does not have and cannot have under the proposed Transaction any security interest or rights of any kind related to possession or ownership of any license issued by the Commission or any interest in a license issued by the Commission, including but not limited to rights as a pledgee, hypothecatee, or transferee.
2. The Company does not have and cannot have under the proposed Transaction any security interest or rights of any kind related to possession or ownership of any ownership interest, as defined in 11 CSR 45-20, including but not limited to rights as a pledgee, hypothecatee, or transferee, except as follows:

3. Under the proposed Transaction, no security interest or rights of any kind related to possession or ownership of any ownership interest, as defined in 11 CSR 45-20, including but not limited to rights as a pledgee, hypothecatee, or transferee of such interest, may be utilized or acted upon to allow the Company to gain title, ownership, possession, or control of such ownership interest or the ability to require such ownership interest to be transferred in any way, unless the Executive Director of the Commission has received written notice from the Company at least thirty (30) days prior to the Company so utilizing or acting upon security interest or rights.
4. The statements herein will remain true for the full duration of the Transaction, and the Company will notify the Executive Director of the Commission in writing prior to any change to these statements becoming effective.
5. The Company understands fully that the Commission’s review of the Transaction will involve issues of suitability to hold a license, and no action or decision to take no action by the Commission based on this review will indicate or suggest that the Commission has considered or passed in any way on the marketability of any securities or any other matter.

(Representative of the Company)

(Name Printed or Typed)

(Title)

("Company")

(Legal Representative)

(Name Printed or Typed)

(Title)

(Firm)

(Notarial Seal)

(Notarial Seal)

Sworn and Subscribed before me this

day of , 20

*Notary Public*

My Commission expires on:

Notary Public in and for the County of:

Sworn and subscribed before me this

day of , 20

*Notary Public*

My Commission expires on:

Notary Public in and for the County of: