



WASHINGTON STATE GAMBLING COMMISSION

LOCATION: 4565 7th Avenue SE, Lacey WA 98503
MAILING ADDRESS: P.O. Box 42400, Olympia WA 98504-2400
TELEPHONE: 360-486-3440 / FAX NUMBER: 360-486-3631
TOLL-FREE: 1-800-345-2529 / TDD: 360-486-3637
WEB SITE: www.wsgc.wa.gov

NOTIFICATION OF STOCK OWNERSHIP CHANGE

FEE: \$ | _____ |

[See Section 14 of the Attached Fee Schedule \(GC5-055K FS\)](#)

**THE GAMBLING COMMISSION MUST BE NOTIFIED OF STOCK OWNERSHIP CHANGES
WITHIN TEN DAYS OF THE TRANSACTION CLOSE.**

**Special investigative fees may be requested if costs exceed
the basic fee provided with this application.**

Trade name under which
corporation is licensed: | _____ |

Corporation Name: | _____ |

Mailing Address: | _____ |

| _____ | | _____ | | _____ |
City State Zip

| _____ | UBI#: | _____ |
County

Primary Telephone: | _____ | - | _____ | - | _____ | FAX: | _____ | - | _____ | - | _____ |

Cell Telephone Number (Optional) | _____ | - | _____ | - | _____ |

Premises Address: | _____ |

| _____ | | _____ | | _____ |
City State Zip

Telephone: | _____ | - | _____ | - | _____ |

1. List owners prior to stock change and include percentage: (Attach additional sheets, if necessary.)

a. Last Name: | _____ |

First Name: | _____ | MI: | _____ |

Title: | _____ |

Social Security #: | _____ | - | _____ | - | _____ |

Number of Shares Owned: | _____ |, | _____ | Percentage of Stock Ownership: | _____ | %

b. Last Name: | _____ |

First Name: | _____ | MI: | _____ |

Title: | _____ |

Social Security #: | _____ | - | _____ | - | _____ |

Number of Shares Owned: | _____ |, | _____ | Percentage of Stock Ownership: | _____ | %

Business Office Use Only:

Code: 211- | _____ | Date: | _____ | / | _____ | / | _____ | Amt: \$ | _____ |, | _____ | .00 Val #: _____

CONDENSED LICENSING RULES

WAC 230-03-045 Defining substantial interest holder. (1) "Substantial interest holder" means a person who has actual or potential influence over the management or operation of any organization, association, or other business entity.

(2) Evidence of substantial interest may include, but is not limited to:

(a) Directly or indirectly owning, operating, managing, or controlling an entity or any part of an entity; or

(b) Directly or indirectly profiting from an entity or assuming liability for debts or expenditures of the entity; or

(c) Being an officer or director or managing member of an entity; or

(d) Owning ten percent or more of any class of stock in a privately or closely held corporation; or

(e) Owning five percent or more of any class of stock in a publicly traded corporation; or

(f) Owning ten percent or more of the membership shares/units in a privately or closely held limited liability company; or

(g) Owning five percent or more of the membership shares/units in a publicly traded limited liability company; or

(h) Providing ten percent or more of cash, goods, or services for the start up of operations or the continuing operation of the business during any calendar year or fiscal year. To calculate ten percent of cash, goods, or services, take the operational expenses of the business over the past calendar or fiscal year, less depreciation and amortization expenses, and multiply that number by ten percent; or

(i) Receiving, directly or indirectly, a salary, commission, royalties, or other form of compensation based on the gambling receipts.

WAC 230-06-107 Ownership changes – Allowed. A licensee must report any change in ownership when the change would result in any person or organization becoming a substantial interest holder. Changes in ownership are allowed under the following conditions:

Ownership changes to be reported

(1) The following changes must be reported to us when:

(a) A person or organization becomes a substantial interest holder when they were not a substantial interest holder immediately before the transaction; or

(b) A substantial interest holder purchases any additional stock.

Reporting requirements

(2) Each notification must:

(a) Be submitted in writing on a form provided by us within thirty days of the close of a change of ownership; and

(b) Include the required fee; and

(c) Include:

(i) **For corporations**--A copy of the meeting minutes detailing the change of ownership; or

(ii) **For limited liability companies (LLC)** – An amended LLC agreement that includes the new member(s).

New owners must qualify for a license

(3) The gambling license(s) of any corporation or LLC in which a person holds or acquires a substantial interest may be revoked if the new person is not qualified to hold a gambling license.

Review and investigation

(4) An investigation of each transaction will be conducted by us to determine the details of the transaction and the qualifications of each substantial interest holder.

WAC 230-06-108 Ownership changes – Prohibited.

All gambling licenses held by a business will become void when the following changes in ownership occur and a new license must be obtained before operating any gambling activities:

(1) A person or business becomes the owner of more than fifty percent of corporate stock or limited liability membership shares/units, when the person or business did not have at least the following substantial interest in the business immediately before the transaction:

(a) Ten or more percent ownership in a privately held corporation or limited liability company (LLC); or

(b) Five or more percent ownership in a publicly traded corporation or LLC; or

(2) The business is sold; or

(3) A sole proprietorship brings in a new person and forms a partnership, corporation or LLC; or

(4) A partnership adds another partner or changes partners; or

(5) A change in a person's ownership, together with ownership of any members of his or her immediate family, who are under the age of eighteen years of age, results in the person having more than fifty percent interest in the business when the person did not have at least the following substantial interest in the business:

(a) Ten or more percent ownership in a privately held corporation or LLC; or

(b) Five or more percent ownership in a publicly traded corporation or LLC.