

205 CMR 230.00: REVIEW OF A PROPOSED AGREEMENT WITH A CATEGORY 3 LICENSEE

Section

230.01: Notice and Approval

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- (1) In accordance with M. G.L. c. 23N, § 6(b)(4), no Category 1 or Category 2 Operator shall enter into an agreement related to mobile or digital Sports Wagering with a Category 3 Operator, including a Category 3 Operator whose Tethered Category 3 License is tethered to the Category 1 or 2 Operator's License, or amend such an agreement, without prior notice to and approval from the Commission.
- (2) Notwithstanding 205 CMR 230.01(1), the following agreements and amendments do not require approval:
 - (a) The acceptance by one Operator of a second Operator's standardized consumer terms of service in order to place a wager with the second Operator in accordance with M.G.L. c. 23N, § 13(c).
 - (b) Amendments as to form or to correct typographical errors.
- (3) In reviewing the agreement, the Commission may, at such times and in such order as the Commission deems appropriate, take any of the actions listed in 205 CMR 218.04(1).
- (4) Preliminary Approval.
 - (a) The parties to any agreement subject to 205 CMR 230.01(1) may request a preliminary approval.
 - (b) Whether to grant preliminary approval shall be in the Commission's discretion. However, the Commission shall not grant preliminary approval unless the parties demonstrate, through a clause in the agreement or otherwise, that the agreement can be promptly terminated if:
 1. the Commission denies final approval; or
 2. the Commission withdraws the preliminary approval in accordance with 205 CMR 230.01(4)(d).
 - (c) If the Commission grants a preliminary approval, the parties may operate under the agreement until the Commission makes a final determination on the agreement.
 - (d) The Commission may withdraw a preliminary approval at any time if it finds reasonable cause to believe that the proposed agreement would be disadvantageous to the interests of the Commonwealth.
- (5) The Commission shall, at an open public meeting, either approve or reject the proposed agreement.
- (6) The Commission may reject any agreement requiring approval pursuant to 205 CMR 230.01(1) that it finds would be disadvantageous to the interests of the Commonwealth of Massachusetts. An agreement may, without limitation, be considered disadvantageous to the interests of the Commonwealth if:
 - (a) the Commission determines that the agreement would cause a violation of any of the applicable considerations set forth in M.G.L. c. 23N, §§ 5, 6, or 9(a), or any other applicable provisions of M.G.L. chs. 23K, 23N or 205 CMR; or
 - (b) the agreement would result in any party to the agreement having a financial interest in more Sports Wagering Licenses issued by the Commission than the party is permitted to hold or be tethered to under M.G.L. c. 23N.

REGULATORY AUTHORITY: M.G.L. c. 23N, §§ 4, 5, 6(b)4