
Alderney eGambling Regulations 2009

ARRANGEMENT OF SECTIONS

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ALDERNEY STATUTORY INSTRUMENT

2009 NO.

Alderney eGambling Regulations 2009

THE ALDERNEY GAMBLING CONTROL COMMISSION, in exercise of the powers conferred upon it by sections 1(2)(c), 4(2), 4(3), 5(3), 6(2), 7(1), 7(2), 10(2), 11, 12(2), 12(5), 14(3), 14(5), 14(6), 15(5), 15(6), 15(7), 15(9), 16(2), 17(1), 18(1), 19(1), 20, 21(3), 22, 27, 30, of the Alderney eGambling Ordinance, 2009 and all other powers thereto enabling, hereby makes the following Regulations: —

PART I - eGAMBLING LICENCES**CHAPTER I - PRELIMINARY****Categories of eGambling licence**

1. These regulations provide for three different categories of eGambling licence —
- (a) Category 1 eGambling licences, that permit the Category 1 eGambling licensee to contract with customers to organise and prepare the customer for gambling, as detailed in Chapter II of this Part;
 - (b) Category 2 eGambling licences, that permit the Category 2 eGambling licensee to effect gambling transactions, as detailed in Chapter III of this Part; and
 - (c) Temporary eGambling licences, that are primarily designed for temporary use by foreign company licensees whilst their usual gambling operations are interrupted, as detailed in Chapter IV of this Part.

Interpretation of this Part

2. (1) In this Part, the terms “eGambling licence” and “licence” mean, unless otherwise specified or unless the context otherwise requires, an eGambling licence of any category.

(2) The provisions of Chapters V and VI of this Part apply to all categories of eGambling licence, unless otherwise specified or unless the context otherwise requires.

CHAPTER II - CATEGORY 1 eGAMBLING LICENCES

Category 1 eGambling Licences

3. (1) A Category 1 eGambling licence permits a Category 1 eGambling licensee to contract with customers to organise and prepare the customer to gamble.

(2) Activities that organise and prepare a customer to gamble include, but are not limited to, one or more of the following activities —

- (a) entering into an agreement with the customer;
- (b) registration and verification of the customer;
- (c) management of the customer's funds;
- (d) offering or promoting gambling to the customer;
- (e) such other actions that the Commission determines to be activities that may only be carried out by a Category 1 eGambling licensee.

(3) In accordance with section 5 of the Ordinance, a Category 1 eGambling licence may only be held by an Alderney company.

(4) A Category 1 eGambling licensee may not effect a gambling transaction unless it also holds a Category 2 eGambling licence.

General Conditions of Category 1 Licence

4. A Category 1 eGambling licence issued by the Commission under section 7 of the Ordinance is subject to the following general conditions —

- (a) a Category 1 eGambling licensee shall not transfer a customer to, or allow a customer to gamble with or through, any entity other than —
 - (i) a Category 2 eGambling licensee; or
 - (ii) the holder of a foreign gambling associate certificate,

unless the customer is notified and warned, in the manner specified in the Category 1 eGambling licensee's approved internal control system, of the matters specified in section 1(3) of the Ordinance;

- (b) in no circumstances may cash be accepted from a customer by, or on behalf of, the Category 1 eGambling licensee;
- (c) any advertising carried out by, or conducted on behalf of, the Category 1 eGambling licensee —
 - (i) must be truthful;
 - (ii) must not be distasteful;
 - (iii) must not promote gambling by, with or through persons under the age of 18 years, and this factor must be taken into account when determining media selection and placement of the advertising;
 - (iv) must not encourage people to engage in excessive participation in eGambling that would be socially irresponsible or could result in harm to them or others;
 - (v) must not imply or convey any message that a person's status, general abilities or social success can be attributable to gambling;
 - (vi) must not challenge or dare people to participate in eGambling;
 - (vii) must not, having regard to the expected returns to customers through eGambling, promote or suggest any unrealistic expectation of winning;
 - (viii) must not bring into disrepute —
 - (A) the Island of Alderney;
 - (B) the Commission; or
 - (C) in any broader context, the Bailiwick of Guernsey; and
 - (ix) must comply with any requirements relating to the content or nature of advertising imposed in the jurisdiction covering the target market for that advertising;

- (d) the Category 1 eGambling licensee must appoint an executive officer to fulfil the duties of compliance officer, who will report to the Commission on all compliance matters;
- (e) the Category 1 eGambling licensee must appoint an executive officer, who may, but need not be, the compliance officer, to act as its money laundering reporting officer;
- (f) the Category 1 eGambling licensee must use reasonable endeavours to keep abreast of international developments as they affect the lawfulness of any form of eGambling in order, so far as is reasonably practicable, not to allow eGambling where to do so would constitute criminal activity by its customers;
- (g) the Category 1 eGambling licensee must within 48 hours of any serious incident negatively affecting the operation of its eGambling licence notify the Commission in writing of the details and consequences of the incident and of the remedial steps, if any, taken;
- (h) the Category 1 eGambling licensee must give notification in writing to the Commission containing full details within seven days of the occurrence of any of the following relevant events —
 - (i) when the status of any licence or permission however described allowing it, or one of its associates, to conduct or otherwise be involved in any form of gambling in another jurisdiction changes, including (without limitation) where the licence or permission is voluntarily surrendered, made subject to different conditions, suspended or revoked or some other sanction in respect of it is imposed on the holder;
 - (ii) when the beneficial ownership of the licensee, or of any parent company of the licensee, or of any associated company within the group of companies to which the licensee belongs, has changed so that a person's shareholding is, or becomes, 3% or more;
 - (iii) when the licensee decides that it will change the auditors it uses for the purpose of regulation 245; or

- (iv) when a material change is discovered in the information previously supplied by it to the Commission, whether prior to being granted the licence or subsequently, to which the Commission would be able to have regard in considering whether or not the licensee is a fit and proper person to hold a Category 1 eGambling licence;
- (i) the Category 1 eGambling licensee shall, before it commences to operate under its licence, notify the Commission of the day that such operations are to commence;
- (j) upon being given reasonable notice, which shall wherever possible be not less than seven days, the Category 1 eGambling licensee shall attend at a meeting of the Commissioners for the purpose set out in the notice;
- (k) the Category 1 eGambling licensee must maintain and operate its gambling equipment in premises that the Commission is satisfied are suitable and secure at all times, and for this purpose if the gambling equipment is not situated in approved premises controlled by the holder of a hosting certificate –
 - (i) upon request from a duly authorised officer of the Commission about the level of activity being undertaken by the licensee at the premises housing the gambling equipment, the licensee must, as soon as reasonably practicable, provide the information requested or explain why that information cannot be supplied;
 - (ii) the licensee must within 48 hours of any serious incident negatively affecting the operations of any service provided to it at the premises housing the gambling equipment notify the Commission in writing of the details and consequences of the incident and of the remedial steps, if any, taken; and
 - (iii) the licensee must within seven days of a material change in information previously supplied by it to the Commission in relation to the premises housing the gambling equipment (whether prior to being granted the licence or subsequently), give written notice to the Commission containing full details so that the

Commission can assess whether or not the gambling equipment is housed suitably and securely; and

- (1) the Category 1 eGambling licensee must take note and meet the requirements (if any) of all notices, instructions and counter-measures (whether described as “Business from Sensitive Sources Notices” or otherwise) issued by the Commission and designed to alert and advise it of weaknesses in the anti-money laundering systems in other countries or territories where the Category 1 eGambling licensee may operate.

CHAPTER III - CATEGORY 2 eGAMBLING LICENCES

Category 2 eGambling Licences

5. (1) A Category 2 eGambling licence permits a Category 2 eGambling licensee to effect gambling transactions.

(2) Effecting a gambling transaction includes, but is not limited to, one or more of the following activities —

- (a) striking a bet;
 - (b) housing and recording the random element or gambling transaction outcome;
 - (c) operating a system of hardware and software upon which the gambling transaction is conducted;
 - (d) such other action that the Commission determines to be an activity that constitutes effecting a gambling transaction.
- (3) A Category 2 eGambling licensee may —
- (a) operate more than one form of gambling;
 - (b) operate multiple gambling platforms;
 - (c) operate gambling on behalf of a Category 1 licensee or on behalf of operators based elsewhere in the world, as prescribed by these regulations and any general or special conditions that apply.

(4) In accordance with section 5 of the Ordinance, a Category 2 eGambling licence may only be held by an Alderney company.

(5) A Category 2 eGambling licensee may not contract directly with customers unless it also holds a Category 1 eGambling licence.

General Conditions of Category 2 Licence

6. A Category 2 eGambling licence issued by the Commission under section 7 of the Ordinance is subject to the following general conditions —

- (a) a Category 2 eGambling licensee shall not transfer a customer to, or allow a customer to gamble with or through, any entity other than —
 - (i) another Category 2 eGambling licensee; or
 - (ii) the holder of a foreign gambling associate certificate;
unless the customer is notified and warned, in the manner prescribed in the licensee's approved internal control system, of the matters specified in section 1(3) of the Ordinance;
- (b) in no circumstances may cash be accepted from a customer by, or on behalf of, the Category 2 eGambling licensee;
- (c) any advertising carried out by, or conducted on behalf of, the Category 2 eGambling licensee —
 - (i) must be truthful;
 - (ii) must not be distasteful;
 - (iii) must not promote gambling by, with or through persons under the age of 18 years, and this factor must be taken into account when determining media selection and placement of the advertising;
 - (iv) must not encourage people to engage in excessive participation in eGambling that would be socially irresponsible or could result in harm to them or others;
 - (v) must not imply or convey any message that a person's status, general abilities or social success can be attributable to gambling;
 - (vi) must not challenge or dare people to participate in eGambling;

- (vii) must not, having regard to the expected returns to customers through eGambling, promote or suggest any unrealistic expectation of winning;
- (viii) must not bring into disrepute —
 - (A) the Island of Alderney,
 - (B) the Commission, or
 - (C) in any broader context, the Bailiwick of Guernsey; and
- (ix) must comply with any requirements relating to the content or nature of advertising imposed in the jurisdiction covering the target market for that advertising;
- (d) the Category 2 eGambling licensee must appoint an executive officer to fulfil the duties of compliance officer, who will report to the Commission on all compliance matters;
- (e) the Category 2 eGambling licensee must appoint an executive officer, who may, but need not be, the compliance officer, to act as its money laundering reporting officer;
- (f) the Category 2 eGambling licensee must use reasonable endeavours to keep abreast of international developments as they affect the lawfulness of any form of eGambling in order, so far as is reasonably practicable, not to allow eGambling where to do so would constitute criminal activity by its customer;
- (g) the Category 2 eGambling licensee must within 48 hours of any serious incident negatively affecting the operation of its Category 2 eGambling licence notify the Commission in writing of the details and consequences of the incident and of the remedial steps, if any, taken;
- (h) the Category 2 eGambling licensee must give notification in writing to the Commission containing full details within seven days of the occurrence of any of the following relevant events —
 - (i) when the status of any licence or permission however described allowing it, or one of its associates, to conduct

or otherwise be involved in any form of gambling in another jurisdiction changes, including (without limitation) where the licence or permission is voluntarily surrendered, made subject to different conditions, suspended or revoked or some other sanction in respect of it is imposed on the holder;

- (ii) when the beneficial ownership of the licensee, or of any parent company of the licensee, or of any associated company within the group of companies to which the licensee belongs, has changed so that a person's shareholding is, or becomes, 3% or more;
 - (iii) when the licensee decides that it will change the auditors it uses for the purpose of regulation 245; or
 - (iv) when a material change is discovered in the information previously supplied by it to the Commission, whether prior to being granted the licence or subsequently, to which the Commission would be able to have regard in considering whether or not the licensee is a fit and proper person to hold a Category 2 eGambling licence;
- (i) the Category 2 eGambling licensee shall, before it commences to operate under its licence, notify the Commission of the day that such operations are to commence;
 - (j) upon being given reasonable notice, which shall wherever possible be not less than seven days, the Category 2 eGambling licensee shall attend at a meeting of the Commissioners for the purpose set out in the notice; and
 - (k) the Category 2 eGambling licensee must maintain and operate its gambling equipment in premises that the Commission is satisfied are suitable and secure at all times, and for this purpose if the gambling equipment is not situated in approved premises controlled by the holder of a hosting certificate –
 - (i) upon request from a duly authorised officer of the Commission about the level of activity being undertaken by the licensee at the premises housing the gambling equipment, the licensee must, as soon as reasonably

- practicable, provide the information requested or explain why that information cannot be supplied;
- (ii) the licensee must within 48 hours of any serious incident negatively affecting the operations of any service provided to it at the premises housing the gambling equipment notify the Commission in writing of the details and consequences of the incident and of the remedial steps, if any, taken; and
 - (iii) the licensee must within seven days of a material change in information previously supplied by it to the Commission in relation to the premises housing the gambling equipment (whether prior to being granted the licence or subsequently), give written notice to the Commission containing full details so that the Commission can assess whether or not the gambling equipment is housed suitably and securely.

CHAPTER IV - TEMPORARY eGAMBLING LICENCES

Temporary eGambling Licences

7. (1) A Temporary eGambling licence permits a foreign company licensee to act both as a Category 1 eGambling licensee to contract with customers to organise and prepare the customer to gamble as prescribed by regulation 3(2) and as a Category 2 eGambling licensee to effect a gambling transaction as prescribed in regulation 5(2); for a limited period only for the specific purposes set out in these regulations and the conditions attached to the licence.

(2) Subject to these regulations and any special conditions attached to its licence, whilst operating under its Temporary eGambling licence the Temporary eGambling licensee shall have all the rights and obligations of a Category 1 eGambling licensee or a Category 2 eGambling licensee, as the case may be, unless a contrary intention is expressed or required by the circumstances or context.

(3) In accordance with section 5(4) of the Ordinance a Temporary eGambling licence may not be held by an Alderney company.

General conditions attaching to Temporary eGambling licence.

8. (1) A Temporary eGambling licence issued by the Commission under section 7 of the Ordinance is subject to the following conditions —

- (a) a Temporary eGambling licensee must hold, and continue to hold, a licence or permission (however described) from some other jurisdiction allowing it to conduct an equivalent form of eGambling to that which it proposes to conduct under its Temporary eGambling licence;
- (b) in no circumstances may cash be accepted from a customer by, or on behalf of, the Temporary eGambling licensee;
- (c) any advertising carried out by, or conducted on behalf of, the Temporary eGambling licensee whilst operating under that Temporary eGambling licence and coming to the attention of the Commission —
 - (i) must be truthful;
 - (ii) must not be distasteful;
 - (iii) must not promote gambling by, with or through persons under the age of 18 years, and this factor must be taken into account when determining media selection and placement of the advertising;
 - (iv) must not encourage people to engage in excessive participation in eGambling that would be socially irresponsible or could result in harm to them or others;
 - (v) must not imply or convey any message that a person's status, general abilities or social success can be attributable to gambling;
 - (vi) must not challenge or dare people to participate in eGambling;
 - (vii) must not, having regard to the expected returns to customers through eGambling, promote or suggest any unrealistic expectation of winning;
 - (viii) must not bring into disrepute —
 - (A) the Island of Alderney;
 - (B) the Commission or;

- (C) in any broader context, the Bailiwick of Guernsey,;
and
- (ix) must comply with any requirements relating to the content or nature of advertising imposed in the jurisdiction covering the target market for that advertising;
- (d) the Temporary eGambling licensee must use reasonable endeavours to keep abreast of international developments as they affect the lawfulness of any form of eGambling in order, so far as is reasonably practicable, not to allow eGambling when it exercises its Temporary eGambling licence where to do so would constitute criminal activity by its customers;
- (e) the Temporary eGambling licensee must give notification in writing to the Commission containing full details within seven days of any of the following relevant events —
 - (i) when the status of any licence or permission however described allowing it, or one of its associates, to conduct or otherwise be involved in any form of gambling in another jurisdiction changes, including (without limitation) where the licence or permission is voluntarily surrendered, made subject to different conditions, suspended or revoked or some other sanction in respect of it is imposed on the holder;
 - (ii) when the beneficial ownership of the licensee, or of any parent company of the licensee, or of any associated company within the group of companies to which the licensee belongs, has changed so that a person's shareholding is, or becomes, 3% or more;
 - (iii) when the licensee decides that it will change the auditors it uses for the purpose of regulation 245; or
 - (iv) when a material change is discovered in the information previously supplied by it to the Commission, whether prior to being granted the licence or subsequently, to which the Commission would be able to have regard in considering whether or not the licensee is a fit and proper person to hold a Temporary eGambling licence;

- (f) upon being given reasonable notice, which shall wherever possible be not less than seven days, the Temporary eGambling licensee shall attend at a meeting of the Commissioners for the purpose set out in the notice;
- (g) the Temporary eGambling licensee must maintain and operate its gambling equipment in premises that the Commission is satisfied are suitable and secure at all times, and for this purpose if the gambling equipment is not situated in approved premises controlled by the holder of a hosting certificate –
 - (i) upon request from a duly authorised officer of the Commission about the level of activity being undertaken by the licensee at the premises housing the gambling equipment, the licensee must, as soon as reasonably practicable, provide the information requested or explain why that information cannot be supplied;
 - (ii) the licensee must within 48 hours of any serious incident negatively affecting the operations of any service provided to it at the premises housing the gambling equipment notify the Commission in writing of the details and consequences of the incident and of the remedial steps, if any, taken; and
 - (iii) the licensee must within 7 days of a material change in information previously supplied by it to the Commission in relation to the premises housing the gambling equipment (whether prior to being granted the licence or subsequently), give written notice to the Commission containing full details so that the Commission can assess whether or not the gambling equipment is housed suitably and securely;
- (h) the Temporary eGambling licensee must, at all times whilst operating under its Temporary eGambling licence, operate under an internal control system that provides a safe, secure and fair system for the conduct of gambling; and
- (i) the Temporary eGambling licensee must, at all times whilst operating under its Temporary eGambling licence, only utilise

gambling equipment that is safe, secure and fair to conduct its business of facilitating or effecting gambling transactions.

(2) Pursuant to section 14(5) of the Ordinance, the following provisions shall apply with respect to the internal control system of a Temporary eGambling licensee –

- (a) regulation 175 is the only regulation within Chapters I and II of Part V that shall apply to a Temporary eGambling licensee;
- (b) when submitting its application under regulation 16 or upon request made by the Commission at any time, the Temporary eGambling licensee shall provide details of its internal control system and demonstrate how it operates under that internal control system;
- (c) the Commission shall evaluate the Temporary eGambling licensee's internal control system to determine that it contains all of the information required by regulation 175; and
- (d) the Commission shall decide if it is satisfied that the internal control system used by the Temporary eGambling licensee provides a safe, secure and fair system for the conduct of eGambling and in making that decision the Commission shall take into account whether the internal control system –
 - (i) satisfies the requirements of the Ordinance and these regulations;
 - (ii) is capable of providing satisfactory and effective control over the conduct of any form of eGambling the Temporary eGambling licensee proposes to operate; and
 - (iii) complies with the internal control system requirements of the primary licensing authority of the jurisdiction referred to in regulation 8(1)(a).

(3) Pursuant to section 15(9) of the Ordinance, the following provisions shall apply with respect to the gambling equipment of a Temporary eGambling licensee –

- (a) Chapters III and IV of Part V of these regulations shall not apply to a Temporary eGambling licensee;

- (b) when submitting its application under regulation 16 or upon request made by the Commission at any time, the Temporary eGambling licensee shall provide full details of its gambling equipment; and
- (c) the Commission shall decide if it is satisfied that the gambling equipment that the Temporary eGambling licensee utilises to conduct its business of facilitating or effecting gambling transactions is safe, secure and fair and in making that decision the Commission shall take into account whether –
 - (i) the equipment is in use in other situations and is known to be generally suitable;
 - (ii) the equipment has been approved by the Commission or by some other authority that has adopted operating standards equivalent to those approved by the International Association of Gambling Regulators; and
 - (iii) the equipment is technically and operationally capable of being —
 - (A) utilised safely, securely and fairly, when taken both individually and collectively, in the conduct of any form of eGambling the licensee proposes to operate; and
 - (B) interrogated, and subjected to audit, by, or on behalf of, the Commission, whether in accordance with monitoring conducted under regulation 249 or otherwise.

General requirement for exercise of Temporary eGambling licence.

9. (1) Unless a Temporary eGambling licensee is given an exemption or dispensation contained in a written notice given to it by the Commission under this regulation, whether at the same time as its Temporary eGambling licence is issued under section 7 of the Ordinance or subsequently, it shall comply with all the requirements imposed on an eGambling licensee under the Ordinance and these Regulations.

(2) An application for an exemption or dispensation in accordance with paragraph (1) shall be made by letter signed by a duly authorised officer of an

applicant for a Temporary eGambling licence or, as the case may be, of a Temporary eGambling licensee, setting out the reason for the application and delivered to the offices of the Commission.

(3) After consideration of the application under paragraph (2), the Commission may grant or refuse the application for an exemption or dispensation and shall give the applicant written notice of its decision and the reasons for it.

Notification of exercise of licence.

10. (1) Before, or within one hour of, commencing to exercise its Temporary eGambling licence, a Temporary eGambling licensee shall notify the Commission of its intention to, or its actual, exercise of that licence and the reason for its exercise.

(2) In the first instance, the notification required by paragraph (1) shall be by email communication to the email address of the Commission specified on its website.

(3) As soon as reasonably practicable after complying with paragraph (2), a letter signed by a duly authorised officer of the Temporary eGambling licensee shall be sent to the offices of the Commission confirming the precise time at which it commenced to exercise its licence.

Notification of cessation of exercise of licence.

11. (1) At, or within one hour of, ceasing to exercise its Temporary eGambling licence, a Temporary eGambling licensee shall notify the Commission of this fact and the reason for ceasing to exercise the licence.

(2) In the first instance, the notification required by paragraph (1) shall be by email communication to the email address of the Commission specified on its website.

(3) As soon as reasonably practicable after complying with paragraph (2), a letter signed by a duly authorised officer of the Temporary eGambling licensee shall be sent to the offices of the Commission confirming the precise time at which it ceased to exercise its licence.

Computation of period of exercise of licence.

12. For the purpose of computing the number of days during which a Temporary eGambling licence has been exercised by the licensee, the exercise of the licence at any time, however short or long, between midnight and the midnight following, as those times occur in Alderney, shall be computed as the licence being exercised for one day.

Circumstances in which application for Category 1 or 2 eGambling licence must be made.

13. (1) Where a Temporary eGambling licence has been exercised —
- (a) for 30 days continuously; or
 - (b) for an aggregate of 60 days in any six month period,

the Temporary eGambling licensee shall forthwith cause a company to be incorporated in accordance with the Companies (Alderney) Law, 1994¹ in order for that company to submit an application for a Category 1 eGambling licence and/or Category 2 eGambling licence in accordance with regulation 16(1), and if the Temporary eGambling licensee fails to comply with this requirement, the Commission may give the Temporary eGambling licensee notice in writing (a “**conversion notice**”) requiring it within 42 days of receipt of the conversion notice to comply with the requirements of this paragraph.

(2) If, before the expiry of the period specified in the conversion notice, a Temporary eGambling licensee believes that it will not be able to comply with the requirements of the conversion notice, it may, by making application to the Commission by letter signed by a duly authorised officer of the licensee, seek an extension of the 42-day period.

(3) The Commission shall give the Temporary eGambling licensee written notice of its decision under paragraph (2) and of the reasons for it.

Effect of compliance with conversion notice.

14. (1) A Temporary eGambling licensee which complies with the requirements of regulation 13 may continue to exercise its Temporary eGambling licence until the application made for a Category 1 eGambling

¹ Order in Council No. XXXIV of 1994, I of 2001, XV of 2002.

licence and/or Category 2 eGambling licence has been determined by the Commissioners.

(2) On the day on which the Commissioners determine the application made for a Category 1 eGambling licence and/or Category 2 eGambling licence, the Temporary eGambling licensee shall be deemed to have surrendered its Temporary eGambling licence without the requirement for a surrender notice in accordance with regulation 40.

Consequences of non-compliance with conversion notice.

15. A Temporary eGambling licensee which fails to comply with the conversion notice given in accordance with regulation 13 shall be deemed to have surrendered its Temporary eGambling licence on the third day after the expiry of the period for compliance with the conversion notice, without the requirement for a surrender notice in accordance with regulation 40.

CHAPTER V - GENERAL PROVISIONS FOR eGAMBLING LICENCES

DIVISION 1 - INITIAL LICENCE APPLICATION

Submission of application.

16. (1) An application for an eGambling licence shall be made in writing by completing the application form in Schedule 1 and the notice in the form set out in Schedule 2, signed by a duly authorised officer of the applicant and delivered to the offices of the Commission.

(2) Before making an application in accordance with paragraph (1), a person intending to apply for an eGambling licence, or a person acting on behalf of a prospective applicant, may submit to the Commission, in electronic or paper format, all or part of the application form in Schedule 1 for the purposes specified in regulation 20(2).

Initial deposit of investigation monies.

17. (1) Before, or at the time of, the submission of an application for an eGambling licence, the relevant sum of money specified under Schedule 21 of these regulations shall be deposited with the Commission by, or on behalf of, the applicant.

(2) The Commission is permitted to draw from the money deposited under paragraph (1) the costs associated with processing, investigating and determining that application.

Publication of Gazette notice.

18. An applicant for a Category 1 eGambling licence and/or Category 2 eGambling licence shall cause a notice in the form set out in Schedule 2 containing the information required thereon to be published in the edition of the Alderney Official Gazette next following the date of its application.

Display on Commission's website.

19. Following receipt of an application for an eGambling licence, the Commission shall post and thereafter continuously display a copy of the applicant's notice in the form set out in Schedule 2 on its website until the application is withdrawn by the applicant or determined by the Commission.

Commencement of investigations.

20. (1) When an applicant has complied with regulations 16(1) and 17, the Commission shall make arrangements to investigate the applicant and, where applicable, any associate of the applicant in order to assess whether the applicant appears to be a fit and proper person to hold an eGambling licence.

(2) If a person submits all or part of an application form in accordance with regulation 16(2) and complies with regulation 17, at the request of that person, the Commission may make arrangements to commence an investigation in accordance with paragraph (1) insofar as that is practicable from the information supplied, pending compliance with regulation 16(1).

Criteria against which applicant assessed.

21. (1) In deciding whether an applicant for an eGambling licence is a fit and proper person to hold that licence, the Commissioners shall have regard to the following matters —

- (a) the applicant's character;
- (b) the applicant's business reputation;
- (c) the applicant's current financial position and financial background;

- (d) whether the applicant has, or has arranged, a satisfactory ownership, trust or corporate structure;
- (e) whether an associate of the applicant satisfies regulation 22;
- (f) whether the applicant has, or is able to obtain, appropriate resources and appropriate services;
- (g) whether the applicant has the appropriate business ability to conduct eGambling successfully under an eGambling licence; and
- (h) the manner in which the applicant currently conducts any form of eGambling in any jurisdiction (if at all).

(2) In deciding whether an applicant for an eGambling licence is a fit and proper person to hold that licence, the Commissioners may have regard to any other licence or permission however described allowing the applicant, or an associate of the applicant, to conduct any form of gambling lawfully in Alderney or another jurisdiction.

(3) Sub-paragraphs (d), (f) and (g) of paragraph (1) do not apply to applicants for a Temporary eGambling licence.

Criteria against which associate assessed.

22. (1) In deciding whether an associate of an applicant for an eGambling licence is a fit and proper person to be associated with the operations proposed by the applicant —

- (a) an associate who holds an associate certificate or, as the case may be, a hosting certificate shall without further investigation be regarded as having satisfied the Commissioners that it is a fit and proper person to be associated with an eGambling licensee's operations; and
- (b) where an associate does not hold an associate certificate or a hosting certificate, the Commissioners shall have regard to the following matters —
 - (i) the associate's character;
 - (ii) the associate's business reputation;
 - (iii) the associate's current financial position and financial background; and

- (iv) where applicable, whether the associate has the appropriate business ability to assist the applicant to conduct eGambling successfully under an eGambling licence.

(2) Where an associate of an applicant for a Category 1 eGambling licence or Category 2 eGambling licence holds a Temporary eGambling licence issued under section 7 of the Ordinance, the Commission shall take that into account for the purposes of paragraph (1)(a) as if that Temporary eGambling licensee held an associate certificate.

Objection to application for Category 1 or 2 eGambling licence.

23. (1) Where the Commission receives any representation made as a result of the publication or display of the notices required by regulations 18 and 19 which raises any objection to the grant of a Category 1 eGambling licence or Category 2 eGambling licence, a duly authorised officer of the Commission shall enquire of the person making the representation whether he wishes to make oral representations at a hearing before the Commissioners or whether he is content for the Commissioners to take into account his objection, including any further written representations he may wish to submit within 14 days of receipt of the enquiry, without the need for a hearing.

(2) If the person making the objection elects to make oral representations, the Commission shall, by giving at least 14 days' notice of the hearing to the applicant and the person raising the objection, appoint a date, time and place for the hearing.

(3) At a hearing under paragraph (2) —

- (a) the person raising the objection shall make his representations and the applicant shall respond;
- (b) a duly authorised officer of the Commission shall be entitled to ask questions of either person;
- (c) the parties and the duly authorised officer may appear in person or through any representative; and
- (d) the Commissioners may ask questions of any party present at the hearing.

(4) Unless the Commissioners otherwise direct, a hearing under paragraph (2) shall be held in public in Alderney.

Request for further information.

24. At any time before an application for an eGambling licence is determined by the Commission, an officer or servant of the Commission may request from the applicant or, with the applicant's prior permission, from some other person such further information or documentation as the officer or servant considers necessary to enable a proper assessment of the application to be made.

Requirement for further information.

25. (1) Whether or not a request in accordance with regulation 24 has been made, a duly authorised officer of the Commission may, by notice in writing given to the applicant, require the applicant to supply to the Commission such further information or documentation as may reasonably be required to make a proper assessment of the application.

(2) Where a notice under paragraph (1) has been given, the Commission –

- (a) is not required to determine the application until the notice has been complied with;
- (b) may, if the applicant fails to comply with the notice under paragraph (1) within a reasonable time, give the applicant notice by email or other means that if it fails to so comply within 7 days, then the applicant shall be deemed to have withdrawn its application pursuant to regulation 28(1).

External consultations.

26. As part of the investigation of an application for an eGambling licence, an officer or servant of the Commission may make appropriate enquiries of an officer of police, any gambling regulator operating outside Alderney, any law enforcement agency operating outside the Bailiwick of Guernsey or such other person as he considers can assist him in order to enable a proper assessment of the application to be made.

Supplementary deposit of investigation monies.

27. (1) If, prior to the determination of an application for an eGambling licence, the monies deposited with the Commission in accordance with

regulation 17 or this regulation have been exhausted, the Commission may by notice in writing to the applicant require that the relevant further sum specified under Schedule 21 be deposited with the Commission by, or on behalf of, the applicant from which the Commission is permitted to draw the further costs associated with processing, investigating and determining that application.

(2) Where a notice under paragraph (1) has been given, the Commission is not required to determine the application until the notice has been complied with.

Withdrawal and lapse of application.

28. (1) At any time before the Commissioners determine an application for an eGambling licence, the applicant may, by notice in writing given to the Commission, withdraw its application.

(2) If an applicant fails to proceed with its application by –

- (a) not taking a required step in furtherance of the application for 3 months; or
- (b) failing to substantially respond to an enquiry or direction by the Commission within 3 months,

the application shall lapse and be treated as if it had been withdrawn.

(3) Where an applicant withdraws its application or that application lapses by the operation of paragraph (2), the Commission shall repay to the applicant or, as the case may be, the person who deposited monies on behalf of the applicant any monies not drawn by it from the monies deposited in accordance with regulation 17 or, where applicable, regulation 27.

Report to Commissioners.

29. On completion of an investigation of an applicant for an eGambling licence and, where applicable, any associate of the applicant, a report containing details of the application, the investigation and the assessment made of the application shall be prepared by a duly authorised officer of the Commission for submission to the Commissioners for their consideration.

Determination of application.

30. (1) Before deciding whether to grant or refuse an application for an eGambling licence, the Commissioners shall consider —

- (a) the report submitted to them in accordance with regulation 29;
- (b) any representations received as a result of the publication or display of the notices required by regulations 18 and 19 and, where applicable, any further representations made in accordance with regulation 23, whether written or oral; and
- (c) such other material or information supplied to the Commission by, or on behalf of, the applicant as they consider appropriate.

(2) Where the Commissioners consider that they have insufficient information on which to decide whether to grant or refuse the application, they shall defer their decision on the application and —

- (a) shall cause an appropriate requirement under regulation 25 to be made; and
- (b) may invite a representative of the applicant to attend before them for interview.

Notification of refusal.

31. If the Commissioners refuse to grant an application for an eGambling licence, the Commission shall give the applicant written notice of the decision and of the reasons for the refusal.

Form of eGambling licence.

32. If the Commissioners grant an application for an eGambling licence, the licence issued under section 7 of the Ordinance shall be in the form set out in Schedule 3.

Payment of investigation costs not deposited.

33. Where the costs payable by an applicant under section 6(1) of the Ordinance exceed the total of the monies deposited in accordance with regulation 17 and, where applicable, regulation 27, the eGambling licence shall not be exercisable by the eGambling licensee until payment of the amount by which the costs incurred exceeded the amount deposited, as

notified to it in writing by the Commission, has been received by the Commission.

Re-allocation or return of surplus investigation monies deposited.

34. After determining an application for an eGambling licence, the Commission shall, in respect of the monies not drawn by it from those deposited by the applicant in accordance with regulation 17 or, where applicable, regulation 27 for processing, investigating and determining the application —

- (a) where the applicant is granted an eGambling licence —
 - (i) retain all the monies and treat them as having been deposited with it in accordance with regulation 260; or
 - (ii) retain only such specific amount, if any, as the applicant has indicated it wishes the Commission to continue to hold and apply towards the amount to be deposited in accordance with regulation 260 and repay to the applicant the balance; or
- (b) where the application was refused, repay the whole amount to the applicant.

Accounting for investigation monies deposited.

35. The Commission shall, whenever requested to do so by an applicant, account to the applicant in respect of the costs as at that time incurred by the Commission in respect of the application.

DIVISION 2 - LICENCE CONDITIONS

Imposition or change of licence conditions.

36. (1) Where the Commission considers it necessary, expedient or desirable to —

- (a) attach a condition to an eGambling licence;
- (b) modify an existing condition attached to an eGambling licence; or
- (c) rescind an existing condition attached to an eGambling licence,

it shall issue to the eGambling licensee a notice in writing (a “**condition notice**”) which shall explain the proposed change of condition and set out the Commission’s reasons for the change.

- (2) Subject to regulation 37, a change of conditions takes effect on —
 - (a) the day on which the condition notice is given to the eGambling licensee; or
 - (b) such later day as is specified in the condition notice.

Challenge to condition notice.

37. (1) If an eGambling licensee wishes to make representations to the Commission about anything in the condition notice, it may do so in writing within seven days of receipt of the condition notice.

(2) Representations under paragraph (1) may include a request that the date from which the change of conditions takes effect be postponed until the Commission has considered the representations.

(3) After consideration of an eGambling licensee’s representations, the Commission may confirm, modify or withdraw the condition notice.

(4) The Commission shall give the eGambling licensee written notice of its decision under this regulation and of the reasons for it.

Return of eGambling licence for endorsement of changed conditions.

38. (1) An eGambling licensee shall return its eGambling licence to the Commission within seven days of —

- (a) receiving a condition notice; or,
 - (b) where it exercises its right to make representations in accordance with regulation 37, receipt of a notice from the Commission in accordance with regulation 37(4) confirming or modifying the condition notice.
- (2) On receiving the eGambling licence, the Commission shall —
- (a) amend the licence in an appropriate way and return the amended licence to the eGambling licensee; or
 - (b) if the Commission does not consider that it is practicable to amend the licence, issue an appropriate replacement

eGambling licence free of charge, incorporating the change of conditions to the eGambling licence.

(3) A change of conditions does not depend on the eGambling licence being amended to record the change or a replacement eGambling licence being issued.

DIVISION 3 - MODIFICATION TO AND SURRENDER OF LICENCE

Modification to eGambling licence.

39. (1) An eGambling licensee who wants or needs to obtain the Commission's approval for a proposed modification to the details contained on its eGambling licence shall make application by letter to the Commission setting out the modification for which it seeks approval.

(2) Without prejudice to the generality of paragraph (1), an application is required within seven days of —

- (a) an eGambling licensee's name changing; or
- (b) an eGambling licensee's registered office changing.

(3) An application under paragraph (1) shall be accompanied by —

- (a) the eGambling licensee's eGambling licence;
- (b) where applicable, a certified copy of the resolution of the eGambling licensee effecting the change in question; and
- (c) payment in respect of the relevant administration charge specified in Schedule 21.

(4) If the Commission refuses to grant an application under this regulation, it shall return the eGambling licensee's eGambling licence and give to it written notice of its decision and of the reasons for the refusal.

(5) If the Commission grants an application under this regulation, it shall —

- (a) amend the eGambling licence in an appropriate way and return the amended licence to the eGambling licensee; or
- (b) if the Commission does not consider that it is practicable to amend the eGambling licence, issue a replacement eGambling

licence free of charge, incorporating the change of conditions to the eGambling licence.

Surrender of eGambling licence.

40. (1) An eGambling licensee may surrender its eGambling licence by written notice (a “**surrender notice**”) given to the Commission.

(2) The surrender takes effect —

- (a) on the day specified in the surrender notice; or
- (b) if no day is specified in the surrender notice, one month after the surrender notice is given to the Commission.

(3) A person who has surrendered an eGambling licence must, unless it provides an explanation which is acceptable to the Commission, return the licence to the Commission within seven days after the day on which the surrender takes effect.

CHAPTER VI - SUSPENSION, REVOCATION AND OTHER SANCTIONS

Fit and proper test and properly licensed test: eGambling licensee.

41. (1) For the purposes of section 12(1)(a) of the Ordinance, in deciding whether an eGambling licensee continues to be a fit and proper person to hold that licence, the Commission shall have regard to the following matters —

- (a) the eGambling licensee’s character;
- (b) the eGambling licensee’s business reputation;
- (c) the eGambling licensee’s current financial position and financial background;
- (d) the level and nature of the contribution made by, or on behalf of, the eGambling licensee to any appropriate body involved in conducting research into, or providing education about, the risks of gambling or the treatment of problem gamblers;
- (e) actions taken, by a Category 1 eGambling licensee, under regulation 236 to discover and combat problem gambling;
- (f) whether the eGambling licensee has, or has arranged, a satisfactory ownership, trust or corporate structure;

- (g) whether an associate of the eGambling licensee satisfies regulation 42;
- (h) whether the eGambling licensee has, or is able to obtain, appropriate resources and appropriate services; and
- (i) whether the eGambling licensee has the appropriate business ability to conduct eGambling successfully under an eGambling licence.

(2) For the purposes of section 12(1)(a) of the Ordinance, in deciding whether an eGambling licensee continues to be a fit and proper person to hold that licence, the Commission may have regard to —

- (a) any changes to the validity of any other licence or permission however described held at the time the eGambling licence was issued or obtained since then allowing the eGambling licensee, or an associate, to conduct any form of gambling lawfully in another jurisdiction; and
- (b) any penalties or sanctions however described imposed on the eGambling licensee, or an associate, by gambling or other regulators outside Alderney.

(3) For the purposes of section 12(1)(d) of the Ordinance, in deciding whether a Temporary eGambling licensee is no longer licensed or properly licensed in another jurisdiction to conduct eGambling operations, the Commission shall have regard to the following matters —

- (a) any changes to the validity of any other licence or permission (however described) held at the time the Temporary eGambling licence was issued which enable the Temporary eGambling licensee, or an associate, to conduct any form of gambling lawfully in another jurisdiction; and
- (b) any changes to the relevant regulatory requirements in the jurisdiction in which the Temporary eGambling licensee holds any other licence or permission (however described) which enable the Temporary eGambling licensee, or an associate, to conduct any form of gambling lawfully.

Fit and proper test: associate.

42. (1) For the purposes of section 12(1)(b) of the Ordinance, in deciding whether an associate of an eGambling licensee continues to be a fit and proper person to be associated with the operations conducted by the eGambling licensee —

- (a) an associate who holds an associate certificate or, as the case may be, a hosting certificate shall without further investigation be regarded as having satisfied the Commission that it is a fit and proper person to be associated with an eGambling licensee's operations; and
- (b) where an associate does not hold an associate certificate or a hosting certificate, the Commission shall have regard to the following matters —
 - (i) the associate's character;
 - (ii) the associate's business reputation;
 - (iii) the associate's current financial position and financial background; and
 - (iv) where applicable, whether the associate has the appropriate business ability to assist the eGambling licensee to conduct eGambling successfully under its eGambling licence.

(2) For the purposes of section 12(1)(b) of the Ordinance, in deciding whether an associate who does not hold an associate certificate or a hosting certificate continues to be a fit and proper person to be associated with the operations conducted by the eGambling licensee, the Commission may have regard to —

- (a) any changes to the validity of any other licence or permission however described held by the associate allowing it to conduct any form of gambling lawfully in another jurisdiction; and
- (b) any penalties or sanctions however described imposed on the associate by gambling or other regulators outside Alderney.

Rectification: Commission proposal.

43. (1) Where the Commission believes that —

- (a) a ground referred to in section 12(1) of the Ordinance exists; and
- (b) it is appropriate to give the eGambling licensee an opportunity to rectify the matter or matters giving rise to the Commission's belief that such a ground exists,

it shall issue to the eGambling licensee a notice in writing (a “**rectification proposal**”) which shall explain the proposed direction under regulation 44 and set out the Commission's reasons for proposing to give the direction.

(2) If an eGambling licensee wishes to make representations to the Commission about anything in the rectification proposal, it may do so in writing within seven days of receipt of the rectification proposal.

(3) After consideration of an eGambling licensee's representations, the Commission may –

- (a) confirm, modify or withdraw the rectification proposal; or
- (b) take no further action concerning the rectification proposal indefinitely, or for such period as the Commission considers appropriate.

(4) The Commission shall give the eGambling licensee written notice of its decision under paragraph (3) and of the reasons for it.

Direction to rectify.

44. (1) Where —

- (a) an eGambling licensee elects not to make any representations in accordance with regulation 43(2); or
- (b) after considering an eGambling licensee's representations, the Commission decides to confirm or modify its proposals as set out in the rectification proposal,

the Commission shall, by written notice to the eGambling licensee (a “**rectification notice**”), direct it to rectify the matter or matters specified in the notice in the manner specified in the notice within the period of time specified in the notice.

(2) A rectification notice shall warn the eGambling licensee of the consequences of failing to comply with the notice as specified in regulation 46(2).

(3) During the period of time specified in a rectification notice, its terms may be modified in any way that the Commission sees fit, whether as a result of written representations from the eGambling licensee or of the Commission's own motion.

Written caution.

45. Where the Commission is satisfied that —

- (a) a ground referred to in section 12(1) of the Ordinance —
 - (i) exists; or
 - (ii) existed and has been resolved, whether voluntarily or in accordance with a rectification notice; and
- (b) it is appropriate to give the eGambling licensee formal notice warning it about the consequences of any repetition of the type of act or omission giving rise to the Commission's view,

it may issue to the eGambling licensee a notice in writing setting out the basis for its finding that a ground in section 12(1) of the Ordinance has arisen and warn the eGambling licensee of the consequences of any repetition of the same or a similar type of act or omission.

Regulatory hearing: notice.

46. (1) Where the Chief Executive Officer believes that —

- (a) a ground referred to in section 12(1) of the Ordinance exists; and
- (b) the circumstances are such that it is necessary to convene a hearing of the Commissioners at which the eGambling licensee shall be given the opportunity of making representations in response,

he shall give to the eGambling licensee a notice in writing (a “**hearing notice**”) which shall explain that the Chief Executive Officer is recommending to the Commission that it should impose a financial penalty or suspend or

revoke the eGambling licence and set out the Chief Executive Officer's reasons for convening the hearing.

(2) Where the Chief Executive Officer believes that a rectification notice has not been fully complied with, he shall give to the eGambling licensee a hearing notice which shall explain that the Chief Executive Officer is recommending to the Commission that it should impose a financial penalty or suspend or revoke the eGambling licence and set out the Chief Executive Officer's reasons for convening the hearing.

(3) A hearing notice shall give at least seven days' notice of the hearing to the eGambling licensee and appoint a date, time and place for the hearing.

(4) An eGambling licensee may elect not to attend the hearing convened by the hearing notice and confine its representations to any it wishes to make in writing to the Commission prior to the date of the hearing.

Immediate suspension.

47. (1) At the same time as giving a hearing notice, the Chief Executive Officer may, with the approval of at least one Commissioner, suspend an eGambling licence under this regulation if he is satisfied on reasonable grounds that —

- (a) a ground referred to in section 12(1) of the Ordinance exists;
- (b) the seriousness and urgency of the matter requires that immediate action be taken ahead of a regulatory hearing;
- (c) the seriousness and urgency of the matter do not permit the taking of action by way of a rectification proposal; and
- (d) the circumstances require that the eGambling licence be suspended to ensure that —
 - (i) the public interest is not affected in an adverse and material way; or
 - (ii) the integrity of the eGambling licensee's operation is not jeopardised in any way.

(2) A suspension under this regulation —

- (a) shall be effected by written notice given to the eGambling licensee (a "**suspension notice**");

- (b) takes effect immediately when the suspension notice is given; and
- (c) is effective until —
 - (i) the Commissioners have reached a determination at the conclusion of the hearing convened in accordance with regulation 46; or
 - (ii) it is cancelled by notice in writing of the Chief Executive Officer in accordance with regulation 48.

Cancellation of suspension notice.

48. (1) If an eGambling licensee wishes to request that the immediate suspension imposed by a suspension notice be cancelled, it may make representations in writing to the Chief Executive Officer at any time whilst the suspension is effective.

(2) After consideration of an eGambling licensee's representations, the Chief Executive Officer, with the approval of at least one Commissioner, may confirm or cancel the suspension notice.

(3) The Chief Executive Officer shall give the eGambling licensee written notice of the decision under paragraph (2) and of the reasons for it.

(4) Where, prior to the Commission reaching a determination at the conclusion of the hearing convened in accordance with regulation 46, the Chief Executive Officer considers that it is no longer necessary to continue the suspension of an eGambling licence, he shall, with the approval of at least one Commissioner, cancel the suspension notice and give written notice to that effect to the eGambling licensee.

Conduct of regulatory hearing.

- 49.** (1) At a hearing convened in accordance with regulation 46 —
- (a) the proceedings shall be opened and directed by the Chairman of the Commission or, in his absence, the Commissioner presiding at the hearing, who shall be responsible for the proper conduct of the hearing;
 - (b) the Commissioners shall, so far as it appears to them appropriate, seek to avoid formality in their proceedings and

shall conduct the hearing in such manner as they consider most appropriate for the clarification of the issues before them and generally to the just handling of the hearing; and

- (c) the eGambling licensee may appear before the Commissioners through any representative.

(2) Without prejudice to the generality of paragraph (1)(b), where the eGambling licensee indicates that it wishes to challenge the allegation set out in the hearing notice given to it, the Commissioners may adopt the following procedure —

- (a) a duly authorised officer of the Commission or any representative of that officer shall first be invited to present the case setting out the ground under section 12(1) of the Ordinance alleged against the eGambling licensee and may, for that purpose, call unsworn evidence from witnesses and produce documents;
- (b) in the event that a witness gives evidence in support of the duly authorised officer's presentation, cross-examination by the eGambling licensee's representative and re-examination by the duly authorised officer or his representative shall be permitted;
- (c) the representative of the eGambling licensee shall next present its response and may, for that purpose, call unsworn evidence from witnesses and produce documents;
- (d) in the event that a witness gives evidence in support of the eGambling licensee's presentation, cross-examination by the duly authorised officer or his representative and re-examination by the representative of the eGambling licensee shall be permitted;
- (e) written representations may be lodged with the Commissioners by, or on behalf of, the duly authorised officer or the eGambling licensee before or during the hearing or in such other manner as the Commissioners may direct;
- (f) questions may be asked at any time by the Commissioners; and

- (g) the Commissioners may proceed to determining whether or not a ground referred to in section 12(1) of the Ordinance has been established before inviting comments from the representative of the eGambling licensee in relation to any appropriate sanction.

(3) Where the Commissioners proceed in accordance with paragraph (2)(g) and determine that a ground referred to in section 12(1) of the Ordinance has been established, they shall provide an opportunity for the representative of the eGambling licensee to offer any explanation and make such other comment as he wishes.

(4) Without prejudice to the generality of paragraph (1)(b), where the eGambling licensee indicates that it accepts the allegation set out in the hearing notice given to it, the Commissioners may adopt the following procedure —

- (a) a duly authorised officer of the Commission or any representative of that officer may first be invited to summarise the case setting out the ground under section 12(1) of the Ordinance alleged against the eGambling licensee;
- (b) the representative of the eGambling licensee shall be provided with the opportunity to offer any explanation and make such other comment as he wishes; and
- (c) questions may be asked at any time by the Commissioners.

(5) A hearing under this regulation may be adjourned by the Commissioners at any time and for any purpose.

(6) Unless the Commissioners otherwise direct, a hearing under this regulation shall be held in public in Alderney.

Regulatory hearing: Commissioners' determination.

50. (1) During or at the conclusion of a hearing convened in accordance with regulation 46, having taken into account everything said before and lodged with them, the Commissioners shall first determine whether the existence of a ground referred to in section 12(1) of the Ordinance has been accepted by, or established against, the eGambling licensee and —

- (a) if so, shall then determine which of the actions specified in section 12(3) of the Ordinance, if any, to take in respect of the eGambling licensee or, as the case may be, its licence; or
- (b) if not, shall direct that the allegation against it be recorded as not having been established.

(2) The Commission shall give the eGambling licensee written notice of its decision under this regulation and of the reasons for it (a “**determination notice**”).

Financial penalties.

51. (1) Where the Commissioners decide to impose a financial penalty on an eGambling licensee —

- (a) the amount shall not exceed £25,000; and
- (b) the determination notice shall direct whether the penalty is payable immediately or is to be of suspended effect.

(2) Where a financial penalty is payable immediately, the amount shall be paid to the Commission as agent for the States in the manner specified in the determination notice.

(3) Where the Commissioners direct that a financial penalty shall be of suspended effect, the determination notice shall specify the period, which shall not in any event exceed 12 months, during which the penalty is capable of being activated in accordance with regulation 52 and, at the end of the period so specified, the penalty shall no longer be capable of taking effect.

Activation of suspended financial penalty.

52. (1) Where, during the period of suspension specified in a determination notice, the Chief Executive Officer believes that a ground in section 12(1) of the Ordinance exists, the hearing notice that may be given to the eGambling licensee in accordance with regulation 46 shall also explain that the Chief Executive Officer is recommending to the Commission that it should consider activating the suspended financial penalty.

(2) If, at the conclusion of a hearing convened by such a hearing notice, the Commissioners are satisfied that a ground in section 12(1) of the Ordinance exists, or existed at the time of the hearing notice, having taken into account the representations of the eGambling licensee, the Commission’s

determination notice shall direct that the original financial penalty of suspended effect —

- (a) shall be payable to it as agent of the States immediately in the manner specified in the determination notice —
 - (i) with the original amount unaltered; or
 - (ii) with the substitution of a lesser amount for the original amount;
- (b) shall be suspended for such further period not exceeding 12 months as the determination notice specifies; or
- (c) shall not be activated on this occasion and shall continue unaltered.

Post-hearing suspension.

53. Where the Commissioners decide to suspend an eGambling licence, the determination notice shall specify —

- (a) the date from which the suspension takes effect; and
- (b) the period of time during which the suspension shall be effective.

Revocation of eGambling licence.

54. (1) The Commissioners may revoke an eGambling licence if they are satisfied that any of the grounds specified in section 12(1) of the Ordinance apply, and —

- (a) the integrity of the conduct of eGambling by the eGambling licensee may be jeopardised in a material way; or
- (b) the public interest or the integrity and reputation of eGambling in Alderney may be affected in an adverse way.

(2) Revocation of an eGambling licence takes effect when the determination notice is given or, if the determination notice specifies a later day, on the later day.

(3) A person whose eGambling licence has been revoked shall return the licence to the Commission within seven days of the revocation taking effect.

PART II - ASSOCIATE CERTIFICATES

CHAPTER I - PRELIMINARY

Types of associate certificate

55. These regulations provide for two types of associate certificate –

- (a) core services associate certificates, issued under section 7 of the Ordinance, and specified in section 17 of the Ordinance; and
- (b) foreign gambling associate certificates, issued under section 7 of the Ordinance, and specified in section 18 of the Ordinance.

Interpretation of this Part

56. (1) In this Part of the regulations, in accordance with the definition in section 30 of the Ordinance, the term “**associate certificate**” includes, unless otherwise specified or unless the context otherwise requires, both types of associate certificate specified in regulation 55.

(2) The provisions of Chapters IV, V and VI of this Part apply to all associate certificates, unless otherwise specified or unless the context otherwise requires.

CHAPTER II - ASSOCIATES PROVIDING CORE SERVICES

Providers of core services.

57. (1) Subject to paragraph (2), for the purposes of section 17(1) of the Ordinance, an entity —

- (a) with which an eGambling licensee or foreign gambling associate certificate holder contracts directly for the provision to the licensee or certificate holder of gambling specific software, but not including a contract for the outright purchase of that software and all rights associated therewith;

- (b) with which a customer deposits the funds to pay for gambling transactions effected with an eGambling licensee in accordance with regulation 230; or
- (c) to which an eGambling licensee or a foreign gambling associate certificate holder has outsourced its management, or any part thereof, as described in its approved internal control system,

is prescribed as a business associate providing the eGambling licensee or foreign gambling associate certificate holder with a core service.

(2) The Commission may determine that, to the extent specified and on the conditions specified in the determination, paragraph (1) shall not apply to –

- (a) an entity which is another company —
 - (i) within the same group of companies as the eGambling licensee or foreign gambling associate certificate holder; or
 - (ii) beneficially owned or, as the case may be, controlled by the same individual who owns or controls the eGambling licensee or foreign gambling associate certificate holder; or
- (b) a Category 2 eGambling licensee in respect of the provision of gambling specific software.

(3) In this regulation, “**gambling specific software**” means computer software requiring approval as gambling equipment in accordance with section 15 of the Ordinance which affects or records the outcome of at least one gambling transaction.

General conditions attaching to core services associate certificate.

58. A core services associate certificate issued by the Commission under section 7 of the Ordinance is subject to the following conditions —

- (a) the core services associate certificate holder must within 48 hours of any serious incident negatively affecting the operations of any service provided to an eGambling licensee or foreign gambling associate certificate holder notify the

Commission in writing of the details and consequences of the incident and of the remedial steps, if any, taken;

- (b) the core services associate certificate holder must give notification in writing to the Commission containing full details within seven days of any of the following relevant events —
 - (i) when the status of any licence or permission however described allowing it, or one of its associates, to conduct or otherwise be involved in any form of gambling in another jurisdiction changes, including (without limitation) where the licence or permission is voluntarily surrendered, made subject to different conditions, suspended or revoked or some other sanction in respect of it is imposed on the holder; or
 - (ii) when a material change occurs in the information previously supplied by it to the Commission, whether prior to being granted the certificate or subsequently, to which the Commission would be able to have regard in considering whether or not the certificate holder is a fit and proper person to hold an associate certificate; and
- (c) upon being given reasonable notice, which shall wherever possible be not less than seven days, the core services associate certificate holder shall attend at a meeting of the Commissioners for the purpose set out in the notice.

CHAPTER III - FOREIGN GAMBLING ASSOCIATES

Foreign Gambling Associates

59. (1) A foreign gambling associate is an entity (other than a Category 2 eGambling licensee) to whom a Category 1 eGambling licensee transfers customers, or allows them to be transferred, for the purpose of that entity effecting gambling transactions with the customer or arranging for those customers to gamble with others.

(2) If a foreign gambling associate holds a foreign gambling associate certificate issued under section 7 of the Ordinance, then, with respect to activities related to Alderney certification, the transfer of the customer from

the Category 1 eGambling licensee to the foreign gambling associate certificate holder may, as prescribed in section 1(3) of the Ordinance and specified in conditions attached to the eGambling licence or the foreign gambling associate certificate, be made without any notice or warning to the customer.

General conditions of foreign gambling associate certificate

60. A foreign gambling associate certificate issued by the Commission under section 7 of the Ordinance is subject to the following general conditions for activities related to Alderney certification —

- (a) in no circumstances may cash be accepted from a customer by, or on behalf of, the foreign gambling associate certificate holder;
- (b) any advertising carried out by, or conducted on behalf of, the foreign gambling associate certificate holder —
 - (i) must be truthful;
 - (ii) must not be distasteful;
 - (iii) must not promote gambling by, with or through persons under the age of 18 years, and this factor must be taken into account when determining media selection and placement of the advertising;
 - (iv) must not encourage people to engage in excessive participation in eGambling that would be socially irresponsible or could result in harm to them or others;
 - (v) must not imply or convey any message that a person's status, general abilities or social success can be attributable to gambling;
 - (vi) must not challenge or dare people to participate in eGambling;
 - (vii) must not, having regard to the expected returns to customers through eGambling, promote or suggest any unrealistic expectation of winning;
 - (viii) must not bring into disrepute —
 - (A) the Island of Alderney;

- (B) the Commission; or
 - (C) in any broader context, the Bailiwick of Guernsey; and
- (ix) must comply with any requirements relating to the content or nature of advertising imposed in the jurisdiction covering the target market for that advertising;
- (c) the foreign gambling associate certificate holder must appoint an executive officer to fulfil the duties of compliance officer, who will report to the Commission on all compliance matters;
 - (d) the foreign gambling associate certificate holder must appoint an executive officer, who may, but need not be, the compliance officer, to act as its money laundering reporting officer;
 - (e) the foreign gambling associate certificate holder must use reasonable endeavours to keep abreast of international developments as they affect the lawfulness of any form of eGambling in order, so far as is reasonably practicable, not to allow eGambling where to do so would constitute criminal activity by its customer;
 - (f) the foreign gambling associate certificate holder must within 48 hours of any serious incident negatively affecting the operation of its foreign gambling associate certificate notify the Commission in writing of the details and consequences of the incident and of the remedial steps, if any, taken;
 - (g) the foreign gambling associate certificate holder must give notification in writing to the Commission containing full details within seven days of any of the following relevant events —
 - (i) when the status of any licence or permission however described allowing it, or one of its associates, to conduct or otherwise be involved in any form of gambling in another jurisdiction changes, including (without limitation) where the licence or permission is voluntarily surrendered, made subject to different conditions,

- suspended or revoked or some other sanction in respect of it is imposed on the holder;
- (ii) when the beneficial ownership of the foreign gambling associate certificate holder, or of any parent company of the foreign gambling associate certificate holder, or of any associated company within the group of companies to which the foreign gambling associate certificate holder belongs, has changed so that a person's shareholding is, or becomes, 3% or more;
 - (iii) when the foreign gambling associate certificate holder decides that it will change the auditors it uses for the purpose of regulation 245; or
 - (iv) when a material change is discovered in the information previously supplied by it to the Commission, whether prior to being granted the licence or subsequently, to which the Commission would be able to have regard in considering whether or not the foreign gambling associate certificate holder is a fit and proper person to hold a certificate;
- (h) upon being given reasonable notice, which shall wherever possible be not less than seven days, the foreign gambling associate certificate holder shall attend at a meeting of the Commissioners for the purpose set out in the notice; and
- (i) the foreign gambling associate certificate holder must maintain and operate its gambling equipment in premises that the Commission is satisfied are suitable and secure at all times, and for this purpose if the gambling equipment is not situated in approved premises controlled by the holder of a hosting certificate –
- (i) upon request from a duly authorised officer of the Commission about the level of activity being undertaken by the certificate holder at the premises housing the gambling equipment, the foreign gambling associate certificate holder must, as soon as reasonably practicable, provide the information requested or explain why that information cannot be supplied;

- (ii) the foreign gambling associate certificate holder must within 48 hours of any serious incident negatively affecting the operations of any service provided to it at the premises housing the gambling equipment notify the Commission in writing of the details and consequences of the incident and of the remedial steps, if any, taken; and
- (iii) the foreign gambling associate certificate holder must, within seven days of a material change in information previously supplied to the Commission in relation to the premises housing the gambling equipment (whether prior to being granted the certificate or subsequently), give written notice to the Commission containing full details so that the Commission can assess whether or not the gambling equipment is housed suitably and securely.

CHAPTER IV - GENERAL PROVISIONS FOR ASSOCIATES

DIVISION 1 - INITIAL CERTIFICATE APPLICATION

Submission of application.

61. (1) An application for an associate certificate shall be made in writing by completing the application form as set out in Schedule 1 and the notice in the form set out in Schedule 2, signed by the applicant or by a duly authorised officer on behalf of the applicant and delivered to the offices of the Commission.

(2) Before making an application in accordance with paragraph (1), a person intending to apply for an associate certificate, or a person acting on behalf of a prospective applicant, may submit to the Commission, in electronic or paper format, all or part of an application form as set out in Schedule 1 for the purposes specified in regulation 64(2).

Initial deposit of investigation monies.

62. Before, or at the time of, the submission of an application for an associate certificate, the relevant sum specified under Schedule 21 shall be deposited with the Commission by, or on behalf of, the applicant from which the Commission is permitted to draw the costs associated with processing, investigating and determining that application.

Display on Commission's website.

63. Following receipt of an application for an associate certificate, the Commission shall post and thereafter continuously display on its website until the application is withdrawn by the applicant or determined by the Commission a notice in the form set out in Schedule 2 containing the information required therein detailing the application.

Commencement of investigations.

64. (1) When an applicant has complied with regulations 61(1) and 62, the Commission shall make arrangements to investigate the applicant and, where applicable, any associate of the applicant in order to assess whether the applicant appears to be a fit and proper person to hold an associate certificate.

(2) If a person submits all or part of an application form in accordance with regulation 61(2) and complies with regulation 62, at the request of that person, the Commission may make arrangements to commence an investigation in accordance with paragraph (1) insofar as that is practicable from the information supplied, pending compliance with regulation 61(1).

Criteria against which applicant for core services associate certificate assessed.

65. (1) In deciding whether an applicant for a core services associate certificate is a fit and proper person to hold that certificate, the Commissioners shall have regard to the following matters —

- (a) the applicant's character;
- (b) the applicant's business reputation;
- (c) the applicant's current financial position and financial background;
- (d) whether an associate of an applicant satisfies regulation 67;
- (e) whether the applicant has the appropriate business ability to assist an eGambling licensee to conduct eGambling successfully under an eGambling licence.

(2) In deciding whether an applicant for an associate certificate is a fit and proper person to hold that certificate, the Commissioners may have regard to any other licence or permission however described allowing the applicant,

or an associate of the applicant, to conduct any form of gambling lawfully in another jurisdiction.

Criteria against which applicant for foreign gambling associate certificate assessed.

66. (1) In deciding whether an applicant for a foreign gambling associate certificate is a fit and proper person to hold that certificate, the Commissioners shall have regard to the following matters —

- (a) the applicant's character;
- (b) the applicant's business reputation;
- (c) the applicant's current financial position and financial background;
- (d) whether the applicant has, or has arranged, a satisfactory ownership, trust or corporate structure;
- (e) whether an associate of the applicant satisfies regulation 67;
- (f) whether the applicant has, or is able to obtain, appropriate resources and appropriate services;
- (g) whether the applicant has the appropriate business ability to conduct eGambling successfully; and
- (h) the manner in which the applicant currently conducts any form of eGambling in any jurisdiction (if at all).

(2) In deciding whether an applicant for a foreign gambling associate certificate is a fit and proper person to hold that licence, the Commissioners may have regard to any other licence or permission however described allowing the applicant, or an associate of the applicant, to conduct any form of gambling lawfully in Alderney or another jurisdiction.

Criteria against which associate assessed.

67. In deciding whether an associate of an applicant for an associate certificate is a fit and proper person to be associated with the applicant —

- (a) an associate who holds an associate certificate or, as the case may be, a hosting certificate shall without further investigation be regarded as having satisfied the Commissioners that it is a

fit and proper person to be associated with another associate certificate holder; and

- (b) where an associate does not hold an associate certificate or a hosting certificate, the Commissioners shall have regard to the following matters —
 - (i) the associate's character;
 - (ii) the associate's business reputation;
 - (iii) the associate's current financial position and financial background; and
 - (iv) where applicable, whether the associate has the appropriate business ability to participate with the applicant in assisting an eGambling licensee to conduct eGambling successfully under an eGambling licence.

Request for further information.

68. At any time before an application for an associate certificate is determined by the Commission, an officer or servant of the Commission may request from the applicant or, with the applicant's prior permission, from some other person such further information or documentation as the officer or servant considers desirable to enable a proper assessment of the application to be made.

Requirement for further information.

69. (1) Whether or not a request in accordance with regulation 68 has been made, a duly authorised officer of the Commission may, by notice in writing given to the applicant, require the applicant to supply to the Commission such further information or documentation as may reasonably be required to make a proper assessment of the application.

(2) Where a notice under paragraph (1) has been given, the Commission –

- (a) is not required to determine the application until the notice has been complied with;
- (b) may, if the applicant fails to comply with the notice under paragraph (1) within a reasonable time, give the applicant notice by email or other means that if it fails to so comply

within 7 days, then the applicant shall be deemed to have withdrawn its application pursuant to regulation 72(1).

External consultations.

70. As part of the investigation of an application for an associate certificate, an officer or servant of the Commission may make appropriate enquiries of an officer of police, any gambling regulator operating outside Alderney, any law enforcement agency operating outside the Bailiwick of Guernsey or such other person as he considers can assist him in order to enable a proper assessment of the application to be made.

Supplementary deposit of investigation monies.

71. (1) If, prior to the determination of an application for an associate certificate, the monies deposited with the Commission in accordance with regulation 62 or this regulation have been exhausted, the Commission may by notice in writing to the applicant require that the relevant sum specified under Schedule 21 shall be deposited with the Commission by, or on behalf of, the applicant.

(2) Where a notice under paragraph (1) has been given, the Commission is not required to determine the application until the notice has been complied with.

Withdrawal and lapse of application.

72. (1) At any time before the Commissioners determine an application for an associate certificate, the applicant may, by notice in writing given to the Commission, withdraw the application.

- (2) If an applicant fails to proceed with its application by –
- (a) not taking a required step in furtherance of the application for 3 months; or
 - (b) failing to substantially respond to a relevant enquiry or direction by the Commission within 3 months,

the application shall lapse and be treated as if it had been withdrawn.

(3) Where an applicant withdraws the application or it lapses by operation of paragraph (2), the Commission shall repay to the applicant or, as

the case may be, the person who deposited monies on behalf of the applicant any monies not drawn by it from the monies deposited in accordance with regulation 62 or, where applicable, regulation 71.

Report to Commissioners.

73. On completion of an investigation of an applicant for an associate certificate and, where applicable, any associate of the applicant, a report containing details of the application, the investigation and the assessment made of the application shall be prepared by a duly authorised officer of the Commission for submission to the Commissioners for their consideration.

Determination of application.

74. (1) Before deciding whether to grant or refuse an application for an associate certificate, the Commissioners shall consider —

- (a) the report submitted to them in accordance with regulation 73;
- (b) any written representations received as a result of the display of the notice required by regulation 63; and
- (b) such other material or information supplied to the Commission by, or on behalf of, the applicant as they consider appropriate.

(2) Where the Commissioners consider that they have insufficient information on which to decide whether to grant or refuse the application, they shall defer their decision on the application and —

- (a) shall cause an appropriate requirement under regulation 69 to be made; and
- (b) may invite the applicant, or if a company, a representative of the applicant, to attend before them for interview.

Notification of refusal.

75. If the Commissioners refuse to grant an application for an associate certificate, the Commission shall give the applicant written notice of the decision and of the reasons for the refusal.

Form of associate certificate.

76. If the Commissioners grant an application for an associate certificate, the certificate issued under section 7 of the Ordinance shall be in the form set out in Schedule 4.

Payment of investigation costs not deposited.

77. Where the costs payable by an applicant under section 6(1) of the Ordinance exceed the total of the monies deposited in accordance with regulation 62 and, where applicable, regulation 71, the associate certificate shall not be regarded by the Commission as conferring the benefits to the certificate holder set out in these regulations until payment of the amount by which the costs incurred exceeded the amount deposited, as notified to the certificate holder in writing by the Commission, has been received by the Commission.

Re-allocation or return of surplus investigation monies deposited.

78. After determining an application for an associate certificate, the Commission shall, in respect of the monies not drawn by it from those deposited by the applicant in accordance with regulation 62 or, where applicable, regulation 71 for processing, investigating and determining the application —

- (a) repay the whole amount to the applicant; or
- (b) where the applicant for a foreign gambling associate certificate is granted the certificate and so requests, retain such specific amount as the applicant has indicated it wishes the Commission to continue to hold and apply towards the amount to be deposited in accordance with regulation 260 and repay to the applicant any balance.

Accounting for investigation monies deposited.

79. The Commission shall, whenever requested to do so by an applicant, account to the applicant in respect of the costs as at that time incurred by the Commission in respect of the application.

DIVISION 2 - CERTIFICATE CONDITIONS

Imposition or change of certificate conditions.

80. (1) Where the Commission considers it necessary, expedient or desirable to —

- (a) attach a condition to an associate certificate;
- (b) modify an existing condition attached to an associate certificate; or
- (c) rescind an existing condition attached to an associate certificate,

it shall issue to the certificate holder a notice in writing (a “**condition notice**”) which shall explain the proposed change of condition and set out the Commission’s reasons for the change.

- (2) Subject to regulation 81, a change of conditions takes effect on —
 - (a) the day on which the condition notice is given to the certificate holder; or
 - (b) such later day as is specified in the condition notice.

Challenge to condition notice.

81. (1) If an associate certificate holder wishes to make representations to the Commission about anything in the condition notice, it may do so in writing within seven days of receipt of the condition notice.

(2) Representations under paragraph (1) may include a request that the date from which the change of conditions takes effect be postponed until the Commission has considered the representations.

(3) After consideration of any representations under this regulation, the Commission may confirm, modify or withdraw the condition notice.

(4) The Commission shall give the certificate holder written notice of its decision under this regulation and of the reasons for it.

Return of associate certificate for endorsement of changed conditions.

82. (1) An associate certificate holder shall return its associate certificate to the Commission within seven days of —

- (a) receiving a condition notice; or,
 - (b) where the right to make representations in accordance with regulation 81 has been exercised, receipt of a notice from the Commission in accordance with regulation 81(4) confirming or modifying the condition notice.
- (2) On receiving the associate certificate, the Commission shall —
- (a) amend the certificate in an appropriate way and return the amended certificate to the certificate holder; or
 - (b) if the Commission does not consider that it is practicable to amend the certificate, issue a replacement associate certificate free of charge, incorporating the change of conditions to the associate certificate.
- (3) A change of conditions does not depend on the associate certificate being amended to record the change or a replacement associate certificate being issued.

CHAPTER V - MODIFICATION TO AND SURRENDER OF CERTIFICATE

Modification to associate certificate.

- 83.** (1) An associate certificate holder who wishes to obtain the Commission's approval for a proposed modification to the details contained on its associate certificate shall make application by letter to the Commission setting out the modification for which it seeks approval.
- (2) Without prejudice to the generality of paragraph (1), an application is required within seven days of —
- (a) a certificate holder's name changing; or
 - (b) a certificate holder's registered office changing.
- (3) An application under paragraph (1) shall be accompanied by —
- (a) the certificate holder's associate certificate;
 - (b) where applicable, a certified copy of the resolution of the certificate holder effecting the change in question; and
 - (c) payment of the administration charge specified in Schedule 21.

(4) If the Commission refuses to grant an application under this regulation, it shall return the certificate holder's associate certificate and give to it written notice of its decision and of the reasons for the refusal.

(5) If the Commission grants an application under this regulation, it shall —

- (a) amend the certificate in an appropriate way and return the amended certificate to the certificate holder; or
- (b) if the Commission does not consider that it is practicable to amend the certificate, issue a replacement associate certificate free of charge, incorporating the change of conditions to the associate certificate.

Surrender of associate certificate.

84. (1) An associate certificate holder may surrender its associate certificate by written notice (a “**surrender notice**”) given to the Commission.

(2) The surrender takes effect —

- (a) on the day specified in the surrender notice; or
- (b) if no day is specified in the surrender notice, one month after the surrender notice is given to the Commission.

(3) A person who has surrendered an associate certificate must, unless it provides an explanation which is acceptable to the Commission, return the associate certificate to the Commission within seven days after the day on which the surrender takes effect.

CHAPTER VI - SUSPENSION, REVOCATION AND OTHER SANCTIONS

Fit and proper test: associate certificate holder.

85. (1) For the purposes of section 12(1)(a) of the Ordinance, in deciding whether an associate certificate holder continues to be a fit and proper person to hold that certificate, the Commission shall have regard to the following matters —

- (a) the certificate holder's character;
- (b) the certificate holder's business reputation;

- (c) the certificate holder's current financial position and financial background;
- (d) whether an associate of the certificate holder satisfies regulation 86; and
- (e) whether the certificate holder has the appropriate business ability to assist an eGambling licensee to conduct eGambling successfully under an eGambling licence.

(2) For the purposes of section 12(1)(a) of the Ordinance, in deciding whether an associate certificate holder continues to be a fit and proper person to hold that certificate, the Commission may have regard to —

- (a) any changes to the validity of any other licence or permission however described held at the time the associate certificate was issued or obtained since then allowing the certificate holder, or one of its associates, to conduct any form of gambling lawfully in another jurisdiction; and
- (b) any penalties or sanctions however described imposed on the certificate holder, or any of its associates, by gambling or other regulators outside Alderney.

Fit and proper test: associate.

86. For the purposes of section 12(1)(b) of the Ordinance, in deciding whether an associate of an associate certificate holder continues to be a fit and proper person to be associated with an associate certificate holder —

- (a) an associate who holds an associate certificate or, as the case may be, a hosting certificate shall without further investigation be regarded as having satisfied the Commission that it is a fit and proper person to be associated with another associate certificate holder; and
- (b) where an associate does not hold an associate certificate or a hosting certificate, the Commission shall have regard to the following matters —
 - (i) the associate's character;
 - (ii) the associate's business reputation;

- (iii) the associate's current financial position and financial background; and
- (iv) where applicable, whether the associate has the appropriate business ability to participate with the associate certificate holder in assisting an eGambling licensee to conduct eGambling successfully under an eGambling licence.

Rectification: Commission proposal.

- 87.** (1) Where the Commission believes that —
- (a) a ground referred to in section 12(1) of the Ordinance exists; and
 - (b) it is appropriate to give the associate certificate holder an opportunity to rectify the matter or matters giving rise to the Commission's belief that such a ground exists,

it shall issue to the associate certificate holder a notice in writing (a "**rectification proposal**") which shall explain the proposed direction under regulation 88 and set out the Commission's reasons for proposing to give the direction.

(2) If an associate certificate holder wishes to make representations to the Commission about anything in the rectification proposal, it may do so in writing within seven days of receipt of the rectification proposal.

(3) After consideration of an associate certificate holder's representations, the Commission may —

- (a) confirm, modify or withdraw the rectification proposal; or
- (b) take no further action concerning the rectification proposal indefinitely, or for such period as the Commission considers appropriate.

(4) The Commission shall give the associate certificate holder written notice of its decision under paragraph (3) and of the reasons for it.

Direction to rectify.

- 88.** (1) Where —

- (a) an associate certificate holder elects not to make any representations in accordance with regulation 87(2); or
- (b) after considering an associate certificate holder's representations, the Commission decides to confirm or modify its proposals as set out in the rectification proposal,

the Commission shall, by written notice to the certificate holder (a "**rectification notice**"), direct it to rectify the matter or matters specified in the notice in the manner specified in the notice within the period of time specified in the notice.

(2) A rectification notice shall warn the associate certificate holder of the consequences of failing to comply with the notice as specified in regulation 90(2).

(3) Where the Commission believes that the associate certificate holder has an existing relationship with an eGambling licensee, the Commission shall give a copy of the rectification notice to that eGambling licensee.

(4) During the period of time specified in a rectification notice, its terms may be modified in any way that the Commission sees fit, whether as a result of written representations from the certificate holder or from an eGambling licensee with which the certificate holder has an existing relationship, or of the Commission's own motion.

Written caution.

89. Where the Commission is satisfied that —

- (a) a ground referred to in section 12(1) of the Ordinance —
 - (i) exists, or
 - (ii) existed and has been resolved, whether voluntarily or in accordance with a rectification notice; and
- (b) it is appropriate to give the associate certificate holder formal notice warning it about the consequences of any repetition of the type of act or omission giving rise to the Commission's view,

it may issue to the certificate holder a notice in writing which shall set out the basis for its finding that a ground in section 12(1) of the Ordinance has arisen

and warn the certificate holder of the consequences of any repetition of the same or similar type of act or omission.

Regulatory hearing: notice.

- 90.** (1) Where the Chief Executive Officer believes that —
- (a) a ground referred to in section 12(1) of the Ordinance exists; and
 - (b) the circumstances are such that it is necessary to convene a hearing of the Commissioners at which the associate certificate holder shall be given the opportunity of making representations in response,

he shall give to the certificate holder a notice in writing (a “**hearing notice**”) which shall explain that the Chief Executive Officer is recommending to the Commission that it should impose a financial penalty or suspend or revoke the associate certificate and set out his reasons for convening the hearing.

(2) Where the Chief Executive Officer believes that a rectification notice has not been fully complied with, he shall give to the associate certificate holder a hearing notice which shall explain that the Chief Executive Officer is recommending to the Commission that it should impose a financial penalty or suspend or revoke the associate certificate and set out the Chief Executive Officer’s reasons for convening the hearing.

(3) A hearing notice shall give at least seven days’ notice of the hearing to the associate certificate holder and appoint a date, time and place for the hearing.

(4) An associate certificate holder may elect not to attend the hearing convened by the hearing notice and confine its representations to any it wishes to make in writing to the Commission prior to the date of the hearing.

Immediate suspension.

91. (1) At the same time as giving a hearing notice, the Chief Executive Officer may, with the approval of at least one Commissioner, suspend an associate certificate under this regulation if he is satisfied on reasonable grounds that —

- (a) a ground referred to in section 12(1) of the Ordinance exists;

- (b) the seriousness and urgency of the matter requires that immediate action be taken ahead of a regulatory hearing;
 - (c) the seriousness and urgency of the matter do not permit the taking of action by way of a rectification proposal; and
 - (d) the circumstances require that the associate certificate be suspended to ensure that the certificate holder is unable to jeopardise the integrity of an eGambling licensee's operation.
- (2) A suspension under this regulation —
- (a) shall be effected by written notice given by the Chief Executive Officer to the associate certificate holder (a “**suspension notice**”);
 - (b) takes effect immediately when the suspension notice is given; and
 - (c) is effective until —
 - (i) the Commissioners have reached a determination at the conclusion of the hearing convened in accordance with regulation 90; or
 - (ii) it is cancelled by further notice in writing of the Chief Executive Officer in accordance with regulation 92.

(3) Where the Chief Executive Officer believes that the associate certificate holder has an existing relationship with an eGambling licensee or, as the case may be, an associate, the Chief Executive Officer shall give a copy of the suspension notice to that eGambling licensee or associate.

Cancellation of suspension notice.

92. (1) If an associate certificate holder, eGambling licensee or associate receiving a copy of the suspension notice in accordance with regulation 91(3), wishes to request that the immediate suspension imposed by the suspension notice be cancelled, it may make representations to the Chief Executive Officer in writing at any time whilst the suspension is effective.

(2) After consideration of any representations made under paragraph (1), the Chief Executive Officer, with the approval of at least one Commissioner, may confirm or cancel the suspension notice.

(3) The Chief Executive Officer shall give the associate certificate holder and, where applicable, the eGambling licensee and/or associate written notice of the decision under paragraph (2) and of the reasons for it.

(4) Where, prior to the Commission reaching a determination at the conclusion of the hearing convened in accordance with regulation 90, the Chief Executive Officer considers that it is no longer necessary to continue the suspension of an associate certificate, he shall, with the approval of at least one Commissioner, cancel the suspension notice and give written notice to that effect to the certificate holder and, where applicable, an eGambling licensee and/or associate who have received a copy of the suspension notice in accordance with regulation 91(3).

Conduct of regulatory hearing.

- 93.** (1) At a hearing convened in accordance with regulation 90 —
- (a) the proceedings shall be opened and directed by the Chairman of the Commission or, in his absence, the Commissioner presiding at the hearing, who shall be responsible for the proper conduct of the hearing;
 - (b) the Commissioners shall, so far as it appears to them appropriate, seek to avoid formality in their proceedings and shall conduct the hearing in such manner as they consider most appropriate for the clarification of the issues before them and generally to the just handling of the hearing; and
 - (c) the associate certificate holder may appear before the Commissioners through any representative.

(2) Without prejudice to the generality of paragraph (1)(b), where the associate certificate holder indicates that it wishes to challenge the allegation set out in the hearing notice given to it, the Commissioners may adopt the following procedure —

- (a) a duly authorised officer of the Commission or any representative of that officer shall first be invited to present the case setting out the ground under section 12(1) of the Ordinance alleged against the certificate holder and may, for that purpose, call unsworn evidence from witnesses and produce documents;

- (b) in the event that a witness gives evidence in support of the duly authorised officer's presentation, cross-examination by the representative of the certificate holder and re-examination by the duly authorised officer or his representative shall be permitted;
- (c) the representative of the certificate holder shall next present its response and may, for that purpose, call unsworn evidence from witnesses and produce documents;
- (d) in the event that a witness gives evidence in support of the certificate holder's presentation, cross-examination by the duly authorised officer or his representative and re-examination by the representative of the certificate holder shall be permitted;
- (e) written representations may be lodged with the Commissioners by, or on behalf of, the duly authorised officer or certificate holder before or during the hearing or in such other manner as the Commissioners may direct;
- (f) questions may be asked at any time by the Commissioners; and
- (g) the Commissioners may proceed to determine whether or not a ground referred to in section 12(1) of the Ordinance has been established before inviting comments from the representative of the certificate holder in relation to any appropriate sanction.

(3) Where the Commissioners proceed in accordance with paragraph (2)(g) and determine that a ground referred to in section 12(1) of the Ordinance has been established, they shall provide an opportunity for the representative of the associate certificate holder to offer any explanation and make such other comment as he wishes.

(4) Without prejudice to the generality of paragraph (1)(b), where the associate certificate holder indicates that it accepts the allegation set out in the hearing notice given to it, the Commissioners may adopt the following procedure —

- (a) a duly authorised officer of the Commission or any representative of that officer may first be invited to summarise the case setting out the ground under section 12(1) of the Ordinance alleged against the certificate holder;

- (b) the representative of the certificate holder shall be provided with the opportunity to offer any explanation and make such other comment as he wishes; and
- (c) questions may be asked at any time by the Commissioners.

(5) A hearing under this regulation may be adjourned by the Commissioners at any time and for any purpose.

(6) Unless the Commissioners otherwise direct, a hearing under this regulation shall be held in public in Alderney.

Regulatory hearing: Commissioners' determination.

94. (1) During or at the conclusion of a hearing convened in accordance with regulation 90, having taken into account everything said before and lodged with them, the Commissioners shall first determine whether the existence of a ground referred to in section 12(1) of the Ordinance has been accepted by, or established against, the associate certificate holder and —

- (a) if so, shall then determine which of the actions specified in section 12(3) of the Ordinance, if any, to take in respect of the associate certificate holder or, as the case may be, its certificate; or
- (b) if not, shall direct that the allegation against it be recorded as not having been established.

(2) The Commission shall give the associate certificate holder written notice of its decision under this regulation and of the reasons for it (a “**determination notice**”).

(3) Where the Commission believes that the associate certificate holder has an existing relationship with an eGambling licensee, the Commission shall give a copy of the determination notice to that eGambling licensee.

Post-hearing suspension and financial penalty.

95. (1) Where the Commissioners decide to impose a financial penalty or suspend an associate certificate —

- (a) the determination notice shall specify —
 - (i) the date from which any suspension takes effect; and

- (ii) the period of time during which any suspension shall be effective;
- (b) the amount of any financial penalty shall not exceed £25,000; and
- (c) the determination notice shall direct whether any financial penalty is payable immediately or is to be of suspended effect.

(2) Where a financial penalty is payable immediately, the amount shall be paid to the Commission as agent for the States in the manner specified in the determination notice.

(3) Where the Commissioners direct that a financial penalty shall be of suspended effect, the determination notice shall specify the period, which shall not in any event exceed 12 months, during which the penalty is capable of being activated in accordance with regulation 96 and, at the end of the period so specified, the penalty shall no longer be capable of taking effect.

Activation of suspended financial penalty.

96. (1) Where, during the period of suspension specified in a determination notice, the Chief Executive Officer believes that a ground in section 12(1) of the Ordinance exists, the hearing notice that may be given to the associate certificate holder in accordance with regulation 90 shall also explain that the Chief Executive Officer is recommending to the Commission that it should consider activating the suspended financial penalty.

(2) If, at the conclusion of a hearing convened by such a hearing notice, the Commissioners are satisfied that a ground in section 12(1) of the Ordinance exists, or existed at the time of the hearing notice, having taken into account the representations of the associate certificate holder, the Commission's determination notice shall direct that the original financial penalty of suspended effect —

- (a) shall be payable to it as agent of the States immediately in the manner specified in the determination notice —
 - (i) with the original amount unaltered; or
 - (ii) with the substitution of a lesser amount for the original amount;

- (b) shall be suspended for such further period not exceeding 12 months as the determination notice specifies; or
- (c) shall not be activated on this occasion and shall continue unaltered.

Withdrawal of associate certificate.

97. (1) The Commissioners may withdraw an associate certificate if they are satisfied that any of the grounds specified in section 12(1) of the Ordinance apply, and that unless the certificate is withdrawn –

- (a) the integrity of the conduct of eGambling by an eGambling licensee or a foreign gambling associate certificate holder may be jeopardised in a material way; or
- (b) the public interest or the integrity and reputation of eGambling in Alderney may be affected in an adverse way.

(2) Withdrawal of an associate certificate takes effect when the determination notice is given or, if the determination notice specifies a later day, on the later day.

(3) A person whose associate certificate has been withdrawn shall return the certificate to the Commission within seven days of the withdrawal taking effect.

PART III - HOSTING CERTIFICATES

CHAPTER I - INITIAL CERTIFICATE APPLICATION

Hosting certificates.

98. (1) A hosting certificate may be issued under section 7 of the Ordinance in respect of premises that are approved by the Commission for the accommodation of gambling equipment.

(2) If gambling equipment is to be located in Guernsey then a hosting certificate is required in respect of those premises.

(3) If gambling equipment is not located at premises approved by a hosting certificate, then in order for such equipment to be used lawfully for the

purposes of gambling the Commission must be satisfied that the premises, in accordance with section 1(2)(c)(ii) of the Ordinance –

- (a) are suitable and secure, by reference to the premises–
 - (i) certification to relevant local regulations and the standards set by the International Organisation for Standardisation ("ISO") and the Telecommunication Industry Association ("TIA");
 - (ii) rack quantity, power and configuration;
 - (iii) uninterruptable power supply ("UPS") and generator back-up power systems and redundancy;
 - (iv) air conditioning systems;
 - (iv) redundancy and diversity of internet feeds and telecommunications providers;
 - (v) fire and environmental protection systems, including information on whether these meet the standards set by systems such as VESDA, FM200;
 - (vi) water leak detection systems;
 - (vii) disaster recovery procedures; and
 - (viii) staffing policies; and
- (b) meet the Commission's published technical standards in relation to the suitability and security of premises.

Submission of application and initial deposit of investigation monies.

99. (1) An application for a hosting certificate may be made in respect of premises situated in any jurisdiction, and shall be made in writing by completing an application form as set out in Schedule 5, signed by a duly authorised officer of the applicant and delivered to the offices of the Commission.

(2) Before making an application in accordance with paragraph (1), a person intending to apply for a hosting certificate, or a person acting on behalf of a prospective applicant, may submit to the Commission, in electronic or paper format, all or part of an application form as set out in Schedule 5 for the purposes specified in regulation 101(2).

(3) Before, or at the time of, the submission of an application for a hosting certificate, the relevant sum specified under Schedule 21 shall be deposited with the Commission by, or on behalf of, the applicant from which the Commission is permitted to draw the costs associated with processing, investigating and determining that application.

Display on Commission's website.

100. Following receipt of an application for a hosting certificate, the Commission shall post and thereafter continuously display on its website until the application is withdrawn by the applicant or determined by the Commission a notice in the form set out in Schedule 6 containing the information required therein detailing the application.

Commencement of investigations.

101. (1) When an applicant has complied with regulation 99, the Commission shall make arrangements to investigate the applicant and the premises in respect of which the applicant desires approval in order to assess —

- (a) whether the applicant appears to be a fit and proper person to hold a hosting certificate; and
- (b) whether the premises in respect of which approval is sought are suitable to accommodate gambling equipment utilised by an eGambling licensee or a foreign gambling associate certificate holder to conduct its operations.

(2) If a person submits all or part of an application form in accordance with regulation 99(2) and complies with regulation 99(3), at the request of that person, the Commission may make arrangements to commence an investigation in accordance with paragraph (1) insofar as that is practicable from the information supplied, pending compliance with regulation 99(1).

Criteria against which application assessed.

102. (1) In deciding whether an applicant for a hosting certificate is a fit and proper person to hold that certificate, the Commissioners shall have regard to the following matters —

- (a) the applicant's character;
- (b) the applicant's business reputation;

- (c) the applicant's current financial position and financial background;
- (d) whether the applicant has the appropriate business and technical ability to assist an eGambling licensee or a foreign gambling associate certificate holder by accommodating gambling equipment utilised by the eGambling licensee or the foreign gambling associate certificate holder to conduct its operations.

(2) In deciding whether the premises for which an applicant for a hosting certificate seeks approval are suitable, the Commissioners shall have regard to the following matters —

- (a) the location of the premises;
- (b) the layout of the premises;
- (c) the security of the premises, including access thereto; and
- (d) the facilities at the premises, including the arrangements in place in respect of power sources and business continuity.

Request for further information.

103. At any time before an application for a hosting certificate is determined by the Commission, an officer or servant of the Commission may request from the applicant or, with the applicant's prior permission, from some other person such further information or documentation as the officer or servant considers necessary to enable a proper assessment of the application to be made.

Requirement for further information.

104. (1) Whether or not a request in accordance with regulation 103 has been made, a duly authorised officer of the Commission may, by notice in writing given to the applicant, require the applicant to supply to the Commission such further information or documentation as may reasonably be required to make a proper assessment of the application.

(2) Where a notice under paragraph (1) has been given, the Commission —

- (a) is not required to determine the application until the notice has been complied with;

- (b) may, if the applicant fails to comply with the notice under paragraph (1) within a reasonable time, give the applicant notice by email or other means that if it fails to so comply within 7 days, then the applicant shall be deemed to have withdrawn its application pursuant to regulation 107(1).

External consultations.

105. As part of the investigation of an application for a hosting certificate, an officer or servant of the Commission may make appropriate enquiries of an officer of police, any regulator or law enforcement agency operating within or outside the Bailiwick of Guernsey or such other person as he considers can assist him in order to enable a proper assessment of the application to be made.

Supplementary deposit of investigation monies.

106. (1) If, prior to the determination of an application for a hosting certificate, the monies deposited with the Commission in accordance with regulation 99 or this regulation have been exhausted, the Commission may by notice in writing to the applicant require that the relevant sum specified under Schedule 21 shall be deposited with the Commission by, or on behalf of, the applicant.

(2) Where a notice under paragraph (1) has been given, the Commission is not required to determine the application until the notice has been complied with.

Withdrawal and lapse of application.

107. (1) At any time before the Commissioners determine an application for a hosting certificate, the applicant may, by notice in writing given to the Commission, withdraw the application.

- (2) If an applicant fails to proceed with its application by –
- (a) not taking a required step in furtherance of the application for 3 months; or
 - (b) failing to substantially respond to a relevant enquiry or direction by the Commission within 3 months,

the application shall lapse and be treated as if it had been withdrawn.

(3) Where an applicant withdraws the application or it lapses by operation of paragraph (2), the Commission shall repay to the applicant or, as the case may be, the person who deposited monies on behalf of the applicant any monies not drawn by it from the monies deposited in accordance with regulation 99 or, where applicable, regulation 106.

Report to Commissioners.

108. On completion of an investigation of an application for a hosting certificate, a report containing details of the application, the investigation and the assessment made of the application shall be prepared by a duly authorised officer of the Commission for submission to the Commissioners for their consideration.

Determination of application.

109. (1) Before deciding whether to grant or refuse an application for a hosting certificate, the Commissioners shall consider —

- (a) the report submitted to them in accordance with regulation 108;
- (b) any written representations received as a result of the display of the notice required by regulation 100; and
- (c) such other material or information supplied to the Commission by, or on behalf of, the applicant as they consider appropriate.

(2) Where the Commissioners consider that they have insufficient information on which to decide whether to grant or refuse the application, they shall defer their decision on the application and —

- (a) shall cause an appropriate requirement under regulation 104 to be made; and
- (b) may invite the applicant, or a representative of the applicant, to attend before them for interview.

Notification of refusal.

110. If the Commissioners refuse to grant an application for a hosting certificate, the Commission shall give the applicant written notice of the decision and of the reasons for the refusal.

Form of hosting certificate.

111. If the Commissioners grant an application for a hosting certificate, the certificate issued under section 7 of the Ordinance shall be in the form set out in Schedule 7.

Payment of investigation costs not deposited.

112. Where the costs payable by an applicant under section 6(1) of the Ordinance exceed the total of the monies deposited in accordance with regulation 99 and, where applicable, regulation 106, the hosting certificate shall not be regarded as valid until payment of the amount by which the costs incurred exceeded the amount deposited, as notified to the certificate holder in writing by the Commission, has been received by the Commission.

Repayment of surplus investigation monies deposited.

113. After determining an application for a hosting certificate, the Commission shall repay to the applicant any monies not drawn by it from the monies deposited by the applicant in accordance with regulation 99 or, where applicable, regulation 106.

Accounting for investigation monies deposited.

114. The Commission shall, whenever requested to do so by an applicant, account to the applicant in respect of the costs as at that time incurred by the Commission in respect of the application.

CHAPTER II - CERTIFICATE CONDITIONS

General conditions attaching to hosting certificate.

115. A hosting certificate granted by the Commission under section 7 of the Ordinance is subject to the following conditions —

- (a) upon request from a duly authorised officer of the Commission about the level of activity at approved premises being undertaken by an eGambling licensee or a foreign gambling associate certificate holder, the hosting certificate holder must, as soon as reasonably practicable, provide the information requested or explain why that information cannot be supplied;

- (b) the certificate holder must within 48 hours of any serious incident negatively affecting the operations of any service provided to an eGambling licensee or a foreign gambling associate certificate holder at its approved premises notify the Commission in writing of the details and consequences of the incident and of the remedial steps, if any, taken;
- (c) the hosting certificate holder must give notification in writing to the Commission containing full details within seven days when a material change occurs in the information previously supplied by it to the Commission, whether prior to being granted the certificate or subsequently, to which the Commission would be able to have regard in considering whether or not the certificate holder is a fit and proper person to hold a hosting certificate; and
- (d) upon being given reasonable notice, which shall wherever possible be not less than seven days, the hosting certificate holder shall attend at a meeting of the Commissioners for the purpose set out in the notice.

Imposition or change of certificate conditions.

116. (1) Where the Commission considers it necessary, expedient or desirable to —

- (a) attach a condition to a hosting certificate;
- (b) modify an existing condition attached to a hosting certificate; or
- (c) rescind an existing condition attached to a hosting certificate,

it shall issue to the certificate holder a notice in writing (a “**condition notice**”) which shall explain the proposed change of condition and set out the Commission’s reasons for the change.

- (2) Subject to regulation 117, a change of conditions takes effect on —
 - (a) the day on which the condition notice is given to the hosting certificate holder; or
 - (b) such later day as is specified in the condition notice.

Challenge to condition notice.

117. (1) If a hosting certificate holder wishes to make representations to the Commission about anything in the condition notice, it may do so in writing within seven days of receipt of the condition notice.

(2) Representations under paragraph (1) may include a request that the date from which the change of conditions takes effect be postponed until the Commission has considered the representations.

(3) After consideration of a hosting certificate holder's representations, the Commission may confirm, modify or withdraw the condition notice.

(4) The Commission shall give the hosting certificate holder written notice of its decision under this regulation and of the reasons for it.

Return of hosting certificate for endorsement of changed conditions.

118. (1) A hosting certificate holder shall return its hosting certificate to the Commission within seven days of —

- (a) receiving a condition notice; or,
- (b) where it exercises its right to make representations in accordance with regulation 117, receipt of a notice from the Commission in accordance with regulation 117(4) confirming or modifying the condition notice.

(2) On receiving the hosting certificate, the Commission shall —

- (a) amend the certificate in an appropriate way and return the amended certificate to the certificate holder; or
- (b) if the Commission does not consider that it is practicable to amend the certificate, issue a replacement hosting certificate free of charge, incorporating the change of conditions to the hosting certificate.

(3) A change of conditions does not depend on the hosting certificate being amended to record the change or a replacement hosting certificate being issued.

CHAPTER III - MODIFICATION TO AND SURRENDER OF CERTIFICATE

Modification to hosting certificate.

119. (1) Subject to regulation 120, a hosting certificate holder who wishes to obtain the Commission's approval for a proposed modification to the details contained on its hosting certificate shall make application by letter to the Commission setting out the modification for which it seeks approval.

(2) Without prejudice to the generality of paragraph (1), an application is required within seven days of —

- (a) a hosting certificate holder's name changing; or
- (b) a hosting certificate holder's registered office changing.

(3) An application under paragraph (1) shall be accompanied by —

- (a) the certificate holder's hosting certificate;
- (b) where applicable, a certified copy of the resolution of the hosting certificate holder effecting the change in question; and
- (c) payment in respect of an administration charge of the relevant sum specified in Schedule 21.

(4) If the Commission refuses to grant an application under this regulation, it shall return the certificate holder's hosting certificate and give to it notice of its decision and of the reasons for the refusal.

(5) If the Commission grants an application under this regulation, it shall —

- (a) amend the certificate in an appropriate way and return the amended certificate to the certificate holder; or
- (b) if the Commission does not consider that it is practicable to amend the certificate, issue a replacement hosting certificate free of charge, incorporating the change of conditions to the hosting certificate.

Changes to approved premises.

120. (1) A hosting certificate holder who wishes to obtain the Commission's approval for —

- (a) a proposed modification to its approved premises;
- (b) the addition of new premises to its approved premises;
- (c) the deletion of any premises from its approved premises,

shall make application in that behalf by completing an application form as set out in Schedule 8, signed by a duly authorised officer of the certificate holder and delivered to the offices of the Commission.

(2) An application under this regulation shall be investigated and determined by the Commission in the same way as it would investigate and determine the suitability of premises specified in an initial certificate application.

(3) If the Commission refuses to grant an application under this regulation, it shall give the hosting certificate holder written notice of its decision and of the reasons for the refusal.

(4) If the Commission grants an application under this regulation, it shall —

- (a) give the hosting certificate holder written notice of its decision and require the certificate holder to return its hosting certificate; and
- (b) render an account in respect of the costs incurred associated with processing, investigating and determining the application.

(5) On receiving the hosting certificate and payment of the account rendered under paragraph (4)(b), the Commission shall —

- (a) amend the certificate in an appropriate way and return the amended certificate to the certificate holder; or
- (b) if the Commission does not consider that it is practicable to amend the certificate, issue a replacement hosting certificate free of charge, incorporating the change of conditions to the hosting certificate.

(6) A change to a hosting certificate holder's approved premises under this regulation takes effect on —

- (a) the day on which the certificate holder's amended or replacement certificate is returned or issued by the Commission; or

- (b) such later date as is specified on the amended or replacement certificate.

Surrender of hosting certificate.

121. (1) A certificate holder may surrender its hosting certificate by written notice (a “**surrender notice**”) given to the Commission.

- (2) The surrender takes effect —
 - (a) on the day specified in the surrender notice; or
 - (b) if no day is specified in the surrender notice, one month after the surrender notice is given to the Commission.

(3) A person who has surrendered a hosting certificate must, unless it provides an explanation which is acceptable to the Commission, return the certificate to the Commission within seven days after the day on which the surrender takes effect.

**CHAPTER IV - SUSPENSION, REVOCATION AND OTHER
SANCTIONS**

Fit and proper test: hosting certificate holder.

122. For the purposes of section 12(1)(a) of the Ordinance, in deciding whether a hosting certificate holder continues to be a fit and proper person to hold that certificate, the Commission shall have regard to the following matters —

- (a) the certificate holder’s character;
- (b) the certificate holder’s business reputation;
- (c) the certificate holder’s current financial position and financial background;
- (d) whether the certificate holder has the appropriate business ability to assist an eGambling licensee or a foreign gambling associate certificate holder by accommodating gambling equipment utilised by the eGambling licensee or a foreign gambling associate certificate holder to conduct its operations; and

- (e) whether the approved premises of the certificate holder continue to be suitable, having regard to —
 - (i) the layout of the premises;
 - (ii) the security of the premises, including access thereto; and
 - (iii) the facilities at the premises, including the arrangements in place in respect of power sources and business continuity.

Rectification: Commission proposal.

123. (1) Where the Commission believes that —

- (a) a ground referred to in section 12(1) of the Ordinance exists; and
- (b) it is appropriate to give the hosting certificate holder an opportunity to rectify the matter or matters giving rise to the Commission’s belief that such a ground exists,

it shall issue to the hosting certificate holder a notice in writing (a “**rectification proposal**”) which shall explain the proposed direction under regulation 124 and set out the Commission’s reasons for proposing to give the direction.

(2) If a hosting certificate holder wishes to make representations to the Commission about anything in the rectification proposal, it may do so in writing within seven days of receipt of the rectification proposal.

(3) After consideration of a hosting certificate holder’s representations, the Commission may –

- (a) confirm, modify or withdraw the rectification proposal; or
- (b) take no further action concerning the rectification proposal indefinitely, or for such period as the Commission considers appropriate.

(4) The Commission shall give the hosting certificate holder written notice of its decision under paragraph (3) and of the reasons for it.

Direction to rectify.

124. (1) Where —

- (a) a hosting certificate holder elects not to make any representations in accordance with regulation 123(2); or
- (b) after considering a hosting certificate holder's representations, the Commission decides to confirm or modify its proposals as set out in the rectification proposal,

the Commission shall, by written notice to the certificate holder (a "**rectification notice**"), direct it to rectify the matter or matters specified in the notice in the manner specified in the notice within the period of time specified in the notice.

(2) A rectification notice shall warn the hosting certificate holder of the consequences of failing to comply with the notice as specified in regulation 126(2).

(3) Where the Commission believes that the hosting certificate holder has an existing relationship with an eGambling licensee or a foreign gambling associate certificate holder, the Commission shall give a copy of the rectification notice to that eGambling licensee or foreign gambling associate certificate holder.

(4) During the period of time specified in a rectification notice, its terms may be modified in any way the Commission sees fit, whether as a result of written representations from the hosting certificate holder or from an eGambling licensee or a foreign gambling associate certificate holder with which the certificate holder has an existing relationship, or of the Commission's own motion.

Written caution.

125. Where the Commission is satisfied that —

- (a) a ground referred to in section 12(1) of the Ordinance —
 - (i) exists, or
 - (ii) existed and has been resolved, whether voluntarily or in accordance with a rectification notice; and
- (b) it is appropriate to give the hosting certificate holder formal notice warning it about the consequences of any repetition of the type of act or omission giving rise to the Commission's view,

it may issue to the certificate holder a notice in writing which shall set out the basis for its finding that a ground in section 12(1) of the Ordinance has arisen and warn the certificate holder of the consequences of any repetition of the same or a similar nature.

Regulatory hearing: notice.

- 126.** (1) Where the Chief Executive Officer believes that —
- (a) a ground referred to in section 12(1) of the Ordinance exists; and
 - (b) the circumstances are such that it is necessary to convene a hearing of the Commissioners at which the hosting certificate holder shall be given the opportunity of making representations in response,

he shall give to the hosting certificate holder a notice in writing (a “**hearing notice**”) which shall explain that the Chief Executive Officer is recommending to the Commission that it should impose a financial penalty or suspend or revoke the hosting certificate and set out his reasons for convening the hearing.

(2) Where the Chief Executive Officer believes that a rectification notice has not been fully complied with, he shall give to the hosting certificate holder a hearing notice which shall explain that the Chief Executive Officer is recommending to the Commission that it should impose a financial penalty or suspend or revoke the hosting certificate and set out the Chief Executive Officer’s reasons for convening the hearing.

(3) A hearing notice shall give at least seven days’ notice of the hearing to the hosting certificate holder and appoint a date, time and place for the hearing.

(4) A hosting certificate holder may elect not to attend the hearing convened by the hearing notice and confine its representations to any it wishes to make in writing to the Commission prior to the date of the hearing.

Immediate suspension.

127. (1) At the same time as giving a hearing notice, the Chief Executive Officer may, with the approval of at least one Commissioner, suspend a hosting certificate under this regulation if he is satisfied on reasonable grounds that —

- (a) a ground referred to in section 12(1) of the Ordinance exists;
 - (b) the seriousness and urgency of the matter requires that immediate action be taken ahead of a regulatory hearing;
 - (c) the seriousness and urgency of the matter do not permit the taking of action by way of a rectification proposal; and
 - (d) the circumstances require that the hosting certificate be suspended to ensure that the hosting certificate holder is unable to jeopardise the integrity of an eGambling licensee's or a foreign gambling associate certificate holder's operation.
- (2) A suspension under this regulation —
- (a) shall be effected by written notice given by the Chief Executive Officer to the hosting certificate holder (a “**suspension notice**”);
 - (b) takes effect immediately when the suspension notice is given; and
 - (c) is effective until —
 - (i) the Commissioners have reached a determination at the conclusion of the hearing convened in accordance with regulation 126; or
 - (ii) it is cancelled by further notice in writing of the Chief Executive Officer in accordance with regulation 128.

(3) Where the Chief Executive Officer believes that the hosting certificate holder has an existing relationship with an eGambling licensee or a foreign gambling associate certificate holder, the Chief Executive Officer shall give a copy of the suspension notice to that eGambling licensee and/or foreign gambling associate certificate holder.

Cancellation of suspension notice.

128. (1) If a hosting certificate holder, or an eGambling licensee or a foreign gambling associate certificate holder receiving a copy of the suspension notice in accordance with regulation 127(3), wishes to request that the immediate suspension imposed by the suspension notice be cancelled, it may make representations in writing to the Chief Executive Officer at any time whilst the suspension is effective.

(2) After consideration of any representations made under paragraph (1), the Chief Executive Officer, with the approval of at least one Commissioner, may confirm or cancel the suspension notice.

(3) The Chief Executive Officer shall give the hosting certificate holder and, where applicable, the eGambling licensee or foreign gambling associate certificate holder written notice of the decision under this paragraph (2) and of the reasons for it.

(4) Where, prior to the Commission reaching a determination at the conclusion of the hearing convened in accordance with regulation 126, the Chief Executive Officer considers that it is no longer necessary to continue the suspension of a hosting certificate, he shall, with the approval of at least one Commissioner, cancel the suspension notice and give written notice to that effect to the certificate holder and, where applicable, the eGambling licensee or foreign gambling associate certificate holder which have received a copy of the suspension notice in accordance with regulation 127(3).

Conduct of regulatory hearing.

129. (1) At a hearing convened in accordance with regulation 126 —

- (a) the proceedings shall be opened and directed by the Chairman of the Commission or, in his absence, the Commissioner presiding at the hearing, who shall be responsible for the proper conduct of the hearing;
- (b) the Commissioners shall, so far as it appears to them appropriate, seek to avoid formality in their proceedings and shall conduct the hearing in such manner as they consider most appropriate for the clarification of the issues before them and generally to the just handling of the hearing; and
- (c) the hosting certificate holder may appear before the Commissioners through any representative.

(2) Without prejudice to the generality of paragraph (1)(b), where the hosting certificate holder indicates that it wishes to challenge the allegation set out in the hearing notice given to it, the Commissioners may adopt the following procedure —

- (a) a duly authorised officer of the Commission or any representative of that officer shall first be invited to present the

case setting out the ground under section 12(1) of the Ordinance alleged against the certificate holder and may, for that purpose, call unsworn evidence from witnesses and produce documents;

- (b) in the event that a witness gives evidence in support of the duly authorised officer's presentation, cross-examination by the representative of the certificate holder and re-examination by the duly authorised officer or his representative shall be permitted;
- (c) the representative of the certificate holder shall next present its response and may, for that purpose, call unsworn evidence from witnesses and produce documents;
- (d) in the event that a witness gives evidence in support of the certificate holder's presentation, cross-examination by the duly authorised officer or his representative and re-examination by the representative of the certificate holder shall be permitted;
- (e) written representations may be lodged with the Commissioners by, or on behalf of, the duly authorised officer or certificate holder before or during the hearing or in such other manner as the Commissioners may direct;
- (f) questions may be asked at any time by the Commissioners; and
- (g) the Commissioners may proceed to determining whether or not a ground referred to in section 12(1) of the Ordinance has been established before inviting comments from the representative of the certificate holder in relation to any appropriate sanction.

(3) Where the Commissioners proceed in accordance with paragraph (2)(g) and determine that a ground referred to in section 12(1) of the Ordinance has been established, they shall provide an opportunity for the representative of the hosting certificate holder to offer any explanation and make such other comment as he wishes.

(4) Without prejudice to the generality of paragraph (1)(b), where the hosting certificate holder indicates that it accepts the allegation set out in the

hearing notice given to it, the Commissioners may adopt the following procedure —

- (a) a duly authorised officer of the Commission or any representative of that officer may first be invited to summarise the case setting out the ground under section 12(1) of the Ordinance alleged against the certificate holder;
- (b) the representative of the certificate holder shall be provided with the opportunity to offer any explanation and make such other comment as he wishes; and
- (c) questions may be asked at any time by the Commissioners.

(5) A hearing under this regulation may be adjourned by the Commissioners at any time and for any purpose.

(6) Unless the Commissioners otherwise direct, a hearing under this regulation shall be held in public in Alderney.

Regulatory hearing: Commissioners' determination.

130. (1) During or at the conclusion of a hearing convened in accordance with regulation 126, having taken into account everything said before and lodged with them, the Commissioners shall first determine whether the existence of a ground referred to in section 12(1) of the Ordinance has been accepted by, or established against, the hosting certificate holder and —

- (a) if so, shall then determine which of the actions specified in section 12(3) of the Ordinance, if any, to take in respect of the certificate holder or, as the case may be, its certificate; or
- (b) if not, shall direct that the allegation against it be recorded as not having been established.

(2) The Commission shall give the hosting certificate holder written notice of its decision under this regulation and of the reasons for it (a “**determination notice**”).

(3) Where the Commission believes that the hosting certificate holder has an existing relationship with an eGambling licensee or a foreign gambling associate certificate holder, the Commission shall give a copy of the determination notice to that eGambling licensee and/or foreign gambling associate certificate holder.

Financial penalties.

131. (1) Where the Commissioners decide to impose a financial penalty on a hosting certificate holder —

- (a) the amount shall not exceed £25,000; and
- (b) the determination notice shall direct whether the penalty is payable immediately or is to be of suspended effect.

(2) Where a financial penalty is payable immediately, the amount shall be paid to the Commission as agent for the States in the manner specified in the determination notice.

(3) Where the Commissioners direct that a financial penalty shall be of suspended effect, the determination notice shall specify the period, which shall not in any event exceed 12 months, during which the penalty is capable of being activated in accordance with regulation 132 and, at the end of the period so specified, the penalty shall no longer be capable of taking effect.

Activation of suspended financial penalty.

132. (1) Where, during the period of suspension specified in a determination notice, the Chief Executive Officer believes that a ground in section 12(1) of the Ordinance exists, the hearing notice that may be given to the hosting certificate holder in accordance with regulation 126 shall also explain that the Chief Executive Officer is recommending to the Commission that it should consider activating the suspended financial penalty.

(2) If, at the conclusion of a hearing convened by such a hearing notice, the Commissioners are satisfied that a ground in section 12(1) of the Ordinance exists, or existed at the time of the hearing notice, having taken into account the representations of the hosting certificate holder, the Commission's determination notice shall direct that the original financial penalty of suspended effect —

- (a) shall be payable to it as agent of the States immediately in the manner specified in the determination notice —
 - (i) with the original amount unaltered; or
 - (ii) with the substitution of a lesser amount for the original amount;

- (b) shall be suspended for such further period not exceeding 12 months as the determination notice specifies; or
- (c) shall not be activated on this occasion and shall continue unaltered.

Post-hearing suspension.

133. Where the Commissioners decide to suspend a hosting certificate, the determination notice shall specify —

- (a) the date from which the suspension takes effect; and
- (b) the period of time during which the suspension shall be effective.

Withdrawal of hosting certificate.

134. (1) The Commissioners may withdraw a hosting certificate if they are satisfied that any of the grounds specified in section 12(1) of the Ordinance apply, and that unless the certificate is withdrawn —

- (a) the integrity of the conduct of eGambling by an eGambling licensee or a foreign gambling associate certificate holder may be jeopardised in a material way; or
- (b) the public interest or the integrity and reputation of eGambling in Alderney may be affected in an adverse way.

(2) Withdrawal of a hosting certificate takes effect when the determination notice is given or, if the determination notice specifies a later day, on the later day.

(3) A person whose hosting certificate has been withdrawn shall return the certificate to the Commission within seven days of the withdrawal taking effect.

PART IV - KEY INDIVIDUAL CERTIFICATES**CHAPTER I - KEY INDIVIDUALS****Application of Part.**

135. This Part applies to any person who —

- (a) has been jointly identified by the Commission and an applicant for an eGambling licence or a foreign gambling associate certificate as inevitably requiring a key individual certificate;
- (b) has been identified by an eGambling licensee or a foreign gambling associate certificate holder in its approved internal control system as occupying a key position performing the functions of a key individual; or
- (c) has been designated as a key individual in accordance with regulation 136.

Designation as key individual.

136. (1) A person who is or, as the case may be, will become —

- (a) an associate;
- (b) someone who occupies or acts in a managerial position;
- (c) someone who carries out managerial functions; or
- (d) someone in a position to control or exercise significant influence over the operations,

of an eGambling licensee or a foreign gambling associate certificate holder, may be designated as a key individual for the purposes of regulation 135(c).

(2) Where the Commission considers that a person satisfies paragraph (1) and —

- (a) an applicant for an eGambling licence or a foreign gambling associate certificate has not agreed that the person be identified as a key individual in accordance with regulation 135(a); or

- (b) the person has not been identified as occupying a key position in an eGambling licensee's or a foreign gambling associate certificate holder's internal control system,

it shall give notice to the person concerned (a “**designation notice**”) that he is henceforth designated as a key individual.

(3) The Commission shall, at the same time as it gives a designation notice in accordance with paragraph (2), give a copy of the notice to the applicant, the eGambling licensee or the foreign gambling associate certificate holder with which the person designated as a key individual is believed to have an existing or prospective relationship.

Challenge to designation notice.

137. (1) If the recipient of a designation notice wishes to make representations to the Commission about anything in the notice, he may do so in writing within seven days of receipt of the designation notice.

(2) If an applicant for an eGambling licence or foreign gambling associate certificate, an eGambling licensee or foreign gambling associate certificate holder wishes to make representations on behalf of the recipient of a designation notice to the Commission about anything in the notice, it may do so in writing within seven days of receipt of the copy of the designation notice given in accordance with regulation 136(2).

(3) Representations under paragraph (1) or (2) may include a request that the date from which the designation as a key individual takes effect be postponed until the Commission has considered the representations.

(4) After consideration of any representations under this regulation, the Commission may confirm or withdraw the designation notice.

(5) The Commission shall give the recipient of the designation notice and, where applicable, the applicant, eGambling licensee or foreign gambling associate certificate holder given a copy of the designation notice in accordance with regulation 136(3) written notice of its decision under this regulation and of the reasons for it.

CHAPTER II - INITIAL CERTIFICATE APPLICATION

Submission of application.

138. (1) An application for a key individual certificate by a person to whom this Part applies shall be made in writing by completing an application form as set out in Schedule 9, signed by the applicant and delivered to the offices of the Commission.

(2) Before making an application in accordance with paragraph (1), a person intending to apply for a key individual certificate may submit to the Commission, in electronic or paper format, all or part of an application form as set out in Schedule 9 for the purposes specified in regulation 141(2).

Items to accompany application.

139. An application under regulation 138(1) shall be accompanied by —

- (a) a letter from an eGambling licensee or foreign gambling associate certificate holder or an applicant for an eGambling licence or foreign gambling associate certificate confirming the basis on which the applicant for the key individual certificate is, or will be, a key individual performing functions for, or on behalf of, the eGambling licensee or foreign gambling associate certificate holder; and
- (b) two copies of a recent photograph of the face of the applicant.

Initial deposit of investigation monies.

140. Before, or at the time of, the submission of an application for a key individual certificate, the relevant sum specified under Schedule 21 shall be deposited with the Commission by or on behalf of the applicant, from which the Commission is permitted to draw the costs associated with processing, investigating and determining that application.

Commencement of investigations.

141. (1) When an applicant has complied with regulations 138(1), 139 and 140, the Commission shall make arrangements to investigate the applicant in order to assess whether the applicant appears to be a fit and proper person to hold a key individual certificate.

(2) If a person submits all or part of an application form in accordance with regulation 138(2) and complies with regulation 140, at the request of that person, the Commission may make arrangements to commence an investigation in accordance with paragraph (1) insofar as that is practicable from the information supplied, pending compliance with regulations 138(1) and 139.

Criteria against which applicant assessed.

142. (1) In deciding whether an applicant for a key individual certificate is a fit and proper person to hold that certificate, the Commissioners shall have regard to the following matters —

- (a) the applicant's character;
- (b) the applicant's current financial position and financial background; and
- (c) the applicant's general suitability to perform functions for, or on behalf of, an eGambling licensee or a foreign gambling associate certificate holder.

(2) In deciding whether an applicant for a key individual certificate is a fit and proper person to hold that certificate, the Commissioners may have regard to the fact that the applicant holds, or has held, a licence or permission however described in respect of any form of gambling anywhere in the world.

Request for further information.

143. At any time before an application for a key individual certificate is determined by the Commission, an officer or servant of the Commission may request from the applicant or, with the applicant's prior permission, from some other person such further information or documentation as the officer or servant considers necessary to enable a proper assessment of the application to be made.

Requirement for further information.

144. (1) Whether or not a request in accordance with regulation 143 has been made, a duly authorised officer of the Commission may, by notice in writing given to the applicant, require the applicant to supply to the

Commission such further information or documentation as may reasonably be required to make a proper assessment of the application.

(2) Where a notice under paragraph (1) has been given, the Commission –

- (a) is not required to determine the application until the notice has been complied with;
- (b) may, if the applicant fails to comply with the notice under paragraph (1) within a reasonable time, give the applicant notice by email or other means that if it fails to so comply within 7 days, then the applicant shall be deemed to have withdrawn its application pursuant to regulation 147(1).

External consultations.

145. As part of the investigation of an application for a key individual certificate, an officer or servant of the Commission may make appropriate enquiries of an officer of police, any gambling regulator operating outside Alderney, any law enforcement agency operating outside the Bailiwick of Guernsey or such other person as he considers can assist him in order to enable a proper assessment of the application to be made.

Supplementary deposit of investigation monies.

146. (1) If, prior to the determination of an application for a key individual certificate, the monies deposited with the Commission in accordance with regulation 140 or this regulation have been exhausted, the Commission may by notice in writing to the applicant require that the relevant sum specified under Schedule 21 shall be deposited with the Commission by, or on behalf of, the applicant.

(2) Where a notice under paragraph (1) has been given, the Commission is not required to determine the application until the notice has been complied with.

Withdrawal and lapse of application.

147. (1) At any time before the Commissioners determine an application for a key individual certificate, the applicant may, by notice in writing given to the Commission, withdraw his application.

- (2) If an applicant fails to proceed with its application by –
- (a) not taking a required step in furtherance of the application for 3 months; or
 - (b) failing to substantially respond to a relevant enquiry or direction by the Commission within 3 months,

the application shall lapse and be treated as if it had been withdrawn.

(3) Where an applicant withdraws his application or it lapses by the operation of paragraph (2), the Commission shall repay to the applicant or, as the case may be, the person who deposited monies on behalf of the applicant any monies not drawn by it from the monies deposited in accordance with regulation 140 or, where applicable, regulation 146.

Report to Commissioners.

148. On completion of an investigation of an applicant for a key individual certificate, a report containing details of the application, the investigation and the assessment made of the application shall be prepared by a duly authorised officer of the Commission for submission to the Commissioners for their consideration.

Determination of application.

149. (1) Before deciding whether to grant or refuse an application for a key individual certificate, the Commissioners shall consider —

- (a) the report submitted to them in accordance with regulation 148; and
- (b) such other material or information supplied to the Commission by, or on behalf of, the applicant as they consider appropriate.

(2) Where the Commissioners consider that they have insufficient information on which to decide whether to grant or refuse the application, they shall defer their decision on the application and —

- (a) shall cause an appropriate requirement under regulation 144 to be made; and
- (b) may invite the applicant to attend before them for interview.

Notification of refusal.

150. (1) If the Commissioners refuse to grant an application for a key individual certificate, the Commission shall give the applicant written notice of the decision and of the reasons for the refusal.

(2) Where the Commission believes that the key individual has an existing relationship with an eGambling licensee or foreign gambling associate certificate holder, the Commission —

- (a) shall give a copy of the notice of its decision under paragraph (1) to that eGambling licensee or foreign gambling associate certificate holder at the same time as it gives its decision to the key individual; and
- (b) may give written notice to the applicant and that eGambling licensee or foreign gambling associate certificate holder requiring them to terminate their relationship within the period specified in the notice.

Form of key individual certificate.

151. If the Commissioners grant an application for a key individual certificate, the certificate issued under section 7 of the Ordinance shall be in the form set out in Schedule 10.

Payment of investigation costs not deposited.

152. Where the costs payable by an applicant under section 6(1) of the Ordinance exceed the total of the monies deposited in accordance with regulation 140 and, where applicable, regulation 146 —

- (a) the key individual certificate shall not be regarded as valid until payment of the amount by which the costs incurred exceeded the amount deposited, as notified to the certificate holder in writing by the Commission, has been received by the Commission; and
- (b) for the purposes of section 19(2) of the Ordinance, the application for a key individual certificate shall be treated as having been determined 14 days after the date on which notification in writing is given by the Commission in accordance with paragraph (a).

Repayment of surplus investigation monies deposited.

153. After determining an application for a key individual certificate, the Commission shall repay to the applicant or, as the case may be, the person who deposited monies on behalf of the applicant any monies not drawn by it from the monies deposited in accordance with regulation 140 or, where applicable, regulation 146.

Accounting for investigation monies deposited.

154. The Commission shall, whenever requested to do so by an applicant, account to the applicant in respect of the costs as at that time incurred by the Commission in respect of the application.

CHAPTER III - CERTIFICATE CONDITIONS

General conditions attaching to key individual certificate.

155. A key individual certificate issued by the Commission under section 7 of the Ordinance is subject to the following conditions —

- (a) the certificate holder must give notification in writing to the Commission containing full details within seven days when a material change occurs in the information previously supplied by, or on behalf of, him to the Commission, whether prior to being granted the certificate or subsequently, to which the Commission would be able to have regard in considering whether or not the certificate holder is a fit and proper person to hold a key individual certificate; and
- (b) upon being given reasonable notice, which shall wherever possible be not less than seven days, the certificate holder shall attend at a meeting of the Commissioners for the purpose set out in the notice.

Imposition or change of licence conditions.

156. (1) Where the Commission considers it necessary, expedient or desirable to —

- (a) attach a condition to a key individual certificate;

- (b) modify an existing condition attached to a key individual certificate; or
- (c) rescind an existing condition attached to a key individual certificate,

it shall issue to the certificate holder a notice in writing (a “**condition notice**”) which shall explain the proposed change of condition and set out the Commission’s reasons for the change.

(2) Where the Commission believes that the key individual certificate holder has an existing relationship with an eGambling licensee or a foreign gambling associate certificate holder, the Commission shall give a copy of the condition notice to that eGambling licensee or foreign gambling associate certificate holder at the same time as it gives the condition notice to the key individual certificate holder.

- (3) Subject to regulation 157, a change of conditions takes effect on —
 - (a) the day on which the condition notice is given to the key individual; or
 - (b) such later day as is specified in the condition notice.

Challenge to condition notice.

157. (1) If a key individual certificate holder wishes to make representations to the Commission about anything in the condition notice, he may do so in writing within seven days of receipt of the condition notice.

(2) If an eGambling licensee or foreign gambling associate certificate holder wishes to make representations on behalf of the key individual certificate holder to the Commission about anything in the condition notice, it may do so in writing within seven days of receipt of the copy of the condition notice given in accordance with regulation 156(2).

(3) Representations under paragraph (1) or (2) may include a request that the date from which the change of conditions takes effect be postponed until the Commission has considered the representations.

(4) After consideration of any representations under this regulation, the Commission may confirm, modify or withdraw the condition notice.

(5) The Commission shall give the key individual and, where applicable, the eGambling licensee or foreign gambling associate certificate

holder given a copy of the condition notice in accordance with regulation 156(2) written notice of its decision under this regulation and of the reasons for it.

Return of key individual certificate for endorsement of changed conditions.

158. (1) A key individual certificate holder shall return his key individual certificate to the Commission within seven days of —

- (a) receiving a condition notice; or,
- (b) where the right to make representations in accordance with regulation 157 has been exercised, receipt of a notice from the Commission in accordance with regulation 157(5) confirming or modifying the condition notice.

(2) On receiving the key individual certificate, the Commission shall —

- (a) amend the certificate in an appropriate way and return the amended certificate to the certificate holder; or
- (b) if the Commission does not consider that it is practicable to amend the certificate, issue a replacement key individual certificate free of charge, incorporating the change of conditions to the key individual certificate.

(3) A change of conditions does not depend on the key individual certificate being amended to record the change or a replacement key individual certificate being issued.

CHAPTER IV - CERTIFICATE MODIFICATIONS, LAPSE AND SURRENDER

Modification to key individual certificate.

159. (1) A key individual certificate holder who wishes to obtain the Commission's approval for a proposed modification to the details contained on his key individual certificate shall make application by letter to the Commission setting out the modification for which he seeks approval.

(2) Without prejudice to the generality of paragraph (1), an application is required within seven days of —

- (a) a certificate holder's name changing; or
- (b) a certificate holder's address changing.

(3) An application under paragraph (1) shall be accompanied by —

- (a) the certificate holder's key individual certificate;
- (b) where applicable, a certified copy of document recording the change in question; and
- (c) payment in respect of an administration charge of the relevant sum specified in Schedule 21.

(4) If the Commission refuses to grant an application under this regulation, it shall return the certificate holder's key individual certificate and give to him written notice of its decision and of the reasons for the refusal.

(5) Where the Commission believes that the key individual certificate holder has an existing relationship with an eGambling licensee or a foreign gambling associate certificate holder, the Commission shall give a copy of the notice of its decision under paragraph (4) to that eGambling licensee or foreign gambling associate certificate holder at the same time as it gives its decision to the certificate holder.

(6) If the Commission grants an application under this regulation, it shall —

- (a) amend the certificate in an appropriate way and return the amended certificate to the certificate holder; or
- (b) if the Commission does not consider that it is practicable to amend the certificate, issue a replacement key individual certificate free of charge, incorporating the change of conditions to the key individual certificate.

Lapsing of key individual certificate.

160. (1) A key individual certificate shall cease to have effect if there has been no relationship between the certificate holder and an eGambling licensee or foreign gambling associate certificate holder for a continuous period of two months.

(2) A person whose key individual certificate has lapsed as a result of paragraph (1) must, unless he provides an explanation which is acceptable to the Commission, return the certificate to the Commission within 14 days after the day on which the certificate ceases to have effect.

Surrender of key individual certificate.

161. (1) A key individual certificate holder may surrender his key individual certificate by written notice (a “**surrender notice**”) given to the Commission.

(2) The surrender takes effect —

- (a) on the day specified in the surrender notice; or
- (b) if no day is specified in the surrender notice, one month after the surrender notice is given to the Commission.

(3) A person who has surrendered a key individual certificate must, unless it provides an explanation which is acceptable to the Commission, return the certificate to the Commission within seven days after the day on which the surrender takes effect.

**CHAPTER V - SUSPENSION, REVOCATION AND OTHER
SANCTIONS**

Fit and proper test: key individual.

162. (1) For the purposes of section 12(1)(a) of the Ordinance, in deciding whether a key individual certificate holder continues to be a fit and proper person to hold that certificate, the Commission shall have regard to the following matters —

- (a) the certificate holder’s character;
- (b) the certificate holder’s current financial position and financial background; and
- (c) the certificate holder’s general suitability to perform functions for, or on behalf of, an eGambling licensee or foreign gambling associate certificate holder.

(2) For the purposes of section 12(1)(a) of the Ordinance, in deciding whether a key individual certificate holder is a fit and proper person to hold that certificate, the Commission may have regard to —

- (a) any changes to the validity of any other licence or permission however described held at the time the key individual certificate was issued or obtained since then in respect of any form of gambling anywhere in the world;
- (b) any penalties or sanctions however described imposed on the certificate holder by gambling regulators outside Alderney.

Rectification: Commission proposal.

163. (1) Where the Commission believes that —

- (a) a ground referred to in section 12(1) of the Ordinance exists; and
- (b) it is appropriate to give the key individual certificate holder an opportunity to rectify the matter or matters giving rise to the Commission’s belief that such a ground exists,

it shall issue to the key individual certificate holder a notice in writing (a “**rectification proposal**”) which shall explain the proposed direction under regulation 164 and set out the Commission’s reasons for proposing to give the direction.

(2) If a key individual certificate holder wishes to make representations to the Commission about anything in the rectification proposal, he may do so in writing within seven days of receipt of the rectification proposal.

(3) After consideration of a key individual certificate holder’s representations, the Commission may —

- (a) confirm, modify or withdraw the rectification proposal; or
- (b) take no further action concerning the rectification proposal indefinitely or for such period as the Commission considers appropriate.

(4) The Commission shall give the key individual certificate holder written notice of its decision under paragraph (3) and of the reasons for it.

Direction to rectify.

164. (1) Where —

- (a) a key individual certificate holder elects not to make any representations in accordance with regulation 163(2); or
-

- (b) after considering a key individual certificate holder's representations, the Commission decides to confirm or modify its proposals as set out in the rectification proposal,

the Commission shall, by written notice to the certificate holder (a "**rectification notice**"), direct him to rectify the matter or matters specified in the notice in the manner specified in the notice within the period of time specified in the notice.

(2) A rectification notice shall warn the key individual certificate holder of the consequences of failing to comply with the notice as specified in regulation 166(2).

(3) Where the Commission believes that the key individual certificate holder has an existing relationship with an eGambling licensee or a foreign gambling associate certificate holder, the Commission shall give a copy of the rectification notice to that eGambling licensee or that foreign gambling associate certificate holder.

(4) During the period of time specified in a rectification notice, its terms may be modified in any way the Commission sees fit, whether as a result of written representations from the certificate holder or from an eGambling licensee or foreign gambling associate certificate holder with which the certificate holder has an existing relationship, or of the Commission's own motion.

Written caution.

165. Where the Commission is satisfied that —

- (a) a ground referred to in section 12(1) of the Ordinance —
 - (i) exists, or
 - (ii) existed and has been resolved, whether voluntarily or in accordance with a rectification notice; and
- (b) it is appropriate to give the key individual certificate holder formal notice warning him about the consequences of any repetition of the type of act or omission giving rise to the Commission's view,

it may issue to the certificate holder a notice in writing which shall set out the basis for its finding that a ground in section 12(1) of the Ordinance has arisen

and warn the certificate holder of the consequences of any repetition of the same or a similar nature.

Regulatory hearing: notice.

166. (1) Where the Chief Executive Officer believes that —

- (a) a ground referred to in section 12(1) of the Ordinance exists; and
- (b) the circumstances are such that it is necessary to convene a hearing of the Commissioners at which the key individual certificate holder shall be given the opportunity of making representations in response,

the Chief Executive Officer shall give to the certificate holder a notice in writing (a “**hearing notice**”) which shall explain that the Chief Executive Officer is recommending to the Commission that it should impose a financial penalty or suspend or revoke the key individual certificate and set out his reasons for convening the hearing.

(2) Where the Chief Executive Officer believes that a rectification notice has not been fully complied with, he shall give to the key individual certificate holder a hearing notice which shall explain that the Chief Executive Officer is recommending to the Commission that it should impose a financial penalty or suspend or revoke the key individual certificate and set out the Chief Executive Officer’s reasons for convening the hearing.

(3) A hearing notice shall give at least seven days’ notice of the hearing to the key individual certificate holder and appoint a date, time and place for the hearing.

(4) A key individual certificate holder may elect not to attend the hearing convened by the hearing notice and confine his representations to any he wishes to make in writing to the Commission prior to the date of the hearing.

Immediate suspension.

167. (1) At the same time as giving a hearing notice, the Chief Executive Officer may, with the approval of at least one Commissioner, suspend a key individual certificate under this regulation if he is satisfied on reasonable grounds that —

- (a) a ground referred to in section 12(1) of the Ordinance exists;
 - (b) the seriousness and urgency of the matter requires that immediate action be taken ahead of a regulatory hearing;
 - (c) the seriousness and urgency of the matter do not permit the taking of action by way of a rectification proposal; and
 - (d) the circumstances require that the key individual certificate be suspended to ensure that the certificate holder is unable to jeopardise the integrity of an eGambling licensee's or a foreign gambling associate certificate holder's operation.
- (2) A suspension under this regulation —
- (a) shall be effected by written notice given by the Chief Executive Officer to the key individual certificate holder (a “**suspension notice**”);
 - (b) takes effect immediately when the suspension notice is given; and
 - (c) is effective until —
 - (i) the Commissioners have reached a determination at the conclusion of the hearing convened in accordance with regulation 166; or
 - (ii) it is cancelled by further notice in writing of the Chief Executive Officer in accordance with regulation 168.

(3) Where the Chief Executive Officer believes that the key individual certificate holder has an existing relationship with an eGambling licensee or foreign gambling associate certificate holder, the Chief Executive Officer shall give a copy of the suspension notice to that eGambling licensee or that foreign gambling associate certificate holder.

Cancellation of suspension notice.

168. (1) If a key individual certificate holder wishes to request that the immediate suspension imposed by the suspension notice be cancelled, he may make representations in writing to the Chief Executive Officer at any time whilst the suspension is effective.

(2) If an eGambling licensee, or foreign gambling associate certificate holder receiving a copy of the suspension notice in accordance with

regulation 167(3), wishes to request on behalf of the key individual certificate holder that the immediate suspension imposed by the suspension notice be cancelled, it may make representations in writing at any time whilst the suspension is effective.

(3) After consideration of any representations made under paragraph (1) or (2), the Chief Executive Officer, with the approval of at least one Commissioner, may confirm or cancel the suspension notice.

(4) The Chief Executive Officer shall give the key individual certificate holder and, where applicable, the eGambling licensee or foreign gambling associate certificate holder written notice of the decision under paragraph (3) and of the reasons for it.

(5) Where, prior to the Commission reaching a determination at the conclusion of the hearing convened in accordance with regulation 166, the Chief Executive Officer considers that it is no longer necessary to continue the suspension of a key individual certificate, he shall, with the approval of at least one Commissioner, cancel the suspension notice and give written notice to that effect to the certificate holder and, where applicable, an eGambling licensee or foreign gambling associate certificate holder which has received a copy of the suspension notice in accordance with regulation 167(3).

Conduct of regulatory hearing.

169. (1) At a hearing convened in accordance with regulation 166 —

- (a) the proceedings shall be opened and directed by the Chairman of the Commission or, in his absence, the Commissioner presiding at the hearing, who shall be responsible for the proper conduct of the hearing;
- (b) the Commissioners shall, so far as it appears to them appropriate, seek to avoid formality in their proceedings and shall conduct the hearing in such manner as they consider most appropriate for the clarification of the issues before them and generally to the just handling of the hearing; and
- (c) the key individual certificate holder may appear before the Commissioners in person or through any representative.

(2) Without prejudice to the generality of paragraph (1)(b), where the key individual certificate holder indicates that he wishes to challenge the

allegation set out in the hearing notice given to him, the Commissioners may adopt the following procedure —

- (a) a duly authorised officer of the Commission or any representative of that officer shall first be invited to present the case setting out the ground under section 12(1) of the Ordinance alleged against the certificate holder and may, for that purpose, call unsworn evidence from witnesses and produce documents;
- (b) in the event that a witness gives evidence in support of the duly authorised officer's presentation, cross-examination by, or on behalf of, the certificate holder and re-examination by the duly authorised officer or his representative shall be permitted;
- (c) the certificate holder or, as the case may be, his representative shall next present his response and may, for that purpose, call unsworn evidence from witnesses and produce documents;
- (d) in the event that a witness gives evidence in support of the certificate holder's presentation, cross-examination by the duly authorised officer or his representative and re-examination by, or on behalf of, the certificate holder shall be permitted;
- (e) written representations may be lodged with the Commissioners by, or on behalf of, the duly authorised officer or certificate holder before or during the hearing or in such other manner as the Commissioners may direct;
- (f) questions may be asked at any time by the Commissioners; and
- (g) the Commissioners may proceed to determining whether or not a ground referred to in section 12(1) of the Ordinance has been established before inviting comments from the certificate holder or his representative in relation to any appropriate sanction.

(3) Where the Commissioners proceed in accordance with paragraph (2)(g) and determine that a ground referred to in section 12(1) of the Ordinance has been established, they shall provide an opportunity for the

certificate holder or his representative to offer any explanation and make such other comment as he wishes.

(4) Without prejudice to the generality of paragraph (1)(b), where the key individual certificate holder indicates that he accepts the allegation set out in the hearing notice given to him, the Commissioners may adopt the following procedure —

- (a) a duly authorised officer of the Commission or any representative of that officer may first be invited to summarise the case setting out the ground under section 12(1) of the Ordinance alleged against the certificate holder;
- (b) the certificate holder or his representative shall be provided with the opportunity to offer any explanation and make such other comment as he wishes; and
- (c) questions may be asked at any time by the Commissioners.

(5) A hearing under this regulation may be adjourned by the Commissioners at any time and for any purpose.

(6) Unless the Commissioners otherwise direct, a hearing under this regulation shall be held in public in Alderney.

Regulatory hearing: Commissioners' determination.

170. (1) During or at the conclusion of a hearing convened in accordance with regulation 166, having taken into account everything said before and lodged with them, the Commissioners shall first determine whether the existence of a ground referred to in section 12(1) of the Ordinance has been accepted by, or established against, the key individual certificate holder and —

- (a) if so, shall then determine which of the actions specified in section 12(3) of the Ordinance, if any, to take in respect of the certificate holder or, as the case may be, his certificate; or
- (b) if not, shall direct that the allegation against him be recorded as not having been established.

(2) The Commission shall give the key individual certificate holder written notice of its decision under this regulation and of the reasons for it (a “**determination notice**”).

(3) Where the Commission believes that the key individual certificate holder has an existing relationship with an eGambling licensee or a foreign gambling associate certificate holder, the Commission shall give a copy of the determination notice to that eGambling licensee or that certificate holder.

Financial penalties.

171. (1) Where the Commissioners decide to impose a financial penalty on a key individual certificate holder —

- (a) subject to paragraph (2), the amount shall not exceed £25,000; and
- (b) the determination notice shall direct whether the penalty is payable immediately or is to be of suspended effect.

(2) Where the Commissioners decide to impose a financial penalty on a key individual certificate holder for his complicity in a matter also resulting in a ground referred to in section 12(1) being established against an eGambling licensee, a foreign gambling associate certificate holder or, as the case may be, a hosting certificate holder, the financial penalty specified in the determination notice given in accordance with regulation 170(2) shall not be greater than any financial penalty imposed in accordance with regulation 51 or 131.

(3) Where a financial penalty is payable immediately, the amount shall be paid to the Commission as agent for the States in the manner specified in the determination notice.

(4) Where the Commissioners direct that a financial penalty shall be of suspended effect, the determination notice shall specify the period, which shall not in any event exceed 12 months, during which the penalty is capable of being activated in accordance with regulation 172 and, at the end of the period so specified, the penalty shall no longer be capable of taking effect.

Activation of suspended financial penalty.

172. (1) Where, during the period of suspension specified in a determination notice, the Chief Executive Officer believes that a ground in section 12(1) of the Ordinance exists, the hearing notice given to the key individual certificate holder in accordance with regulation 166 shall also explain that the Chief Executive Officer is recommending to the Commission that it should consider activating the suspended financial penalty.

(2) If, at the conclusion of a hearing convened by such a hearing notice, the Commissioners are satisfied that a ground in section 12(1) of the Ordinance exists, or existed at the time of the hearing notice, having taken into account the representations of the key individual certificate holder, the Commission's determination notice shall direct that the original financial penalty of suspended effect —

- (a) shall be payable to it as agent of the States immediately in the manner specified in the determination notice —
 - (i) with the original amount unaltered; or
 - (ii) with the substitution of a lesser amount for the original amount;
- (b) shall be suspended for such further period not exceeding 12 months as the determination notice specifies; or
- (c) shall not be activated on this occasion and shall continue unaltered.

Post-hearing suspension.

173. Where the Commissioners decide to suspend a key individual certificate, the determination notice shall specify —

- (a) the date from which the suspension takes effect; and
- (b) the period of time during which the suspension shall be effective.

Withdrawal of key individual certificate.

174. (1) The Commissioners may withdraw a key individual certificate if they are satisfied that any of the grounds specified in section 12(1) of the Ordinance apply, and that unless the certificate is withdrawn —

- (a) the integrity of the conduct of eGambling by an eGambling licensee or a foreign gambling associate certificate holder may be jeopardised in a material way; or
- (b) the public interest or the integrity and reputation of eGambling in Alderney may be affected in an adverse way.

(2) Withdrawal of a key individual certificate takes effect when the determination notice is given or, if the determination notice specifies a later day, on the later day.

(3) A person whose key individual certificate has been withdrawn shall return the certificate to the Commission within seven days of the withdrawal taking effect.

PART V - OPERATIONAL REQUIREMENTS

CHAPTER I - INITIAL APPROVAL OF INTERNAL CONTROL SYSTEM

Purpose of internal control system.

- 175.** (1) The purpose of an internal control system is —
- (a) to provide a description by an eGambling licensee or a foreign gambling associate certificate holder of the controls and administrative and accounting procedures to which it will adhere when conducting eGambling or operating under its licence or certificate; and
 - (b) to establish the standards and processes against which an ordinary investigation by the Commission in the form of an inspection in accordance with regulation 251 will be undertaken.
- (2) As a minimum, an internal control system shall contain information about —
- (a) accounting systems and procedures and chart of accounts;
 - (b) administrative systems and procedures;
 - (c) computer software;
 - (d) standard forms and terms;
 - (e) general procedures to be followed for the conduct of any form of eGambling;
 - (f) procedures and standards for the maintenance, security, storage and transportation of gambling equipment;
 - (g) procedures for recording gambling transactions and paying winnings to customers;
 - (h) positions to be designated as key positions; and
 - (i) its auditors.

(3) Without prejudice to the generality of the foregoing, an internal control system shall describe the programmes developed by the eGambling licensee or foreign gambling associate certificate holder, having regard to its business risk assessment, to ensure that it has such policies, procedures and controls as are appropriate and effective for the purposes of forestalling, preventing and detecting money laundering and terrorist financing, including information about the eGambling licensee's or foreign gambling associate certificate holder's —

- (a) applicable internal policies, procedures and controls, including its policy for reviewing at appropriate intervals its compliance with the requirements of Schedule 16 and the regulations in Chapter V of Part V associated therewith;
- (b) arrangements to manage compliance;
- (c) screening practices when recruiting relevant employees;
- (d) ongoing employee training programme;
- (e) audit function to test its systems; and
- (f) measures taken to keep abreast of and guard against the use of technological developments and new methodologies in money laundering and terrorist financing schemes.

(4) For the purposes of paragraph (3)(a), in considering what is an appropriate interval, the eGambling licensee or foreign gambling associate certificate holder shall have regard to the risk taking into account —

- (a) the size, nature and complexity of the eGambling it conducts;
- (b) its registered customers and services; and
- (c) the ways in which it provides those services.

Submission of application.

176. (1) An application for approval of its internal control system shall be made by an eGambling licensee or foreign gambling associate certificate holder before it effects any gambling transaction or commences to operate under its eGambling licence or foreign gambling associate certificate.

(2) An application in accordance with paragraph (1) shall be made by completing a document containing all the section headings set out in Schedule 11, signed by a duly authorised officer of the eGambling licensee or foreign gambling associate certificate holder and delivered to the offices of the Commission.

(3) In a case where a section heading set out in Schedule 11 is considered by the eGambling licensee or foreign gambling associate certificate holder to be irrelevant to its operations, it shall still be included in the application document and shall be marked “Not Applicable”.

(4) Each page of an application document submitted in accordance with paragraph (2) shall be numbered sequentially.

(5) An application for initial approval of its internal control system may be made by or on behalf of an applicant or intending applicant for an eGambling licence or foreign gambling associate certificate, upon the following terms –

- (a) the application may be made at any time after the payment of the initial deposit under regulation 17 or 62;
- (b) the Commission is entitled to draw from the deposit money its costs associated with processing, investigating and determining the application regardless of whether formal applications are received or approved.

Maintenance of adequate monies on deposit.

177. Before, or at the time of, the submission of an application in accordance with regulation 176, the amount deposited by, or on behalf of, the eGambling licensee or foreign gambling associate certificate holder in accordance with regulation 260 shall be at least the relevant sum specified under Schedule 21.

Informal submission of application in draft.

178. Before making an application in accordance with regulation 176, but as part of the entire application process, an eGambling licensee or foreign gambling associate certificate holder who has complied with regulation 177 may invite informal comments on the content by submitting to the Commission, in electronic or paper format, all or part of its application document in draft.

Commencement of evaluation.

179. (1) When an eGambling licensee or foreign gambling associate certificate holder has complied with regulations 176 and 177, the Commission shall make arrangements to evaluate the proposed internal control system and the content of the application document.

(2) If an eGambling licensee or foreign gambling associate certificate holder submits all or part of an application document in draft in accordance with regulation 178, the Commission may make arrangements to commence an evaluation in accordance with paragraph (1) insofar as that is practicable from the information supplied.

Criteria against which application evaluated.

180. In considering whether to give approval to an eGambling licensee's or foreign gambling associate certificate holder's proposed internal control system, the Commission shall have regard to whether it —

- (a) satisfies the requirements of the Ordinance and these Regulations;
- (b) is capable of providing satisfactory and effective control over the conduct of any form of eGambling the licensee or foreign gambling associate certificate holder proposes to operate; and
- (c) provides a safe and secure system for the conduct of eGambling.

Request for further information.

181. At any time during an evaluation of an application for approval of an internal control system, an officer or servant of the Commission may request from the applicant or, with that applicant's prior permission, from some other person such further information or documentation as the officer or servant considers necessary to enable a proper evaluation of the application to be made.

Requirement for further information.

182. (1) Whether or not a request in accordance with regulation 181 has been made, a duly authorised officer of the Commission may, by notice in writing given to the eGambling licensee or foreign gambling associate

certificate holder, require it to supply to the Commission such further information or documentation as may reasonably be required to make a proper evaluation of the application.

(2) Where a notice under paragraph (1) has been given, the Commission is not required to determine the application until the notice has been complied with.

Informal comments.

183. Informal comments made by an officer or servant of the Commission as a result of submission of an application document or any part thereof in accordance with regulation 178 shall be offered to, and treated by, the eGambling licensee or foreign gambling associate certificate holder only as guidance about whether the application document might in some manner be improved before submission of an application in accordance with regulation 176.

Conditional approval of internal control system.

184. (1) Where an eGambling licensee or foreign gambling associate certificate holder has complied with regulations 176 and 177, prior to the determination of an application for approval of an internal control system in accordance with regulation 185, the eGambling licensee or foreign gambling associate certificate holder may make a request in writing for the Commission to consider granting conditional approval of its internal control system.

(2) A request seeking conditional approval of an internal control system shall explain the reason why it is being made, be signed by a duly authorised officer of the eGambling licensee or foreign gambling associate certificate holder and be delivered to the offices of the Commission.

(3) If the Commission is satisfied that exceptional circumstances exist, it may proceed to grant such conditional approval in accordance with this regulation.

(4) Where the evaluation undertaken in accordance with regulation 179(1) has not been fully completed, but the Chief Executive Officer is satisfied from the extent of the evaluation that has by then occurred that the internal control system appears to satisfy regulation 180, he may give

the eGambling licensee or foreign gambling associate certificate holder written notice that the system has been conditionally approved.

- (5) A notice given in accordance with paragraph (4) shall specify –
- (a) the period for which conditional approval is being given;
 - (b) that the approval is subject to the ongoing compliance by the eGambling licensee or foreign gambling associate certificate holder with all the requirements of this Chapter until the full evaluation process has been concluded; and
 - (c) such other conditions as the Chief Executive Officer considers necessary or expedient.

(6) A conditional approval of an eGambling licensee's or foreign gambling associate certificate holder's internal control system shall only become effective upon receipt by the Commission of an acknowledgment in writing from the eGambling licensee or foreign gambling associate certificate holder that it assents to the terms of that approval.

(7) Where it is appropriate to do so, of his own motion the Chief Executive Officer may, by notice in writing to an eGambling licensee or foreign gambling associate certificate holder, extend the period for which conditional approval has been given as specified in paragraph (5)(a).

(8) A conditional approval of an internal control system given in accordance with this regulation shall, for the purpose of section 14(1)(a) of the Ordinance, be regarded in the same way as an approval given in accordance with regulation 185.

Approval of internal control system.

185. (1) On completion of a full evaluation of an eGambling licensee's or foreign gambling associate certificate holder's proposed internal control system, if the Chief Executive Officer —

- (a) is satisfied that the internal control system satisfies regulation 180, on behalf of the Commission, he shall give the eGambling licensee or foreign gambling associate certificate holder written notice that the system has been approved; or
- (b) is not satisfied that the internal control system satisfies regulation 180, a report containing details of the application

and the evaluation carried out shall be prepared by a duly authorised officer of the Commission for submission to the Commissioners for their consideration.

(2) Where an application for approval of an eGambling licensee's or foreign gambling associate certificate holder's internal control system is referred to the Commissioners in accordance with paragraph (1)(b), the Commissioners shall consider —

- (a) the report submitted to them; and
- (b) such other material and information supplied to the Commission by, or on behalf of, the eGambling licensee or foreign gambling associate certificate holder as they consider appropriate.

(3) Where the Commissioners consider that they have insufficient information on which to decide whether to grant or refuse the application, they shall defer their decision on the application and cause an appropriate requirement under regulation 182 to be made.

(4) If the Commissioners are satisfied that the internal control system satisfies regulation 180, the Commission shall give the eGambling licensee or foreign gambling associate certificate holder written notice that the internal control system has been approved.

Notification of refusal.

186. (1) If the Commissioners refuse to grant approval for an eGambling licensee's or foreign gambling associate certificate holder's internal control system, the Commission shall give the eGambling licensee or foreign gambling associate certificate holder written notice of the decision and of the reasons for the refusal.

(2) If, despite their refusal, the Commissioners believe that the eGambling licensee's or foreign gambling associate certificate holder's proposed internal control system is capable of being easily rectified to enable approval for it to be given, the notice given in accordance with paragraph (1) shall also —

- (a) explain how the application document may be changed; and

- (b) invite the eGambling licensee or foreign gambling associate certificate holder to resubmit the application document after making the appropriate changes.

Accounting for evaluation monies deposited.

187. The Commission shall, whenever requested to do so by an eGambling licensee or foreign gambling associate certificate holder, account to the eGambling licensee or foreign gambling associate certificate holder in respect of the costs as at that time incurred by the Commission in respect of evaluating its application for approval of its internal control system.

CHAPTER II - CHANGES TO APPROVED INTERNAL CONTROL SYSTEM

Regular review of approved internal control system.

188. (1) An eGambling licensee or a foreign gambling associate certificate holder shall keep its approved internal control system under regular review so as to ensure that it accurately reflects the manner in which it is conducting eGambling or operating under its eGambling licence or foreign gambling associate certificate and, when appropriate, it shall make an application in accordance with regulation 192.

(2) Without prejudice to the generality of paragraph (1), an eGambling licensee or a foreign gambling associate certificate holder shall —

- (a) regularly review its business risk assessment so as to keep it up to date and where, as a result of that review, any change to the business risk assessment is required, it shall seek approval to make any corresponding change to its approved internal control system; and
- (b) ensure that a review of its compliance with the requirements of Schedule 16 and regulations in Chapter V of Part V relating thereto is discussed and minuted at a meeting of its board of directors held pursuant to the policy included in its approved internal control system by virtue of regulation 175(3)(a).

Direction to change approved internal control system.

189. (1) The Commission may, by written notice given to an eGambling licensee or a foreign gambling associate certificate holder (a “**control change notice**”), direct the eGambling licensee or foreign gambling associate certificate holder to change its approved internal control system within the time, and in the way, stated in the control change notice.

(2) Subject to regulation 190, an eGambling licensee or foreign gambling associate certificate holder shall comply with a control change notice.

Challenge to control change notice.

190. (1) If an eGambling licensee or foreign gambling associate certificate holder wishes to make representations to the Commission about anything in the control change notice, it may do so in writing within seven days of receipt of the control change notice.

(2) Representations under paragraph (1) may include a request that the date for compliance with the required change to its approved internal control system be postponed until the Commission has considered the representations.

(3) After consideration of an eGambling licensee’s or foreign gambling associate certificate holder’s representations, the Commission may confirm, modify or withdraw the control change notice.

(4) The Commission shall give the eGambling licensee or foreign gambling associate certificate holder written notice of its decision under this regulation and of the reasons for it.

Application to change approved internal control system.

191. (1) Subject to paragraph (2), an eGambling licensee or foreign gambling associate certificate holder wishing to effect any change to its existing approved internal control system shall obtain approval of the Commission for that change before it organises, promotes or effects any gambling transaction under the internal control system as proposed to be changed.

(2) Subject to paragraph (3) and regulation 192(3), if the Chief Executive Officer considers that a proposed change to an approved internal control system is urgent or is not substantially material in nature, then if he

considers it reasonable he may authorise the eGambling licensee or foreign gambling associate certificate holder, by email, to make that change to its approved internal control system.

(3) In the case of a change authorised under paragraph (1) on the ground of urgency alone, the licensee or foreign gambling associate certificate holder shall make an application in accordance with regulation 192(1) as soon as practicable and, in any event, within seven days after the change has been authorised.

Submission of change application.

192. (1) An application for approval of a change to an eGambling licensee's or foreign gambling associate certificate holder's approved internal control system, whether in response to a control change notice or in accordance with regulation 191(1) shall be made —

- (a) by the eGambling licensee or foreign gambling associate certificate holder using the online control system to access and compile the online form associated with the type of modification for which application is being made and therein accurately describing the proposed modification;
- (b) by letter setting out the proposed change, accompanied by an extract of the application document submitted when the eGambling licensee or foreign gambling associate certificate holder obtained approval of its existing internal control system, highlighting the proposed change, signed by a duly authorised officer of the eGambling licensee or foreign gambling associate certificate holder and delivered to the offices of the Commission; or
- (c) by completing a replacement document containing all the section headings set out in Schedule 11, as if it were an application in accordance with regulation 176, but highlighting all the proposed changes, signed by a duly authorised officer of the eGambling licensee or foreign gambling associate certificate holder and delivered to the offices of the Commission.

(2) If the Commission approves an application made in the manner specified in paragraph 1(a) in respect of a modification which is of a type

identified within the procedure as being of low risk, the eGambling licensee or foreign gambling associate certificate holder shall receive notification thereof electronically.

(3) An application made in accordance with regulation 191(2) shall be accompanied by an explanation of the reason for which the eGambling licensee or foreign gambling associate certificate holder needs to effect the change to its internal control system and the grounds for which the change is either urgent or not substantial in nature.

Maintenance of adequate monies on deposit.

193. Before, or at the time of, the submission of an application in accordance with regulation 192 in respect of a proposed change of a type set out in Schedule 12, the amount deposited by, or on behalf of, the eGambling licensee or foreign gambling associate certificate holder in accordance with regulation 260 shall be at least the relevant sum specified under Schedule 21.

Commencement of evaluation.

194. When an eGambling licensee or foreign gambling associate certificate holder has complied with regulations 192 and 193, the Commission shall make arrangements to evaluate the proposed change to the approved internal control system and the content of the application document.

Request for further information.

195. At any time during an evaluation of an application for approval of a change to an approved internal control system, an officer or servant of the Commission may request from the applicant or, with that applicant's prior permission, from some other person such further information or documentation as the officer or servant considers desirable to enable a proper evaluation of the application to be made.

Requirement for further information.

196. (1) Whether or not a request in accordance with regulation 195 has been made, a duly authorised officer of the Commission may, by notice in writing given to the eGambling licensee or foreign gambling associate certificate holder, require the licensee or certificate holder to supply to the

Commission such further information or documentation as may reasonably be required to make a proper evaluation of the application.

(2) Where a notice under paragraph (1) has been given, the Commission is not required to determine the application until the notice has been complied with.

Approval of changes to internal control system.

197. (1) On completion of an evaluation of an eGambling licensee's or foreign gambling associate certificate holder's proposed change to its approved internal control system under regulation 191(1), if the Chief Executive Officer —

- (a) is satisfied that the proposed change satisfies regulation 180, on behalf of the Commission, he shall give the eGambling licensee or foreign gambling associate certificate holder written notice that the change has been approved; or
- (b) is not satisfied that the proposed change satisfies regulation 180, a report containing details of the application and the evaluation carried out shall be prepared by a duly authorised officer of the Commission for submission to the Commissioners for their consideration.

(2) Where an application for approval of a change to an eGambling licensee's or foreign gambling associate certificate holder's approved internal control system is referred to the Commissioners in accordance with paragraph (1)(b), the Commissioners shall consider —

- (a) the report submitted to them; and
- (b) such other material and information supplied to the Commission by, or on behalf of, the eGambling licensee or foreign gambling associate certificate holder as they consider appropriate.

(3) Where the Commissioners consider that they have insufficient information on which to decide whether to grant or refuse the application, they shall defer their decision on the application and cause an appropriate requirement under regulation 196 to be made.

(4) If the Commissioners are satisfied that the proposed change to the approved internal control system satisfies regulation 180, the Commission shall give the eGambling licensee or foreign gambling associate certificate holder written notice that the internal control system as changed has been approved.

Notification of refusal.

198. (1) If the Commissioners refuse to grant approval for a change to an eGambling licensee's or foreign gambling associate certificate holder's approved internal control system, the Commission shall give the eGambling licensee or foreign gambling associate certificate holder written notice of the decision and of the reasons for the refusal.

(2) If, despite their refusal, the Commissioners believe that the eGambling licensee's or foreign gambling associate certificate holder's proposed change to its approved internal control system is capable of being easily rectified to enable approval for it to be given, the notice given in accordance with paragraph (1) shall also —

- (a) explain how the application may be changed; and
- (b) invite the eGambling licensee or foreign gambling associate certificate holder to resubmit the application after making the appropriate changes.

Accounting for evaluation monies deposited.

199. The Commission shall, whenever requested to do so by an eGambling licensee or foreign gambling associate certificate holder, account to the licensee or certificate holder in respect of the costs as at that time incurred by the Commission in respect of evaluating its application for approval of a change to its internal control system.

CHAPTER III - APPROVAL OF GAMBLING EQUIPMENT

Application for approval.

200. (1) An application for approval of its gambling equipment shall in the first instance be made by —

- (a) an eGambling licensee before it organises, promotes or effects any gambling transaction or commences to operate under its eGambling licence;
- (b) a foreign gambling associate certificate holder before it effects any gambling transaction under its certificate.

(2) Subject to paragraph (3), an application for a modification of the approval of its gambling equipment shall be made by an eGambling licensee and a foreign gambling associate certificate holder before it utilises its gambling equipment as proposed to be modified to organise, promote or effect any gambling transaction or operate under its eGambling licence or foreign gambling associate certificate.

(3) Where the urgency of the situation is such that the eGambling licensee or foreign gambling associate certificate holder needs to make a modification to the gambling equipment it utilises to organise, promote or effect gambling transactions or operate under its licence or certificate before it is able to obtain the approval of the Commission, an application for retrospective approval shall be made in accordance with regulation 201(4).

(4) An application in the first instance for approval of its gambling equipment may be made by or on behalf of an applicant or intending applicant for an eGambling licence or a foreign gambling associate certificate, upon the following terms –

- (a) the application may be made at any time after the payment of the initial deposit under regulation 17 or 62;
- (b) the Commission is entitled to draw from the deposit money its costs associated with processing, investigating and determining the application regardless of whether formal applications are received or approved;
- (c) the provisions of regulation 203 apply with respect to monies deposited.

Submission of application.

201. (1) An application for the purposes of regulation 200(1) shall be made by the eGambling licensee or foreign gambling associate certificate holder —

- (a) completing an application form as set out in Schedule 13, signed by a duly authorised officer of the eGambling licensee

or foreign gambling associate certificate holder and delivered to the offices of the Commission; or

- (b) if authorised by the Commission, using the Commission's online control system in accordance with regulation 202.

(2) If an application under paragraph (1) is made in conjunction with an application for approval of an internal control system under regulation 176, where applicable, the application under paragraph (1) shall cross-refer to the relevant information contained in the application document submitted in accordance with regulation 176.

(3) An application for the purposes of regulation 200(2) shall be made by the eGambling licensee or foreign gambling associate certificate holder —

- (a) using the Commission's online control system in accordance with regulation 202;
- (b) sending to a duly authorised officer of the Commission an email message accurately describing the modification the licensee or certificate holder wishes to make; or
- (c) completing an application form as set out in Schedule 13, signed by a duly authorised officer of the licensee or certificate holder and delivered to the offices of the Commission.

(4) An application for the purposes of regulation 200(3) shall be —

- (a) made in the first instance by sending to a duly authorised officer of the Commission an email message accurately describing the modification effected as soon as reasonably practicable and, in any event, within 24 hours of effecting the modification; and
- (b) confirmed in accordance with the directions of a duly authorised officer of the Commission by —
 - (i) making use of the Commission's online control system in accordance with regulation 202 within 7 days after making the modification, save that paragraph (4) thereof shall not apply, and

- (ii) if required by the Commission, letter to the Commission sent within 24 hours following the end of each calendar month in which such application has been made.

Online control system.

202. (1) An application submitted in accordance with regulation 201(3)(a) shall be made by the eGambling licensee or foreign gambling associate certificate holder accessing its dedicated database record of approved gambling equipment and completing the online form therein associated with the type of modification for which application is being made.

(2) An application made in accordance with paragraph (1) shall accurately describe the modification which the eGambling licensee or foreign gambling associate certificate holder wishes to effect.

(3) In respect of an application which is of a type identified within the procedure as being of low risk, approval by the Commission shall be given, and the eGambling licensee or foreign gambling associate certificate holder shall receive notification thereof, automatically and electronically.

(4) For the purposes of section 16(1) of the Ordinance, there shall be no costs associated with an application processed and determined in accordance with paragraph (3).

(5) Where the Commission subsequently discovers and concludes that a modification dealt with in accordance with paragraph (3) was inaccurately described by the eGambling licensee or foreign gambling associate certificate holder and should have been dealt with under paragraph (6), the Commission shall give the eGambling licensee or foreign gambling associate certificate holder notice of its conclusion and the reasons therefor and its approval for that modification shall be withdrawn with immediate effect.

(6) In respect of an application other than one to which paragraph (3) applies, an officer or servant of the Commission shall review the application in accordance with regulation 204.

(7) An application submitted in accordance with regulations 201(1)(b) and 216(2)(a) shall be made in accordance with this regulation by the eGambling licensee or foreign gambling associate certificate holder accessing its dedicated database record of approved gambling equipment and completing

the online form therein associated with the type of modification for which application is being made.

Maintenance of adequate monies on deposit.

203. (1) Subject to paragraphs (2) and (3), before, or at the time of, the submission of an application in accordance with regulation 201, the amount deposited by, or on behalf of, the eGambling licensee or foreign gambling associate certificate holder in accordance with regulation 260 shall be at least the relevant sum specified under Schedule 21.

(2) Where regulation 201(2) applies, paragraph (1) does not apply and an eGambling licensee shall only be required to comply with regulation 177.

(3) Where regulation 201(3) applies or where an application is made for approval of gambling equipment currently approved in principle for endorsement on a core services associate certificate in accordance with regulation 222, paragraph (1) does not apply.

Commencement of evaluation.

204. (1) Subject to paragraph (2), when an eGambling licensee or foreign gambling associate certificate holder has complied with regulations 201 and 203, the Commission shall make arrangements to evaluate the gambling equipment in respect of which approval has been sought.

(2) Where an application in accordance with regulation 201 is made —

- (a) to which regulation 202(3) applies; or
- (b) for approval of gambling equipment currently approved in principle for endorsement on a core services associate certificate in accordance with regulation 222,

the Commission shall not carry out any further evaluation of that gambling equipment.

Criteria against which application evaluated.

205. In considering whether to give approval to the gambling equipment an eGambling licensee or foreign gambling associate certificate holder proposes to utilise to conduct its business of organising or preparing the customer to gamble or effecting gambling transactions, as the case may be, and whether it

is satisfied in accordance with section 15(9) of the Ordinance, the Commission shall have regard to whether —

- (a) the equipment is the subject of approval in principle given to a core services associate certificate holder in accordance with regulation 222; or
- (b) the equipment is technically and operationally capable of being —
 - (i) utilised safely, securely and fairly, when taken both individually and collectively, in the conduct of any form of eGambling the eGambling licensee or foreign gambling associate certificate holder proposes to operate; and
 - (ii) interrogated, and subjected to audit, by, or on behalf of, the Commission, whether in accordance with monitoring conducted under regulation 249 or otherwise.

Request for further information.

206. At any time following submission of an application for approval of gambling equipment, an officer or servant of the Commission may request from the eGambling licensee or foreign gambling associate certificate holder or, with that licensee's or certificate holder's prior permission, from some other person such further information or documentation as the officer or servant considers desirable to enable the application to be determined in accordance with this Chapter.

Requirement for further information.

207. (1) Whether or not a request in accordance with regulation 206 has been made, a duly authorised officer of the Commission may, by notice in writing given to the eGambling licensee or foreign gambling associate certificate holder, require it to supply to the Commission such further information or documentation as may reasonably be required to determine the application in accordance with this Chapter.

(2) Where a notice under paragraph (1) has been given, the Commission is not required to determine the application until the notice has been complied with.

Conditional approval of gambling equipment.

208. (1) Where, in respect of an application for initial approval of its gambling equipment under regulation 200(1), an eGambling licensee or foreign gambling associate certificate holder has complied with regulations 201 and 203, prior to the determination of that application in accordance with regulation 209, the eGambling licensee or foreign gambling associate certificate holder may make a request in writing for the Commission to consider granting conditional approval of its gambling equipment.

(2) A request seeking conditional approval of gambling equipment shall explain the reason why it is being made, be signed by a duly authorised officer of the eGambling licensee or foreign gambling associate certificate holder and be delivered to the offices of the Commission.

(3) If the Commission is satisfied that exceptional circumstances exist, without prejudice to its general powers to impose conditions on a gambling equipment approval under regulation 212, it may proceed to grant such conditional approval in accordance with this regulation.

(4) Where the evaluation undertaken in accordance with regulation 204(1) has not been fully completed, but the Chief Executive Officer is satisfied from the extent of the evaluation that has by then occurred that the gambling equipment appears to satisfy regulation 205(b), he may give the eGambling licensee or foreign gambling associate certificate holder written notice that the equipment has been conditionally approved.

(5) A notice given in accordance with paragraph (4) shall, so far as practicable, be in a form similar to a gambling equipment approval and shall specify —

- (a) the period for which conditional approval is being given;
- (b) that the approval is subject to the ongoing compliance by the eGambling licensee or foreign gambling associate certificate holder with all the requirements of this Chapter applicable to initial approval of its gambling equipment until the full evaluation process has been concluded; and
- (c) such other conditions as the Chief Executive Officer considers necessary or expedient.

(6) A conditional approval of gambling equipment shall only become effective upon receipt by the Commission of an acknowledgment in writing from the eGambling licensee or foreign gambling associate certificate holder that it assents to the terms of that approval.

(7) Where it is appropriate to do so, of his own motion the Chief Executive Officer may, by notice in writing to an eGambling licensee or foreign gambling associate certificate holder, extend the period for which conditional approval has been given as specified in paragraph (5)(a).

(8) A conditional approval of gambling equipment given in accordance with this regulation shall, for the purpose of section 15(1) and (2) of the Ordinance, be regarded in the same way as an approval given in accordance with regulation 209.

Approval of gambling equipment.

209. (1) On completion of a full evaluation of the gambling equipment for which an eGambling licensee or foreign gambling associate certificate holder has sought approval, if the Chief Executive Officer —

- (a) is satisfied that the gambling equipment —
 - (i) is the same as gambling equipment for which approval in principle has been given to a core services associate certificate holder in accordance with regulation 222; or
 - (ii) satisfies regulation 205(b),
on behalf of the Commission, he shall, in accordance with regulation 210, give the eGambling licensee or foreign gambling associate certificate holder notice that the gambling equipment has been approved; or
- (b) is not satisfied that the gambling equipment satisfies regulation 205(b), a report containing details of the application and the evaluation carried out shall be prepared by a duly authorised officer of the Commission for submission to the Commissioners for their consideration.

(2) Where an application for approval of an eGambling licensee's or foreign gambling associate certificate holder's gambling equipment is referred to the Commissioners in accordance with paragraph (1)(b), the Commissioners shall consider —

- (a) the report submitted to them; and
- (b) such other material and information supplied to the Commission by, or on behalf of, the eGambling licensee or foreign gambling associate certificate holder as they consider appropriate.

(3) Where the Commissioners consider that they have insufficient information on which to decide whether to grant or refuse the application, they shall defer their decision on the application and cause an appropriate requirement under regulation 207 to be made.

(4) If the Commissioners are satisfied that the gambling equipment satisfies regulation 205(b), the Commission shall give the eGambling licensee or foreign gambling associate certificate holder written notice that the gambling equipment has been approved.

Form of gambling equipment approval.

210. (1) Subject to paragraph (2), where the Commission grants an application for approval of gambling equipment, notice given under regulation 209 shall be in writing in the form set out in Schedule 14 (a “**gambling equipment approval**”).

(2) Where the Commission grants an application made in accordance with regulation 201(3)(a) for approval of a modification to gambling equipment through its online control system in accordance with regulation 202(3), no gambling equipment approval will be given but instead the Commission shall cause the eGambling licensee’s or foreign gambling associate certificate holder’s dedicated database record of approved gambling equipment to be updated to reflect its approval.

(3) As soon as practicable after giving a gambling equipment approval, the Commission shall establish in respect of the licensee or foreign gambling associate certificate holder a dedicated database record of approved gambling equipment or, as the case may be, update the licensee’s or foreign gambling associate certificate holder’s record in order to reflect the approval given.

Notification of refusal.

211. If the Commissioners refuse to grant approval for gambling equipment, the Commission shall give the eGambling licensee or foreign gambling

associate certificate holder written notice of the decision and of the reasons for the refusal.

Imposition or change of conditions on gambling equipment approval.

212. (1) Where the Commission considers it necessary, expedient or desirable to —

- (a) attach a condition to a gambling equipment approval;
- (b) modify an existing condition attached to a gambling equipment approval; or
- (c) rescind an existing condition attached to a gambling equipment approval,

it shall give to the eGambling licensee or foreign gambling associate certificate holder a notice in writing (an “**equipment condition notice**”) which shall explain the proposed change of condition and set out the Commission’s reasons for the change.

(2) Without prejudice to the generality of paragraph (1), an equipment condition notice may be given if the Commission is of the opinion that —

- (a) the utilisation of the gambling equipment in question without the condition —
 - (i) may not prevent cheating or a contravention of the Ordinance or these Regulations, or
 - (ii) cannot be effectively monitored; or
- (b) it is in the public interest that such a condition be attached.

(3) Subject to regulation 213, a change of conditions takes effect on —

- (a) the day on which the equipment condition notice is given to the eGambling licensee or foreign gambling associate certificate holder; or
- (b) such later day as is specified in the equipment condition notice.

Challenge to equipment condition notice.

213. (1) If an eGambling licensee or foreign gambling associate certificate holder wishes to make representations to the Commission about anything in

the equipment condition notice, it may do so in writing within seven days of receipt of the equipment condition notice.

(2) Representations under paragraph (1) may include a request that the date from which the change of conditions takes effect be postponed until the Commission has considered the representations.

(3) After consideration of an eGambling licensee's or foreign gambling associate certificate holder's representations, the Commission may confirm, modify or withdraw the equipment condition notice.

(4) The Commission shall give the eGambling licensee or foreign gambling associate certificate holder written notice of its decision under this regulation and of the reasons for it.

Return of gambling equipment approval for endorsement of changed conditions.

214. (1) An eGambling licensee or foreign gambling associate certificate holder shall return its gambling equipment approval to the Commission within seven days of —

- (a) receiving an equipment condition notice; or,
- (b) where it exercises its right to make representations in accordance with regulation 213, receipt of a notice from the Commission in accordance with regulation 213(4) confirming or modifying the equipment condition notice.

(2) On receiving the gambling equipment approval, the Commission shall —

- (a) amend the gambling equipment approval in an appropriate way and return the amended gambling equipment approval to the eGambling licensee or foreign gambling associate certificate holder; or
- (b) if the Commission does not consider that it is practicable to amend the gambling equipment approval, issue a replacement gambling equipment approval free of charge, incorporating the change of conditions to the eGambling licensee or foreign gambling associate certificate holder.

(3) A change of conditions does not depend on the gambling equipment approval being amended to record the change or a replacement gambling equipment approval being issued.

Accounting for evaluation monies deposited.

215. The Commission shall, whenever requested to do so by an eGambling licensee or foreign gambling associate certificate holder, account to the eGambling licensee or foreign gambling associate certificate holder in respect of the costs as at that time incurred by the Commission in respect of evaluating its application for approval of its gambling equipment.

CHAPTER IV - ENDORSEMENT OF APPROVAL IN PRINCIPLE
OF GAMBLING EQUIPMENT ON CORE SERVICES ASSOCIATE
CERTIFICATE

Application for approval in principle.

216. (1) A core services associate certificate holder may apply to the Commission for approval in principle of gambling equipment it proposes to offer to an eGambling licensee or foreign gambling associate certificate holder for utilisation by it to organise, promote or effect any gambling transaction or operate under its eGambling licence or foreign gambling associate certificate.

- (2) An application under paragraph (1) shall be made by —
- (a) if authorised by the Commission, using the Commission's online control system in accordance with regulation 202;
 - (b) sending, in the case of a proposed modification of gambling equipment already approved, to a duly authorised officer of the Commission an email message accurately describing the modification the licensee wishes to make; or
 - (c) completing an application form as set out in Schedule 15, signed by a duly authorised officer of the associate and delivered to the offices of the Commission.

Maintenance of adequate monies on deposit.

217. Before, or at the time of, the submission of an application in accordance with regulation 216, the amount deposited by, or on behalf of, the core

services associate certificate holder in accordance with regulation 260 shall be at least the relevant sum specified under Schedule 21.

Commencement of evaluation.

218. When a core services associate certificate holder has complied with regulations 216 and 217, the Commission shall make arrangements to evaluate the gambling equipment in respect of which approval in principle has been sought.

Criteria against which application evaluated.

219. In considering whether to give approval in principle to the gambling equipment a core services associate certificate holder proposes to offer to an eGambling licensee or foreign gambling associate certificate holder, the Commission shall have regard to whether —

- (a) the equipment is technically and operationally capable of being —
 - (i) utilised safely, securely and fairly, when taken both individually and collectively, in the conduct of any form of eGambling an eGambling licensee or foreign gambling associate certificate holder may propose to operate; and
 - (ii) interrogated, and subjected to audit, by, or on behalf of, the Commission, whether in accordance with monitoring conducted under regulation 249 or otherwise, should it be utilised by an eGambling licensee or foreign gambling associate certificate holder in its operations; and
- (b) the equipment is of a type that an eGambling licensee or foreign gambling associate certificate holder is likely to wish to utilise in its business of conducting eGambling.

Request for further information.

220. At any time during an evaluation of an application for approval in principle of gambling equipment, an officer or servant of the Commission may request from the core services associate certificate holder or, with the certificate holder's prior permission, from some other person such further information or documentation as the officer or servant considers desirable to enable a proper evaluation of the application to be made.

Requirement for further information.

221. (1) Whether or not a request in accordance with regulation 220 has been made, a duly authorised officer of the Commission may, by notice in writing given to the core services associate certificate holder, require the certificate holder to supply to the Commission such further information or documentation as may reasonably be required to make a proper evaluation of the application.

(2) Where a notice under paragraph (1) has been given, the Commission is not required to determine the application until the notice has been complied with.

Approval in principle of gambling equipment.

222. (1) On completion of an evaluation of the gambling equipment for which a core services associate certificate holder has sought approval in principle, if the Chief Executive Officer —

- (a) is satisfied that the gambling equipment satisfies regulation 219, on behalf of the Commission, he shall give the certificate holder written notice that the gambling equipment has been approved in principle; or
- (b) is not satisfied that the gambling equipment satisfies regulation 219, a report containing details of the application and the evaluation carried out shall be prepared by a duly authorised officer of the Commission for submission to the Commissioners for their consideration.

(2) Where an application for approval in principle of gambling equipment is referred to the Commissioners in accordance with paragraph (1)(b), the Commissioners shall consider —

- (a) the report submitted to them; and
- (b) such other material and information supplied to the Commission by, or on behalf of, the core services associate certificate holder as they consider appropriate.

(3) Where the Commissioners consider that they have insufficient information on which to decide whether to grant or refuse the application, they

shall defer their decision on the application and cause an appropriate requirement under regulation 221 to be made.

(4) If the Commissioners are satisfied that the gambling equipment satisfies regulation 219, the Commission shall give the core services associate certificate holder written notice that the gambling equipment has been approved in principle.

Notification of refusal.

223. If the Commissioners refuse to grant approval in principle for a core services associate certificate holder's gambling equipment, the Commission shall give the certificate holder written notice of the decision and of the reasons for the refusal.

Return of associate certificate for endorsement of approval in principle.

224. (1) Within seven days of receipt of a notice in accordance with regulation 222, the core services associate certificate holder shall return its associate certificate to the Commission.

(2) On receiving the associate certificate, the Commission shall —

- (a) endorse a record of the gambling equipment in respect of which it has given approval in principle and return the endorsed certificate to the certificate holder; or
- (b) if the Commission does not consider that it is practicable to endorse the associate certificate, issue a replacement core services associate certificate to the associate free of charge, on which all the current approvals in principle of the associate's gambling equipment shall be endorsed.

(3) Approval in principle of an associate's gambling equipment does not depend on the core services associate certificate being endorsed to record that approval or a replacement core services associate certificate being issued.

Accounting for evaluation monies deposited.

225. The Commission shall, whenever requested to do so by a core services associate certificate holder, account to the certificate holder in respect of the costs as at that time incurred by the Commission in respect of evaluating its application for approval in principle of its gambling equipment.

CHAPTER V - CUSTOMERS: REGISTRATION, FUNDS AND PROTECTION

Requirement for customer to be registered.

226. A Category 1 eGambling licensee shall not permit a person to effect a gambling transaction as part of its operations under its eGambling licence unless the person is a customer who has registered in accordance with regulation 227.

Procedure for registration of customer.

227. (1) A customer shall register —

- (a) directly with a Category 1 eGambling licensee; or
- (b) with an associate of a Category 1 eGambling licensee,

by completing an application process as set out in the Category 1 eGambling licensee's approved internal control system.

(2) Prior to registering a customer, or as soon as reasonably practicable thereafter, a Category 1 eGambling licensee, or, when applicable, an associate on the licensee's behalf, shall undertake a risk assessment in respect of that person, in accordance with the terms of the Category 1 eGambling licensee's approved internal control system, to determine if —

- (a) the Category 1 eGambling licensee's relationship with the customer is a high risk relationship; or
- (b) the customer or any beneficial owner or underlying principal is a politically exposed person.

(3) A person shall not be eligible for registration as a customer in accordance with paragraph (1) unless he is able to produce to the person carrying out the registration process evidence of a type and in a manner set out in the Category 1 eGambling licensee's approved internal control system —

- (a) of his identity and place of residence; and
- (b) that he is at least 18 years of age.

(4) The registration of a customer shall not be completed by the person carrying it out until —

- (a) the identity of the person wishing to register as a customer has been authenticated;
- (b) the person's place of residence has been verified;
- (c) the customer has confirmed that he is acting as principal and is not restricted in his legal capacity; and
- (d) if the customer is not a natural person –
 - (i) the legal status and legal form of the customer has been verified; and
 - (ii) the names of the natural persons who have ultimate ownership and/or control of the customer have been determined,

in accordance with the terms of the Category 1 eGambling licensee's approved internal control system and the money laundering and terrorist financing provisions set out in Schedule 16.

(5) Save in such circumstances as are set out in a Category 1 eGambling licensee's approved internal control system an employee of —

- (a) a Category 1 eGambling licensee;
- (b) the associate carrying out the registration process;
- (c) any other associate directly involved in managing any aspect of the Category 1 eGambling licensee's gambling transactions,

whether or not he is a key individual, shall not be registered as a customer.

Customer accounts.

228. (1) A Category 1 eGambling licensee, or, when applicable, an associate on the licensee's behalf, shall not set up anonymous customer accounts or accounts in fictitious names.

(2) A Category 1 eGambling licensee, or, when applicable, an associate on the licensee's behalf, shall maintain customer accounts in a manner which facilitates the meeting of the requirements of this Chapter and Schedule 16.

(3) For the purposes of section 24(5) of the Ordinance, paragraphs (1) and (2) are specified as a "money laundering offence".

Regular review of customer relationship.

229. A Category 1 eGambling licensee, or, when applicable, an associate on the licensee's behalf, shall, in accordance with the terms of the Category 1 eGambling licensee's approved internal control system, regularly review any risk assessment carried out under regulation 227(2) so as to keep it up to date and, where changes to that risk assessment are required, it shall make those changes.

Deposit of customer funds.

230. The funds with which a customer pays for gambling transactions with a Category 1 eGambling licensee may be deposited —

- (a) directly with the Category 1 licensee; or
- (b) with an associate of the Category 1 licensee,

in the manner set out in the Category 1 eGambling licensee's approved internal control system and in accordance with the money laundering and terrorist financing provisions set out in Schedule 16.

Recourse to funds held by eGambling licensee.

231. (1) This regulation applies where a registered customer's funds have been deposited directly with a Category 1 eGambling licensee.

(2) A Category 1 eGambling licensee shall not have recourse to funds standing to the credit of a registered customer except —

- (a) to debit the amount of a payment required for a gambling transaction that the customer indicates he wants to undertake through the Category 1 eGambling licensee;
- (b) to debit some or all of an amount that has been added to the funds standing to the credit of the customer by virtue of regulation 232(4) in accordance with the terms contained in the Category 1 eGambling licensee's approved internal control system that were accepted by the customer prior to the addition of those funds;
- (c) to debit an amount that the customer has requested be transferred to an associate of the Category 1 eGambling

licensee for the purposes of enabling the customer to participate in gambling;

- (d) to remit funds in accordance with paragraph (3)
- (e) to debit inactive funds in accordance with the terms and conditions of its approved internal control system accepted by the customer prior to the addition of those funds; or
- (f) to facilitate player to player transfers as directed by the customer, in accordance with the terms and conditions, as accepted by the customer, of its approved internal control system.

(3) Subject to compliance with any lawful requirement to do otherwise, the Category 1 eGambling licensee shall, at the request of a registered customer, remit funds standing to the credit of that customer as directed by the customer —

- (a) to an account with a financial institution in his name;
- (b) to an account with an associate of the Category 1 eGambling licensee in his name; or
- (c) by providing a non-negotiable instrument marked “account payee” made out in his name and forwarded to his address as recorded in accordance with regulation 227,

pursuant to the terms and conditions governing the customer relationship and as set out in the Category 1 eGambling licensee’s approved internal control system.

Additions to customer’s funds held by eGambling licensee.

232. (1) This regulation applies where a registered customer’s funds have been deposited directly with a Category 1 eGambling licensee.

(2) If, as a result of effecting a gambling transaction through the Category 1 eGambling licensee, a registered customer accrues winnings, the licensee shall increase the amount standing to the credit of the customer by the amount of those winnings in accordance with the terms and conditions governing the relationship between the Category 1 eGambling licensee and the customer as contained in the licensee’s approved internal control system.

(3) If a registered customer whose funds have been debited in accordance with regulation 231(2)(b) requests that funds standing to his credit with the associate to which funds have been transferred are returned, upon receipt from its associate, the Category 1 eGambling licensee shall immediately increase the amount standing to the credit of the customer by the amount so received.

(4) If a registered customer accepts an offer from a Category 1 eGambling licensee of funds with which to effect a gambling transaction, made in accordance with terms contained in the licensee's approved internal control system, the Category 1 eGambling licensee shall increase the amount standing to the credit of the customer in accordance with those terms.

Compliance with money laundering and terrorist financing provisions.

233. (1) An eGambling licensee, a foreign gambling associate certificate holder and, to the extent applicable, other associates shall comply with the money laundering and terrorist financing provisions set out in Schedule 16 to the extent that such provisions are therein stated to apply to such a licensee, certificate holder or associate.

(2) For the purposes of section 24(5) of the Ordinance, any requirement set out in Schedule 16 is specified as a "money laundering offence".

Customer funds held by an associate.

234. Where the funds of a registered customer are held by an associate of a Category 1 eGambling licensee —

- (a) amounts payable by the customer in respect of gambling transactions effected through the Category 1 eGambling licensee; and
- (b) winnings accruing to the customer as a result of gambling transactions effected through the Category 1 eGambling licensee,

shall be reconciled as between the customer, the associate and the Category 1 eGambling licensee in accordance with the Category 1 eGambling licensee's approved internal control system.

Notification of eGambling licensee's rules.

235. Before a registered customer is permitted to effect a gambling transaction through a Category 1 eGambling licensee, the Category 1 eGambling licensee shall make available to the customer in accordance with its approved internal control system, whether directly or by posting them on its website, the rules pertaining to the gambling transaction in question.

Identifying customers at risk.

236. (1) A Category 1 eGambling licensee shall establish and maintain procedures in accordance with its approved internal control system to identify customers who are, or appear to be at risk of becoming, problem gamblers.

(2) A Category 1 eGambling licensee shall take note of and act appropriately upon advances in information about problem gambling, technology to discover problem gambling, and techniques for combating problem gambling; and shall comply with every requirement of the Commission designed to combat problem gambling.

(3) The Category 1 eGambling licensee shall –

- (a) provide problem gamblers and potential problem gamblers with sufficient information and assistance to enable them to obtain proper counselling or access to an appropriate support organisation; and
- (b) if required by the Commission, take steps to limit or cease gambling activities with a specified customer.

Limitation on customer's gambling activity.

237. (1) A registered customer may, by written notice to a Category 1 eGambling licensee, set a limit on his gambling activity with that licensee in accordance with one or more of the means specified in paragraph (2).

(2) A limit may be set under paragraph (1) in relation to the amount a customer —

- (a) may deposit during a period of time specified in the notice;
- (b) may lose by way of a maximum amount that may be lost by reference to —
 - (i) a number of gambling transactions; or

- (ii) a period of time,
as specified in the notice; or
 - (c) may wager.
- (3) A limit set under paragraph (2)(c) may be set —
 - (a) in relation to a single gambling transaction or any number of gambling transactions;
 - (b) by way of a maximum limit that may be wagered over a number of gambling transactions specified in the notice or effected during a period of time specified in the notice; or
 - (c) at zero.
- (4) A Category 1 eGambling licensee who has received a notice under paragraph (1), shall not —
 - (a) accept a deposit; or
 - (b) permit a customer to lose; or
 - (c) debit a wager from the customer's funds held by it; or
 - (d) require an associate holding the customer's funds to debit a wager from those funds,

in excess of a limit set out in the notice.

(5) A Category 1 eGambling licensee who has received a notice under paragraph (1) from a customer setting his limit in accordance with paragraphs (2)(c) and (3)(c) at zero shall not directly market or otherwise publicise its gambling services to that customer whilst the customer's limit continues at zero.

(6) A Category 1 eGambling licensee who has received a notice under paragraph (1) shall not, directly or indirectly, encourage the customer who has set that limit to raise or remove it.

(7) A customer who has set a limit under this regulation may change or remove the limit by further written notice to the Category 1 eGambling licensee.

(8) A notice in accordance with paragraph (7) increasing or removing a limit shall not have effect unless —

- (a) at least 24 hours have passed since the Category 1 eGambling licensee received the notice; and
- (b) the customer has not notified the Category 1 eGambling licensee of his intention to withdraw the notice.

(9) A notice reducing a limit has effect on its receipt by the Category 1 eGambling licensee.

Customer complaints.

238. (1) A Category 1 eGambling licensee shall include on an appropriate page within the part of its website explaining the availability of a mechanism for resolving a customer's complaint a hyperlink to the page on the Commission's website dealing with its handling of complaints.

(2) Where a registered customer makes a complaint to the Commission about a Category 1 eGambling licensee's operations, the complaint shall be dealt with by the Commission in accordance with this regulation.

(3) In the first instance, a duly authorised officer of the Commission shall, by establishing contact with the Category 1 eGambling licensee or, as the case may be, an associate of the licensee and the complainant, attempt to resolve by agreement between the customer and the Category 1 eGambling licensee or associate any dispute between them on which the complaint is based.

(4) Where the procedure set out in paragraph (3) is unsuccessful, the Chief Executive Officer shall cause a full investigation of the complaint to be carried out by a duly authorised officer of the Commission and, after consideration of a report about the complaint and the investigation thereof, he —

- (a) shall make a preliminary determination of the matter in dispute between the customer and the Category 1 eGambling licensee; and
- (b) give written notice of that determination and the reasons for it to the customer and the Category 1 eGambling licensee, at the same time enquiring of them whether each accepts his determination.

(5) Where both the customer and the Category 1 eGambling licensee accept the preliminary determination of the Chief Executive Officer, his determination shall be treated as final.

(6) Where one or both of the recipients of the Chief Executive Officer's preliminary determination do not accept it, the complaint shall be referred to the Commissioners for hearing in accordance with regulation 239.

Hearing of customer complaint.

239. (1) Where a complaint by a customer has been referred to the Commissioners for determination in accordance with regulation 238(6) —

- (a) by giving at least 14 days' notice, a date, time and place for the hearing shall be notified by the Commission to the customer and the Category 1 eGambling licensee;
- (b) the complainant may elect to confine himself to making any written representations he wishes or may attend the hearing in person or through any representative;
- (c) the Category 1 eGambling licensee may elect to confine itself to making any written representations it wishes or may attend the hearing through any representative.

(2) At a hearing under this regulation —

- (a) if the complainant attends, he shall make his representations first;
- (b) a duly authorised officer of the Commission, in person or through any representative, shall present his report about the investigation of the complaint and shall be permitted to ask questions of any attendee;
- (c) if the Category 1 eGambling licensee attends, he shall make his representations in response to the complaint after the conclusion of the officer's presentation; and
- (d) questions may be asked at any time by the Commissioners.

(3) Unless the Commissioners otherwise direct, a hearing under this regulation shall be held in public in Alderney.

Commissioners' determination of customer complaint.

240. (1) At the conclusion of a hearing in accordance with regulation 239, after taking into account everything said and lodged by, or on behalf of, the parties, the Commissioners shall determine —

- (a) whether the customer's complaint has been established in full or in part;
- (b) what steps, if any, to take in relation to the Category 1 eGambling licensee in accordance with other provisions of these Regulations; and
- (c) whether to make any order about payment of the costs incurred by the Commission or, as the case may be, the customer making the complaint or the Category 1 eGambling licensee in accordance with paragraph (2) or (3).

(2) In a case where the customer has appeared before the Commissioners and they determine that his complaint was vexatious or frivolous or manifestly ill-founded, they may direct the customer to pay —

- (a) a contribution towards the expenses incurred by the Commission in determining the complaint; and
- (b) if sought by the Category 1 eGambling licensee, a contribution to its costs incurred in appearing before the Commissioners.

(3) Where the Commissioners determine that the customer's complaint has been established in full or in part, they may direct —

- (a) as part of the resolution of the dispute between the customer and the Category 1 eGambling licensee, that the Category 1 eGambling licensee compensates the customer for all or some of the costs he has incurred in making and pursuing his complaint; and
- (b) that the Category 1 eGambling licensee make a contribution towards the expenses incurred by the Commission in determining the complaint.

(4) The Commission shall give the customer making the complaint and the Category 1 eGambling licensee written notice of its decision under this regulation and of the reasons for it.

CHAPTER VI - FINANCIAL ACCOUNTS AND REPORTS

Keeping of accounts.

241. An eGambling licensee and a foreign gambling associate certificate holder shall —

- (a) keep accounting records that correctly record and explain the transactions and financial position for the operations conducted under its eGambling licence or foreign gambling associate certificate; and
- (b) keep the accounting records in a way that allows —
 - (i) true and fair financial statements and accounts to be prepared from time to time; and
 - (ii) the financial statements and accounts to be conveniently and properly audited.

Periodic operational reports and management accounts.

242. (1) A Category 1 eGambling licensee shall by no later than the 20th day of the month submit to the Commission a report in the format set out in Schedule 17 containing the details required by such a report in respect of its operational performance under its eGambling licence during the preceding calendar month.

(2) An eGambling licensee and a foreign gambling associate certificate holder shall by no later than 30 days after the end of each quarter of its financial year submit to the Commission a report in respect of its operations under its eGambling licence or foreign gambling associate certificate during the preceding quarter in question.

(3) The report referred to in paragraph (2) shall be in the following form —

- (a) for a Category 1 eGambling licensee, in Schedule 18;
- (b) for a Category 2 eGambling licensee, a Temporary eGambling licensee and a foreign gambling associate certificate holder, in Schedule 19.

Financial ratios.

243. (1) A Category 1 eGambling licensee shall at all times satisfy such financial ratios as are established by the Commission in respect of its operations from time to time and notified to it in writing.

(2) A Category 1 eGambling licensee shall by no later than the 20th day of the month submit to the Commission a report in the format set out in Schedule 20 detailing its financial position during the preceding calendar month by reference to the ratios required of it in accordance with paragraph (1).

(3) A Category 2 eGambling licensee, a Temporary eGambling licensee and a foreign gambling associate certificate holder shall, by the financial position disclosed in its report in Schedule 19, satisfy the Commission that it maintains such financial requirement and ratios established by the Commission in respect of its operations from time to time and notified to it in writing.

Submission of other reports.

244. (1) An eGambling licensee and a foreign gambling associate certificate holder shall give such other reports to the Commission as required by this regulation about the operations conducted under its eGambling licence or certificate.

(2) A report under this regulation shall be given at the time stated in a written notice given to the eGambling licensee or foreign gambling associate certificate holder by the Commission.

(3) The Commission may, by written notice given to an eGambling licensee or foreign gambling associate certificate holder, require it to give to the Commission further information specified in the notice within the time specified in the notice, being information that the Commission reasonably requires in order to acquire a proper appreciation of the eGambling licensee's or foreign gambling associate certificate holder's operations.

Audit of eGambling licensee's and foreign gambling associate certificate holder's operations.

245. As soon as practicable after the end of the financial year, an eGambling licensee and a foreign gambling associate certificate holder shall cause the

books, accounts and financial statements for the operations conducted under its eGambling licence or foreign gambling associate certificate for the financial year to be audited by the auditors for which approval has been given as part of its approved internal control system.

Audit report.

246. (1) An eGambling licensee and a foreign gambling associate certificate holder shall provide a copy of the audited financial statements and any auditors' report following an audit conducted under regulation 245 to the Commission —

- (a) within six months after the end of the financial year to which the audit relates; or
- (b) within such longer period of time as the Commission shall determine following an application made to it in accordance with paragraph (2).

(2) If an eGambling licensee or foreign gambling associate certificate holder believes that it will not be able to comply with paragraph (1), it may, by making application to the Commission by letter signed by a duly authorised officer, seek an extension of the time within which a copy of its audited financial statements and any auditor's report must be supplied.

(3) An application in accordance with paragraph (2) —

- (a) shall be made no earlier than one month before the expiry of the time within which a copy of the audited financial statements and any auditor's report must be supplied; and
- (b) shall set out the reasons why the copy of the audited financial statements and any auditor's report is currently incapable of being supplied.

(4) The Commission shall give the eGambling licensee or foreign gambling associate certificate holder written notice of its decision under this regulation and of the reasons for it.

Further information following audit.

247. Upon receiving a copy of a report provided in accordance with regulation 246, the Commission may, by written notice to the eGambling licensee or foreign gambling associate certificate holder, require the licensee

or certificate holder to give the Commission such further information as is specified in the notice within the time specified in the notice about any matter relating to the eGambling licensee's or foreign gambling associate certificate holder's operations that is mentioned in the audit report.

Challenge to notice requiring information.

248. (1) If an eGambling licensee or foreign gambling associate certificate holder wishes to make representations to the Commission about anything contained in a notice given to it in accordance with regulation 244 or 247, it may do so in writing within seven days of receipt of the notice.

(2) Representations under paragraph (1) may include a request that the date by which the information is required be postponed until the Commission has considered the representations.

(3) After consideration of any representations, the Commission may confirm, modify or withdraw the notice in question.

(4) The Commission shall give the eGambling licensee or foreign gambling associate certificate holder written notice of its decision under this regulation and of the reasons for it.

CHAPTER VII - MONITORING AND INVESTIGATIONS

Monitoring operations.

249. (1) The Commission may at any time carry out monitoring of any aspect of the operations of an eGambling licensee or associate certificate holder.

(2) Without prejudice to the generality of paragraph (1), for the purpose of monitoring its operations under an eGambling licence or associate certificate, the licensee or associate certificate holder shall —

- (a) at the request of the Commission, do anything reasonably necessary to allow a servant or agent of the Commission to carry out such monitoring, including (without limitation) providing, or facilitating access to, information or material held by an associate of the licensee or associate certificate holder; and

- (b) be deemed to have authorised a servant or agent of the Commission to obtain directly from a core services associate certificate holder information or material in respect of the licensee's operations which is held by that certificate holder.

Presence at certain operations.

250. In order to ensure the integrity of the conduct of eGambling under an eGambling licence or foreign gambling associate certificate, the Commission may, by written notice given to an eGambling licensee or associate certificate holder, direct the licensee or certificate holder not to do a stated thing in relation to any aspect of the operations conducted, or to be conducted, under its eGambling licence or associate certificate unless a servant or agent of the Commission is present.

Inspecting operations.

251. (1) Without prejudice to the generality of regulation 249, the Commission may conduct an ordinary investigation by way of an inspection of an eGambling licensee's or associate certificate holder's operations, whether located in Alderney, Guernsey or elsewhere and including operations undertaken on behalf of the licensee or certificate holder by any associate.

(2) The Commission shall by notice in writing to the eGambling licensee or associate certificate holder (an "**inspection notice**") inform the licensee or certificate holder that an inspection will be conducted, when it will be conducted and the reasons for the inspection.

Maintenance of adequate monies on deposit.

252. Unless the inspection notice given states otherwise, before the inspection takes place in accordance with regulation 251, the amount deposited by, or on behalf of, the eGambling licensee or associate certificate holder in accordance with regulation 260 shall be at least the relevant sum specified under Schedule 21.

Inspection report.

253. On completion of an inspection in accordance with regulation 251, a report containing details of the inspection and the assessment made of the eGambling licensee's or associate certificate holder's conduct of its operations

shall be prepared by a duly authorised officer of the Commission for submission —

- (a) to the eGambling licensee or associate certificate holder, indicating what steps, if any, the licensee or certificate holder might wish to take to improve its performance; and
- (b) to the Commissioners for their consideration.

Special investigation by Commission.

254. (1) This regulation applies where, in the opinion of the Commission, it is necessary for it to conduct a special investigation outside the ambit of an inspection into —

- (a) an eGambling licensee;
- (b) a foreign gambling associate certificate holder;
- (c) an associate of an eGambling licensee or foreign gambling associate certificate holder, whether or not that associate holds an associate certificate or a hosting certificate;
- (d) a key individual certificate holder having an existing relationship with an eGambling licensee or a foreign gambling associate certificate holder; or
- (e) any aspect of the operations of an eGambling licensee or a foreign gambling associate certificate holder under its eGambling licence or foreign gambling associate certificate.

(2) Subject to paragraph (3), the Commission shall by notice in writing to the eGambling licensee or, as the case may be, the certificate holder in question (an “**investigation notice**”) inform the licensee or certificate holder that a special investigation will be conducted and the reasons for the investigation.

(3) If the nature of the special investigation is such that a prior investigation notice would be likely to compromise the investigation, the Commission shall dispense with the requirement under paragraph (2).

(4) Where the Commission believes that the certificate holder receiving an investigation notice in accordance with paragraph (2) has an existing relationship with an eGambling licensee, foreign gambling associate certificate holder or an associate, the Commission shall give a copy of the notice to that

eGambling licensee, foreign gambling associate certificate holder or, as the case may be, that associate at the same time as it gives the notice to the certificate holder.

Deposit of monies in respect of investigation.

255. (1) Unless the investigation notice given states otherwise, within seven days of receipt of the notice —

- (a) the amount deposited in accordance with regulation 260 by, or on behalf of, the eGambling licensee, foreign gambling associate certificate holder or, as the case may be, the associate receiving the notice shall be at least the relevant sum specified under Schedule 21; or
- (b) where the recipient of the notice does not have monies on deposit with the Commission in accordance with regulation 260, the relevant sum specified under Schedule 21 shall be deposited with the Commission by, or on behalf of, that person from which the Commission is permitted to draw the costs associated with carrying out the investigation and reporting thereon.

(2) If, prior to the conclusion of the investigation, the monies deposited with the Commission in accordance with paragraph (1)(b) have been exhausted, the Commission may by further notice in writing to the recipient of the investigation notice require that the relevant sum specified under Schedule 21 shall be deposited with the Commission by, or on behalf of, the recipient.

Report to Commissioners.

256. On completion of a special investigation, a report containing details of the investigation and the consequences of the information ascertained shall be prepared by a duly authorised officer of the Commission for submission to the Commissioners for their consideration as to what steps, if any, to take in accordance with the relevant provisions of these Regulations.

Payment of costs not deposited.

257. Where the costs payable under section 21(2) of the Ordinance by the recipient of an investigation notice who does not have monies on deposit with the Commission in accordance with regulation 260 exceed the total of the

monies deposited in accordance with regulation 255(1)(b) and (2), the recipient shall within seven days of receipt of an account for those costs pay the amount required to the Commission.

Repayment of surplus monies deposited.

258. After completion of a special investigation, the Commission shall repay to the person who has deposited monies in accordance with regulation 255(1)(b) and (2) any monies not drawn by it, or if the depositor so requests, retain such specific amount as the depositor has indicated it wishes the Commission to continue to hold and apply towards the amount to be deposited in accordance with regulation 260 and repay to the depositor any balance.

Accounting for monies deposited.

259. The Commission shall, whenever requested to do so by a person depositing monies with it in accordance with regulation 252 or 255, account to that person in respect of the costs as at that time incurred by the Commission in respect of carrying out an inspection or conducting a special investigation.

CHAPTER VIII - DEPOSITS OF MONIES BY LICENSEES AND ASSOCIATES

Establishment and maintenance of deposit of monies.

260. (1) Following the grant of an eGambling licence or foreign gambling associate certificate by the Commission under section 7 of the Ordinance and before making any application under a regulation in this Part, an eGambling licensee or foreign gambling associate certificate holder shall establish and thereafter maintain a deposit of monies with the Commission from which the Commission is permitted by section 16(1) or 21(2) of the Ordinance to draw the costs associated with processing, evaluating and determining applications made under this Part or, as the case may be, carrying out an inspection or investigation under Chapter VII of this Part.

(2) Following the grant of a core services associate certificate by the Commission under section 7 of the Ordinance, a core services associate certificate holder wishing to make an application under regulation 216 shall, before making such an application, establish and thereafter maintain a deposit

of monies with the Commission from which the Commission is permitted by section 16(1) or 21(2) of the Ordinance to draw the costs associated with processing, evaluating and determining applications made under regulation 216 or, as the case may be, carrying out an inspection or investigation under Chapter VII.

(3) Save as otherwise provided in this Part and subject to regulation 261, the amount held by the Commission on account of an eGambling licensee or, as the case may be, an associate certificate holder under this regulation shall at all times be at least the relevant sum specified under Schedule 21.

Requiring additional deposits.

261. (1) Where the amount held by the Commission on account of an eGambling licensee or an associate certificate holder under regulation 260 falls below the relevant sum specified under Schedule 21, the Commission shall by notice in writing to the licensee or certificate holder inform it of that fact and require that additional monies be deposited to satisfy regulation 260(3).

(2) Where a notice under paragraph (1) has been given, the Commission is not required to determine any application which has been made by the eGambling licensee or associate certificate holder but not yet determined until the notice has been complied with.

Interest on deposits.

262. Monies deposited with the Commission in accordance with regulation 260 shall be held by it in an ordinary interest-bearing account with the interest accruing quarterly for the benefit of the eGambling licensee, foreign gambling associate certificate holder or, as the case may be, the core services associate certificate holder:

Provided that if in any quarter year the annualised rate used to accrue interest on those monies does not exceed 5% then the Commission shall not be obliged to account for that interest.

Information about monies on deposit.

263. The Commission shall, whenever requested to do so by an eGambling licensee or an associate certificate holder, provide to the eGambling licensee

or, as the case may be, the associate certificate holder an up-to-date balance of the monies being held by the Commission on its behalf in accordance with regulation 260.

Repayment of monies on deposit.

264. When an eGambling licensee or, as the case may be, an associate certificate holder ceases to be a licensee or certificate holder, the Commission shall repay to the eGambling licensee or associate certificate holder any monies not drawn by it from the monies held by it in accordance with regulation 260.

PART VI - GENERAL PROVISIONS

Interpretation.

265. (1) In these Regulations, unless the context otherwise requires —

“annualised net gaming yield” shall, for the purposes of Schedule 3 of the Ordinance be calculated as follows —

- (a) the annualised net gaming yield shall be 4 times the net gaming yield disclosed in a Category 1 eGambling licensee’s quarterly report, prepared in accordance with regulation 242(2), for the 3 month period last reported (only reports received by the Commission at least seven days before the relevant fee payment date shall be taken into account) prior to the fee payment date as prescribed by section 8 of the Ordinance; but
- (b) if the annualised net gaming yield in the report referred to in sub paragraph (a) is within 10% of a fee increment value on the fee scale in Schedule 3 of the Ordinance, the annualised net gaming yield shall be calculated by reference to the average of the value of the annualised net gaming yield reported in that three month period and of the three month period immediately preceding it;

“appropriate resources” means financial resources —

- (a) adequate, in the Commission’s opinion, to ensure the financial viability of operations conducted under an eGambling licence or foreign gambling associate certificate; and

- (b) available from a source that is not, in the Commission's opinion, tainted with illegality, including, for the avoidance of doubt, whether those resources may have been derived from money laundering or terrorist financing;

“appropriate services” means the services of persons who have appropriate experience to ensure the proper and successful conduct of eGambling and who have satisfied applicable screening processes relating to money laundering or terrorist financing on recruitment;

“beneficial owner” means, in relation to a customer relationship —

- (a) the natural person who ultimately owns or controls the customer; and
- (b) a person on whose behalf the customer relationship is to be or is being conducted and, in the case of a trust or other legal arrangement, this shall mean —
 - (i) any beneficiary in whom an interest has vested, and
 - (ii) any other person who appears likely to benefit from that trust or other legal arrangement;

“business risk assessment” means an assessment which documents the exposure of the business of an eGambling licensee or a foreign gambling associate certificate holder to money laundering and terrorist financing risks, and vulnerabilities, including those that may arise from new or developing technologies that might favour anonymity, taking into account its —

- (a) size, nature and complexity; and
- (b) customers and services and the ways in which it provides those services;

“Chief Executive Officer” means the person appointed to the post of Chief Executive Officer of the Commission by the Commissioners in accordance with paragraph 9 of Schedule 1 to the Law, and whilst that person is temporarily unable to exercise his functions due to absence or any other reason, “Chief Executive Officer” means the Chief Inspector;

“Chief Inspector” means the person appointed to the post of Chief Inspector by the Commissioners in accordance with paragraph 9 of Schedule 1 to the Law;

“**the Commissioners**” means the chairman and other members of the Commission appointed in accordance with section 1(1) of the Law;

“**condition notice**” means a notice given under regulation 36, 80, 116 or 156, as the case may be;

“**conditional approval**” means a notice given under regulation 184 or 208, as the case may be;

“**control change notice**” means a notice given under regulation 189;

“**conversion notice**” means a notice given under regulation 13;

“**customer relationship**” means a continuing relationship between a Category 1 eGambling licensee and a registered customer to enable the organisation and preparation of gambling transactions, and “**customer**” has a corresponding meaning;

“**designation notice**” means a notice given under regulation 136;

“**determination notice**” means a notice given under regulation 50, 94, 130 or 170, as the case may be;

“**duly authorised officer of the Commission**” means an officer of the Commission so authorised by resolution of the Commissioners;

“**effect**” in relation to gambling has the meaning ascribed in regulation 5(2);

“**employee**” means an individual working, including on a temporary basis, for an eGambling licensee or foreign gambling associate certificate holder whether under a contract of employment, a contract for services or otherwise;

“**equipment condition notice**” means a notice given under regulation 212;

“**gambling equipment approval**” means a notice given under regulation 209;

“**hearing notice**” means a notice given under regulation 46, 90, 126 or 166, as the case may be;

“**inspection**” means an ordinary investigation conducted in accordance with an inspection notice;

“**inspection notice**” means a notice given under regulation 251;

“**investigation notice**” means a notice given under regulation 254;

“**the Law**” means the Gambling (Alderney) Law, 1999, as amended²;

“**money laundering**” is any act which —

- (a) constitutes an offence under section 38, 39 or 40 of the Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law, 1999³;
- (b) constitutes an offence under section 57, 58 or 59 of the Drug Trafficking (Bailiwick of Guernsey) Law, 2000⁴;
- (c) constitutes an attempt, conspiracy or incitement to commit an offence specified in subparagraph (a) or (b);
- (d) constitutes aiding, abetting, counselling or procuring the commission of an offence specified in paragraph (a) or (b); or
- (e) would constitute an offence specified in paragraph (a), (b), (c) or (d) if done in the Bailiwick of Guernsey,

irrespective of the value of the property involved and, for the purposes of this definition —

- (f) having possession of any property shall be taken to be doing an act in relation to it;
- (g) if the context allows, a reference to money laundering includes a reference to the funding of terrorism;

“**net gaming yield**” has the meaning given in section 30 of the Ordinance and shall be calculated by the application of accounting principles approved by the Commission to the gross receipts and relevant disbursements disclosed in relevant operating statements;

“**online control system**” means the procedure established by the Commission to allow eGambling licensees and foreign gambling associate certificate holders to access, complete, compile and submit forms on a website specified by the Commission, in accordance with regulation 202;

“**the Ordinance**” means the Alderney eGambling Ordinance, 2009;

² Order in Council No. XIV of 1999; No. XXVII of 2001; Ordinance No. VII of 2006.

³ Order in Council No. VIII of 1999; No. II of 2005; No. XV of 2007; Guernsey Ordinance Nos. XXVIII and LICENSEEIII of 1999; No. XII of 2002; No. LICENSEEIII of 2003; No. XLVII of 2007; No. XXXVII of 2008; GSI No. 27 of 2002; and No. 33 of 2007.

⁴ Order in Council No. VII of 2000; No. II of 2005; Nos. XVI and XVII of 2007; Guernsey Ordinance No. LICENSEEIII of 2003 and Guernsey Ordinance XXXVIII of 2008.

“**problem gambler**” means a gambler who is –

- (a) a compulsive gambler;
- (b) unable to control his gambling activities; or
- (c) unable to provide the necessities of life for himself or his dependant family by reason of excessive spending on gambling;

“**rectification notice**” means a notice given under regulation 44, 88, 124 or 164, as the case may be;

“**rectification proposal**” means a notice given under regulation 43, 87, 123 or 163, as the case may be;

“**registered customer**” means a customer who has been registered in accordance with regulation 227;

“**relevant employee**” means includes any –

- (a) member of the eGambling licensee’s or foreign gambling associate certificate holder’s board of directors;
- (b) member of the management of the eGambling licensee or foreign gambling associate certificate holder; and
- (c) employees whose duties relate to the organising or effecting of gambling transactions, including arranging payments in respect of such transactions, or collecting customer due diligence,

whether or not they hold a key individual certificate;

“**risk**” means a risk of money laundering or terrorist financing occurring and “**risk assessment**” shall be construed accordingly;

“**surrender notice**” means a notice given under regulation 40, 84, 121 or 161, as the case may be;

“**suspension notice**” means a notice given under regulation 47, 91, 127 or 167, as the case may be;

“**Terrorism Law**” means the Terrorism and Crime (Bailiwick of Guernsey) Law, 2002⁵;

⁵ Order in Council No. XVI of 2002; No. XIII of 2006; Guernsey Ordinance No. LICENSEEIII of 2003; and No. XLVI of 2007.

“**terrorist financing**” means doing any act which —

- (a) constitutes an offence under section 8, 9, 10 or 11 of the Terrorism Law and, for the purposes of this definition, the “purposes of terrorism” shall include, to the extent that they do not already do so —
 - (i) any attempt, conspiracy or incitement to carry out terrorism within the meaning of section 1 of the Terrorism Law, or
 - (ii) aiding, abetting, counselling or procuring the carrying out of such terrorism;
- (b) constitutes an attempt, conspiracy or incitement to commit an offence specified in subparagraph (a);
- (c) constitutes aiding, abetting, counselling or procuring the commission of an offence specified in subparagraph (a); or
- (d) would, in the case of an act done otherwise than in the Bailiwick of Guernsey, constitute an offence specified in subparagraph (a), (b) or (c) if done in the Bailiwick of Guernsey,

irrespective of the value of the property involved and, for the purposes of this definition, having possession of any property shall be taken to be doing an act in relation to it;

(2) Words defined in the Law and the Ordinance have the same meaning when used in these Regulations, unless the context otherwise requires or the contrary intention is expressed.

(3) Unless the context otherwise requires, a reference in these Regulations to any enactment includes a reference to that enactment as amended, repealed and replaced, extended or applied by or under any enactment including the Ordinance.

(4) The Interpretation (Guernsey) Law, 1948⁶ applies to the interpretation of these Regulations as it applies to the interpretation of an enactment in force in the Island of Guernsey.

⁶ Ordres en Conseil Vol. XIII, p. 355.

Delegation.

266.(1) The Commission may by resolution delegate to the Chief Executive Officer such of its administrative powers, duties and functions under these Regulations as are specified in the resolution; but no such delegation shall affect the Commission's power to exercise that power, duty or function directly.

(2) The Chief Executive Officer may by notice in writing delegate to the Chief Inspector or other officer named in that notice such of the administrative powers, duties and functions given to him under these Regulations or, with the approval of the Commission, delegated to him under paragraph (1), as are specified in the notice; but no such delegation shall affect the Chief Executive Officer's power to exercise that power, duty or function directly.

Electronic communications

267. Subject to any contrary provision or necessary intention in the Law, the Ordinance or these Regulations, the Commission may, by notice in writing, authorise the submission of an application to or communication with the Commission or any of its officers in computer or electronic form by email, interaction with the Commission's website or other means so authorised by the Commission.

Effect of changes in annualised net gaming yield.

268. For the purposes of section 8 of the Ordinance, if the change in the annualised net gaming yield calculated by reference to sub-paragraphs (a) and (b) of the definition of "annualised net gaming yield" in regulation 265 affects the fee level that the licensee or certificate holder would be appointed to (as specified in Schedule 3 of the Ordinance), this change will only be taken into account in the fee calculation for the next renewal period of that licensee or certificate holder's fee.

Repeal.

269. The Alderney eGambling Regulations, 2006, as amended⁷ are hereby repealed.

⁷ Statutory Instrument 4/2006, amended by Statutory Instruments 5/2006, 3/2007, 5/2007, 1/2008, 3/2008, 4/2008, 6/2008, 10/2008

Citation.

270. These Regulations may be cited as the Alderney eGambling Regulations, 2009.

Commencement.

271. These Regulations shall come into force on the first day of January 2010.

SCHEDULE 1

GENERAL APPLICATION FORMS

Regulations 16, 61



ALDERNEY

GAMBLING CONTROL COMMISSION

APPLICANT NAME:

Application for (please tick):

Category 1 eGambling licence

Category 2 eGambling licence

Core services associate certificate

Foreign gambling associate certificate

Temporary eGambling licence

NOTES TO APPLICANTS (to assist completion of Application Form)

1. The principal purpose of seeking the information required by this Application Form is to provide the Commission with core basic factual details, thereby enabling it to:
 - make preliminary investigations in order to ascertain the full scope of its investigations;
 - identify where further information will need to be requested and/or required; and
 - identify any key individuals who will be designated in accordance with regulation 136 of the Alderney eGambling Regulations, 2009.
2. Additional information may be sought by way of a meeting with an officer of the Commission.
3. If any details set out on this Application Form change prior to the determination of this Application, you must notify the Commission in writing as soon as reasonably practicable.
4. The information provided must be accurate and truthful. [NB section 24(1) of the Alderney eGambling Ordinance, 2009 creates an offence of obtaining a licence by false statement, declaration or information.]
5. Wherever possible, use BLOCK CAPITALS.
6. All dates should be in the form Day / Month / Year.
7. Answer every question, using “N/A” or “NIL” where applicable.
8. Use additional sheets as necessary, cross-referencing against the relevant question the additional sheet(s) on which the answer is to be found.
9. If the deposit of investigation monies required by the Alderney eGambling Regulations, 2009 has not already been made, it must accompany the submission of this Application Form.
10. Applicants are reminded that they must complete and submit for publication the notice set out in Schedule 2.

SECTION 1: APPLICANT'S DETAILS

(1) **Name of applicant** _____

(2) **Company number** _____

(3) **Date of incorporation** _____

Registered office _____

(4) **Correspondence address** _____

Nominated principal contact person _____

Tel: _____

Email: _____

Fax: _____

I/we confirm that the required application deposit has been remitted.

Yes

SECTION 2: CORPORATE INFORMATION

(5) **Type of company** *eg, public/private, limited by share/guarantee etc*

Please supply a copy of the certificate of incorporation

(6) **Previous company name(s)** _____

(7) **Please describe the company’s objectives and outline the proposed eGambling activity**

(8) **Shareholders**

Please list known shareholders holding 3% or more of issued share capital

<u>Name</u>	<u>% of issued capital</u>
-------------	----------------------------

(9) Group corporate structure

Please *attach a diagram showing*

- *the complete group structure including any parent company, subsidiary or associated company.*
- *the ultimate beneficial owner(s) of the applicant*
- *the activities of each entity in the group*

For each entity in the group, state where registered and ownership

(10) Group investors

Please list all known shareholders holding 3% or more of the applicant's parent company

<u>Name</u>	<u>% of issued capital / entity</u>
-------------	-------------------------------------

(11) Officers and management

Please list directors, company secretary and senior managers of the applicant and, where applicable, of other group entities who will control or exercise influence over the applicant's business and/or operational functions

Please supply brief biographies or cvs for each named individual.

Please attach a company organisation chart showing reporting structures

<u>Name</u>	<u>Position</u>	<u>Relationship to Applicant</u>
-------------	-----------------	----------------------------------

SECTION 3: RESOURCES**(12) Funding**

Please detail the amount and source(s) of funds to be utilised to establish the proposed eGambling activity.

Please supply recent audited accounts for any business entity which is funding or supporting the proposed eGambling activity.

(13) Business Plan

Please supply a business plan for the proposed eGambling operation, covering the types of eGambling to be conducted, the platform to be used, the timescale for full activation, projected player numbers and revenues. If appropriate please supply screen shots and a diagram of the proposed network architecture.

Will you be registering players? Yes No

Will you be effecting the gambling transaction? Yes No

Please name any providers of core services such as games software. Please note that these suppliers may require an Alderney core services associate certificate.

(14) Hosting

Where will your servers or RNG be located?

Who is your proposed hosting provider?

(15) Regulatory status

Does your organisation or an associated business entity hold a gaming related licence anywhere else in the world? If so, please supply copies of any such licence(s).

(16) Litigation

a) Has your organisation or an associated business entity been fined or censured by any regulatory body in the last 10 years?

Yes No

If yes, please supply details

b) Has your organisation or an associated business entity been involved in substantial litigation in the last 10 years? Yes No

If yes, please supply details

(17) Further information:

Please add any further information which you consider relevant to assist the Commission in determining your application.

DECLARATION

I have been duly authorised by the applicant to make this application on its behalf (see certified true copy of minute attached).

I declare that the information contained in this application is true and accurate to the best of my knowledge, information and belief and that, if any of the information contained in or appended to this application is discovered to be false, I may be liable to prosecution.

Signature: _____

Name (*print*): _____

Date: _____

* * * * *

The original completed application form and any attachments should be bound as a single document and, together with ONE unbound copy of the same, should be forwarded to:

Chief Inspector
Alderney Gambling Control Commission
St Anne's House
Queen Elizabeth II Street
ALDERNEY
GY9 3TB
via United Kingdom.

Regulations 18, 19, 63**SCHEDULE 2****NOTICE OF APPLICATION FOR eGAMBLING LICENCES AND
ASSOCIATE CERTIFICATES**

The form of notice to be published by an applicant for an eGambling licence or Associate Certificate shall be as set out below —

An application for a _____⁸ dated [*insert date of application*] has been made to the Alderney Gambling Control Commission (“the Commission”) under the Alderney eGambling Ordinance, 2009 and the Alderney eGambling Regulations, 2009 by —

[name of applicant]

whose registered office is —

[address of applicant’s registered office]

Any person wishing to raise any objection to this application so that the objection shall be considered by the Commission in accordance with regulation 23, 30 or 74 of the Alderney eGambling Regulations, 2009 should, within **14 days** of the date of publication of this notice, deliver or send to the offices of the Commission a written statement of the objection and the grounds on which it has been raised.

Signed: _____

for and on behalf of [insert applicant’s name]

Dated: _____

[insert date]

⁸ Here insert the type of eGambling licence or associate certificate being applied for, namely –
Category 1 eGambling licence (publish in Alderney Official Gazette and on AGCC website)
Category 2 eGambling licence (publish in Alderney Official Gazette and on AGCC website)
Temporary eGambling licence (publish on AGCC website)
Core services associate certificate (publish on AGCC website)
Foreign gambling associate certificate (publish on AGCC website)

SCHEDULE 3

Regulation 32

FORM OF eGAMBLING LICENCE

The form of an eGambling licence shall be as set out below —



ALDERNEY

GAMBLING CONTROL COMMISSION

eGAMBLING LICENCE

issued under section 7 of the Alderney eGambling Ordinance, 2009

[name of licensee]

whose registered office is situate at —

[address of licensee's registered office]

Having previously been granted licence no. _____ on _____

has been granted the following licence(s):

Category 1 eGambling licence

Category 2 eGambling licence

Temporary eGambling licence

as provided for in regulations 4, 6 or 8 of the Alderney eGambling Regulations, 2009 [*and subject to such further conditions as are attached hereto*].

This Licence is valid from: **[insert date]**

Signed: _____ on this [insert date]

Chief Inspector
for and on behalf of the Commission

Licence Number: **[insert number]**

SCHEDULE 4**FORM OF ASSOCIATE CERTIFICATE**Regulation 76

1. The form of the front of an associate certificate shall be as set out below —



ALDERNEY

GAMBLING CONTROL COMMISSION

ALDERNEY GAMBLING CONTROL COMMISSION

⁹

ASSOCIATE CERTIFICATE

issued under section 7 of the Alderney eGambling Ordinance, 2009

[name of associate certificate holder]

whose registered office is situate at —

[address of certificate holder's registered office]

has been granted an associate certificate of the kind described above subject to the conditions provided for in regulations 58 and 60 of the Alderney eGambling Regulations, 2009 [*and such further conditions as are attached hereto*].

This associate certificate is valid from: [insert date]

Signed: _____ on this [insert date]

Chief Inspector
for and on behalf of the Commission

Certificate Number: [insert number]".

⁹ Here insert the type of associate certificate – either Core Services or Foreign Gambling

2. The form of the reverse of an associate certificate (and, where needed, such additional continuation pages that have to be attached to an associate certificate) shall, if applicable, be as set out below —

ENDORSEMENTS OF GAMBLING EQUIPMENT

APPROVED IN PRINCIPLE

Description of gambling equipment

Date approved

[insert sufficient information to be able to identify precisely what has been approved in principle, eg, unique identifier of software package]”.

[insert date]

SCHEDULE 5

APPLICATION FOR HOSTING CERTIFICATE

Regulation 99



ALDERNEY

GAMBLING CONTROL COMMISSION

APPLICANT NAME:

Application for hosting certificate:

NOTES TO APPLICANTS

1. The principal purpose of seeking the information required by this application form is to provide the Commission with core basic factual details, thereby enabling it to:
 - make preliminary investigations in order to ascertain the full scope of its investigations;
 - identify where further information will need to be requested and/or required; and
 - identify the nature of the proposed eGambling activities and any associated business entities and key individuals.
2. The information provided must be accurate and truthful. It is a criminal offence to obtain a certificate by false statement, declaration or information. If any details set out on this application form change prior to the determination of this application, you must notify the Commission in writing as soon as reasonably practicable. [NB section 24(1) of the Alderney eGambling Ordinance, 2009 creates an offence of making a false declaration or statement or giving false information for the purposes of satisfying a requirement under the Alderney eGambling Regulations, 2009.]
3. Every question should be answered in full, using additional sheets or attachments as necessary. Where a section or question is not applicable, please use “N/A” or “NIL”.
4. Wherever possible, use BLOCK CAPITALS.
5. All dates should be in the form day / month / year.
6. An application must be accompanied by the required investigation deposit if this has not already been remitted.

SECTION 1: APPLICANT'S DETAILS

(1) **Name of applicant** _____

(2) **Company number** _____

Registered office _____

(3) **Correspondence address** _____

Nominated principal contact person _____

Tel: _____

Email: _____

Fax: _____

SECTION 2: CORPORATE INFORMATION

(4) Type of company *eg, public/private, limited by share/guarantee etc*

Please supply a copy of the certificate of incorporation

(5) Previous company name(s) _____

(6) Please describe the company's main activities

(7) Shareholders

Please list known shareholders holding 3% or more of issued share capital)

<u>Name</u>	<u>% of issued capital</u>
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(8) Finances

Please attach recent audited accounts for your company, parent company or group (as appropriate).

(9) Group corporate structure

Please attach a diagram showing

- *the complete group structure including any parent company, subsidiary or associated company.*
- *the ultimate beneficial owner(s) of the applicant*
- *the activities of each entity in the group*

For each entity in the group, state where registered and ownership

(10) Group investors

Please list all known shareholders holding 3% or more of the applicant's parent company

<u>Name</u>	<u>% of issued capital / entity</u>
-------------	-------------------------------------

(11) Officers and management

Please list directors, company secretary and senior managers of the applicant and, where applicable, of other group entities who will control or exercise influence over the applicant's business and/or operational functions

Please supply brief biographies or cvs for each named individual.

Please attach a company organisation chart showing reporting structures

<u>Name</u>	<u>Position</u>	<u>Relationship to Applicant</u>
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SECTION 3: HOSTING PREMISES**(12) Address(es) of premises for which approval is being sought:**

(13) Details of premises - specify hosting room name(s)/reference number(s)

Please describe the premises and individual hosting rooms for which approval is sought, giving attention to the following elements:

- a) certification to relevant local regulations and ISO/TIA standards
- b) quantity of racks and rack configuration (e.g. 47U capacity 800 x 600)
- c) power per rack (e.g. 30amp x 2) and total inbound power capacity (KW/MW) to data-centre, and whether power diversely routed into the premises
- d) UPS and generator back-up power systems and redundancy
- e) air conditioning systems, air-flow, raised flooring, overhead cabling, lighting
- f) redundancy and diversity of internet feeds and telecommunications providers
- g) access control systems, security procedures, and CCTV recording capacity
- h) fire and environmental protection systems, including information on whether these meet standards such as VESDA, FM200, water leak detection.
- i) any disaster recovery procedures, proximity of local threats, alternate premises
- j) staffing, including recruitment & vetting policies, training, out of hours cover etc

Please attach a technical diagram of the premises for which approval is sought, showing:

- k) rack layout, and an interior building and external site plan drawing
- l) map of vicinity at least 1km square showing proximity of potential threats
- m) air conditioning, generator, switchgear/control panels and UPS systems
- n) secure areas, entrances(s) and exit(s), CCTV cameras and emergency lighting

(14) Regulatory status

Does your organisation or an associated business entity hold a gaming related licence anywhere else in the world? If so, please supply copies of any such licence(s).

(15) Litigation

a) Has your organisation or an associated business entity been fined or censured by any regulatory body in the last 10 years?

Yes *No*
If yes, please supply details

b) Has your organisation or an associated business entity been involved in substantial litigation in the last 10 years? *Yes* *No*

If yes, please supply details

(16) Further information:

Please add any further information which you consider relevant to assist the Commission in determining your application.

DECLARATION

I have been duly authorised by the applicant to make this application on its behalf (see certified true copy of minute attached).

I declare that the information contained in this application is true and accurate to the best of my knowledge, information and belief and that, if any of the information contained in or appended to this application is discovered to be false, I may be liable to prosecution.

Signature: _____

Name (*print*): _____

Date: _____

* * * * *

The original completed application form and any attachments should be bound as a single document and, together with ONE unbound copy of the same, should be forwarded to:

Chief Inspector
Alderney Gambling Control Commission
St Anne's House
Queen Elizabeth II Street
ALDERNEY
GY9 3TB
via United Kingdom.

SCHEDULE 6

Regulation 100

NOTICE OF APPLICATION FOR HOSTING CERTIFICATE

The form of notice to be displayed on the website of the Commission in relation to an application for a hosting certificate shall be as set out below —

“An application for a hosting certificate dated [*insert date of application*] has been made to the Alderney Gambling Control Commission (“the Commission”) under the Alderney eGambling Ordinance, 2009 and the Alderney eGambling Regulations, 2009 by —

[name of applicant]

whose registered office is —

[address of applicant’s registered office]

The premises in respect of which the applicant seeks approval are situated at —

[insert address(es) of premises proposed for approval]

Any person wishing to make any representations about this application, whether to raise any objection to it or otherwise, so that those representations shall be considered by the Commission when it determines this application in accordance with regulation 109 of the Alderney eGambling Regulations, 2009 should, at any time whilst this notice is currently displayed, deliver or send to the offices of the Commission a written statement of those representations.”

Regulation 111**SCHEDULE 7****FORM OF HOSTING CERTIFICATE**

The form of a hosting certificate shall be as set out below —

“ALDERNEY GAMBLING CONTROL COMMISSION**ALDERNEY**

GAMBLING CONTROL COMMISSION

HOSTING CERTIFICATE

issued under section 7 of the Alderney eGambling Ordinance, 2009

[name of hosting certificate holder]

whose registered office is situate at —

[address of certificate holder's registered office]

has been granted a hosting certificate subject to the conditions provided for in regulation 115 of the Alderney eGambling Regulations, 2009 *[and such further conditions as are attached hereto]*.

For the purposes of this hosting certificate, the following premises are **approved premises** at which an eGambling licensee's or foreign gambling associate certificate holder's gambling equipment may be accommodated —

[insert address(es)]

This hosting certificate is valid from: **[insert date]**

Signed: _____ on this [insert date]

Chief Inspector
for and on behalf of the Commission

Certificate Number: **[insert number]**".

SCHEDULE 8

APPLICATION FORM FOR CHANGE TO APPROVED PREMISES

An application for a change to approved premises of a hosting certificate holder shall be made on a form as set out below —

“

ALDERNEY GAMBLING CONTROL COMMISSION



ALDERNEY

GAMBLING CONTROL COMMISSION

APPLICATION FORM FOR

CHANGE TO HOSTING CERTIFICATE HOLDER'S

APPROVED PREMISES

IN RESPECT OF

[INSERT NAME OF APPLICANT]

SECTION 1: CERTIFICATE HOLDER'S DETAILS

- (1) Name: _____
- (2) Correspondence Address: _____

- (3) Nominated principal contact person: _____
- Tel: _____
- Email: _____
- Fax: _____

SECTION 2: PREMISES

- (4) This application is for —
- *(a) a modification to existing approved premises; or*
 - *(b) approval of premises not currently approved; or*
 - *(c) deletion of premises currently approved.*
- [* delete as appropriate]*
- (5) Address(es) of premises in respect of which approval for change sought:

- (6) Details of premises:
- (4(a): in respect of the approved premises for which approval of a modification is sought, attach detailed plans of the layout of the premises identifying the change(s) being proposed; and provided details of any change(s) relating to security and facilities associated with hosting gambling equipment entailed in the proposed change(s))*
- (4(b): in respect of each set of new premises for which approval is sought, attach a location map and detailed plans of the layout of the premises; where applicable, provide copies of planning consent authorising the use of the premises for the purposes envisaged; provide details relating to the security of the premises and the facilities at the premises associated with hosting gambling equipment)*

SECTION 3: FURTHER INFORMATION**(7) Further information:**

(add such further information as you wish that you consider relevant to assist the Commission determine your application)

DECLARATION

I have been duly authorised by the Applicant to make this Application on its behalf (see certified true copy of Minute attached).

I declare that the information contained in this Application is true and accurate to the best of my knowledge, information and belief and that, if any of the information contained in or appended to this application is discovered to be false, I may be liable to prosecution.

Signature: _____

Name (print): _____

Date: _____

The original completed Application Form and any attachments appended should be bound as a single document and, together with ONE unbound copy of the same, should be forwarded to:

Chief Inspector
Alderney Gambling Control Commission
St. Anne's House
Queen Elizabeth II Street
ALDERNEY
GY9 3TB
via United Kingdom.

NOTES TO APPLICANTS (to assist completion of Application Form)

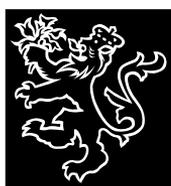
1. The principal purpose of seeking the information required by this Application Form is to provide the Commission with core basic factual details, thereby enabling it to:
 - make a preliminary assessment as to what investigations, if any, will be required; and
 - identify where further information will need to be requested and/or required.
2. Additional information may be sought by way of a meeting with an officer of the Commission and/or a visit to the premises concerned.
3. If any details set out on this Application Form change prior to the determination of this Application, you must notify the Commission in writing as soon as reasonably practicable.
4. The information provided must be accurate and truthful. [NB section 24(1) of the Alderney eGambling Ordinance, 2009 creates an offence of making a false declaration or statement or giving false information for the purposes of satisfying a requirement under the Alderney eGambling Regulations, 2009.]
5. Wherever possible, use BLOCK CAPITALS.
6. All dates should be in the form Day / Month / Year.
7. Answer every question, using “N/A” or “NIL” where applicable.
8. Use additional sheets as necessary, cross-referencing against the relevant question the additional sheet(s) on which the answer is to be found.”.

SCHEDULE 9

APPLICATION FOR KEY INDIVIDUAL CERTIFICATE

Regulation 138

An application for a key individual certificate shall be made on a form as set out below —
below-



ALDERNEY

GAMBLING CONTROL COMMISSION

APPLICATION FORM FOR

KEY INDIVIDUAL CERTIFICATE

IN RESPECT OF

[INSERT NAME OF APPLICANT]

NOTES TO APPLICANTS

1. The principal purpose of seeking the information required by this application form is to provide the Commission with information which will allow it to:
 - make preliminary investigations in order to ascertain the full scope of its investigations; and
 - identify where further information will need to be requested and/or required.
2. The information provided must be accurate and truthful. It is a criminal offence to obtain a certificate by false statement, declaration or information. If any details set out on this application form change prior to the determination of the application, you must notify the Commission in writing as soon as reasonably practicable. [NB section 24(1) of the Alderney eGambling Ordinance, 2009 creates an offence of making a false declaration or statement or giving false information for the purposes of satisfying a requirement under the Alderney eGambling Regulations, 2009.]
3. Every question should be answered in full, using additional sheets or attachments as necessary. Where a section or question is not applicable, please use “N/A” or “NIL”.
4. Wherever possible, use BLOCK CAPITALS.
5. All dates should be in the form day / month / year.
6. This application form must be accompanied by:
 - (a) two copies of a recent passport-sized photograph; and
 - (b) a letter confirming that the applicant is indeed a key individual,
 - (c) the required investigation deposit of £1,000.

OCCUPATION	
1D	Occupation:
	Name of employer: Present Business Address:
	Please explain your role in the organisation and attach a job description

NATIONALITY AND PASSPORT DETAILS	
1E	What is your nationality/citizenship?
	Passport Number: <i>(attach a copy of the cover and personal identification pages of your passport(s))</i>
	Place and country of issue:
	Date of issue: Date of expiry:
	Have you ever been deported from any country? <i>(if YES, please explain the circumstances)</i>
	Yes/No

SECTION 2: APPLICANT'S HOUSEHOLD DETAILS

MARITAL INFORMATION	
2A	<p>What is your Marital Status? <i>(please circle)</i></p> <p>Single / Married / Separated / Civil Partnership / Divorced / Widowed / Co-habiting</p>
	Date and Place of Marriage/civil partnership:
	Full Name of spouse/partner:
	Maiden Name <i>(if applicable)</i> of spouse/partner:
	Date of Birth of spouse/partner:
	Place of Birth of spouse/partner:
	<p>If married, have you been married before? YES/NO</p> <p>If yes, please give details of any financial maintenance for previous spouse and/or any children.</p>

SPOUSE/PARTNER DETAILS	
2B	Spouse's/partner's Residential Address:
	Spouse's/partner's occupation:
	Spouse's/partner's employer & the nature of their business: <i>(include address)</i>

PREVIOUS SPOUSE/PARTNER DETAILS	
2C	Spouse's/partner's residential address:
	Spouse's/partner's occupation:
	Spouse's/partner's employer & the nature of their business <i>(include address)</i>

OTHER MEMBERS OF HOUSEHOLD				
2C	List all members of your household, eg, children, parents, siblings, etc. <i>(show relationship of each to you)</i>			
	Full Name	Date of birth	Relationship	Occupation
	<i>(continue, as necessary)</i>			

PREVIOUS RESIDENCES				
2D	<p>List <u>all</u> previous addresses at which you have been resident for 1 month or more during the preceding 10 years in reverse chronological order Please explain the background and reason(s) for any significant moves.</p>			
	<table style="width: 100%; border: none;"> <tr> <td style="width: 25%; border: none;">Dates</td> <td style="width: 45%; border: none;">Full address (including postcode)</td> <td style="width: 30%; border: none;">Type of occupation <i>(eg, owned, rented, etc.)</i></td> </tr> </table>	Dates	Full address (including postcode)	Type of occupation <i>(eg, owned, rented, etc.)</i>
Dates	Full address (including postcode)	Type of occupation <i>(eg, owned, rented, etc.)</i>		

SECTION 3: APPLICANT'S EDUCATION AND EMPLOYMENT

EDUCATION	
3A	<p>Please give details of all secondary and further education, including establishments attended (with dates), subjects studied, courses followed and qualifications obtained.</p>
3B	<p>Professional Qualifications <i>(if any)</i>:</p> <p><i>(attach evidence of qualification(s))</i></p>

PROPOSED ROLE IN eGAMBLING OPERATION	
3C	Please give a full description of your actual/proposed role in the eGambling operation:
	Previous experience within the gambling industry: <i>(summarise skills developed and/ or qualifications)</i>
	Previous experience with internet-related business(es)

EMPLOYMENT HISTORY	
3D	Please describe your career to date, including an explanation of your skills, experience and career development.

EMPLOYMENT HISTORY	
3E	<p>Please list <u>all</u> previous employments held during the preceding 10 years in reverse chronological order, giving the following information. Please give full explanation for any gaps in employment of more than a month.</p> <p>Joining/leaving dates (month and year):</p> <p>Name and address of employer:</p> <p>Nature of employer:</p> <p>Job title:</p> <p>Nature of the role and your part in the organisation:</p> <p>Reason for leaving:</p>
3F	<p>Have you ever been dismissed, discharged or asked to resign from any employment? YES/NO</p> <p><i>(if YES, supply date, employment in question and explain the circumstances)</i></p>
3G	<p>Have you ever been a director of, or held an executive position with, any company that has either been in liquidation or receivership? YES/NO</p> <p><i>(if YES, supply details of date, company involved and circumstances)</i></p>

SECTION 4: APPLICANT’S FINANCES

RECENT INCOME											
4A	<p>Attach a summary of your gross income from all sources, for each of the preceding 5 years in the following format:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin: 10px 0;"> <thead> <tr> <th style="width: 80%; padding: 5px;">Year ended:</th> <th style="width: 20%;"></th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">Source (<i>give full details and addresses of sources</i>)</td> <td style="padding: 5px;">Amount</td> </tr> <tr> <td style="padding: 5px;"> </td> <td style="padding: 5px; text-align: center;">£</td> </tr> <tr> <td style="padding: 5px;">(</td> <td style="padding: 5px; text-align: center;">£</td> </tr> <tr> <td style="padding: 5px;">TOTAL</td> <td style="padding: 5px; text-align: center;">£</td> </tr> </tbody> </table> <p style="margin-top: 10px;"><i>(also attach a copy of your latest Tax return)</i></p> <p>Please confirm your current salary:</p>	Year ended:		Source (<i>give full details and addresses of sources</i>)	Amount		£	(£	TOTAL	£
Year ended:											
Source (<i>give full details and addresses of sources</i>)	Amount										
	£										
(£										
TOTAL	£										

BANKRUPTCY		
4B	<p>Have you ever been bankrupt or had your affairs declared en désastre or taken advantage of any laws relating to personal insolvency? <i>(if YES, supply details of date and circumstances)</i></p>	Yes/No

TRUSTS		
4C	<p>Are you a settlor, beneficiary and/or trustee of any trust or settlement? <i>(if YES, supply full details of trust/settlement concerned)</i></p>	Yes/No

PROPERTY			
4G	Attach a list of any property you own or in which you have an interest in the following format. For any property other than your main residence, please explain usage and any associated income.		
	Location and description	Year acquired	Acquisition cost
			Estimated value
			£
			£

OTHER ASSETS			
4H	Attach a list of <u>all</u> your other assets (eg, motor vehicle(s), boat(s), furniture, jewellery, antiques, other valuable collections, etc.) in the following format:		
	Description	Year acquired	Acquisition cost
			Estimated value
			£
			£
			£
			£

LOANS AND LONG TERM LIABILITIES	
4J	<p>Attach details of <u>all</u> loans and other long term liabilities for which you are solely or jointly responsible in the following format:</p> <p>Purpose of loan:</p> <p>Amount of loan (£): Amount outstanding (£):</p> <p>Name of lender:</p> <p>Name of borrower(s):</p> <p>Date of loan: Monthly payment (£):</p>

CREDIT CARDS, STORE CARDS, ETC.	
4K	<p>Attach details of <u>all</u> credit cards, store cards and other such outstanding liabilities at the date of your application in the following format:</p> <p>Name of financial institution:</p> <p>Amount outstanding: Monthly payment</p>

OTHER LIABILITIES	
4L	<p>Provide details of other current liabilities or contingent liabilities (i.e., of an indefinite amount and/or unspecified amount for which you might in future become liable), indicating creditor, type and amount:</p> <p>Creditor:</p> <p>Explanation of nature of liability (including details of any security)</p> <p>Date incurred</p> <p>Date of liability</p> <p>Amount</p>

SECTION 5: APPLICANT'S CHARACTER

CRIMINAL/DISCIPLINARY BEHAVIOUR		
5A	Have you, your spouse/partner or a member of your household (as specified in this Application) ever been:	
	(a) investigated	Yes/No
	(b) arrested	Yes/No
	(c) charged	Yes/No
	(d) convicted in respect of a criminal offence (other than a minor motoring offence)?	Yes/No
	Are you aware that an investigation might be pending against you, your spouse/partner or a member of your household? <i>(if you have answered YES to any of the above questions, provide a detailed explanation, setting out the nature of the investigation/offence in question, the date(s) and the outcome)</i>	Yes/No
5B	Have you ever been disciplined in any way by a professional body for whatever reason? <i>(if YES, provide details of date(s) and circumstances)</i>	Yes/No

LITIGATION		
5C	Have you ever been a party to any civil litigation or are you aware that any action might be pending against you?	Yes/No
	Has a judgment of any type (including a wage arrest/attachment) ever been entered against you? <i>(if YES, provide full details of date(s), circumstances and outcome)</i>	Yes/No
5D	Have you ever had any article repossessed by a finance company, etc. for any reason, eg, default in repayments? <i>(if YES, provide full details of date, circumstances and reason)</i>	Yes/No

REGULATION OF GAMBLING ACTIVITY		
5E	Have you or your spouse/partner ever applied to any authority anywhere in connection with any licence, certificate or permit, however described, in connection with a gambling activity? <i>If YES, provide full details of date, authority and explain circumstances.</i>	Yes/No
	Have you or your spouse/partner ever been investigated or dealt with in respect of any disciplinary matter by a regulatory authority regulating a gambling activity or is any such matter pending? <i>If YES, provide full details of date, nature of matter and outcome</i>	Yes/No

CHARACTER REFERENCES	
5F	Provide details of 3 persons known to you for at least 5 years who can vouch for your character and who are not family members, fellow directors or employees:
	Name: Address: Telephone: Email: Occupation: Years known:
	Name: Address: Telephone: Email: Occupation: Years known:
	Name: Address: Telephone: Email: Occupation: Years known:

AUTHORISATION FOR THE RELEASE OF INFORMATION

By making this application for a key individual certificate under section 4 of the Alderney eGambling Ordinance, 2009, I acknowledge that I AM hereby AUTHORISING the Alderney Gambling Control Commission (“the Commission”) to conduct A FULL INVESTIGATION into my background, my financial affairs and my activities in accordance with regulations 141 to 145 of the Alderney eGambling Regulations, 2009, as from time to time in force.

In accordance with regulation 143 of the Alderney eGambling Regulations, 2009, THIS AUTHORISATION duly signed by me shall constitute my PRIOR PERMISSION for an officer or servant of the Commission to request you to provide such further information and/or documentation, including provision of paper and/or electronic copies to be taken away, as that officer or servant considers desirable to assist in the assessment of my application for a key individual certificate.

YOU ARE, therefore, hereby AUTHORISED TO RELEASE to any officer or servant of the Commission who so requests and confirms that my application for a key individual certificate remains pending ANY OR ALL INFORMATION you hold pertaining to me, whether documentary or otherwise and whether such information would otherwise be protected from disclosure by any statutory, customary or common law privilege.

I further authorise an officer or servant of the Commission to photocopy the original of this authorisation for the purpose of providing to a person requested to release information and/or documentation a copy thereof, or of transmitting to the person a facsimile thereof, provided that the photocopy is uniquely numbered and identifies the person to whom it has been provided or transmitted and a duplicate thereof is retained by the Commission.

Full name:	Home address:
Signature:	Date:

FOR OFFICIAL USE ONLY

Photocopy No:	Recipient:
---------------	------------

DECLARATION

I declare that the information contained in this Application is true and accurate to the best of my knowledge, information and belief and that, if any of the information contained in or appended to this application is discovered to be false, I may be liable to prosecution.

Signature: _____

Name (*print*): _____

Date: _____

The original completed application form and any attachments should be bound as a single document and delivered to:

Chief Inspector
Alderney Gambling Control Commission
St. Anne's House
Queen Elizabeth II Street
ALDERNEY
GY9 3TB
via United Kingdom.

”.

SCHEDULE 10

FORM OF KEY INDIVIDUAL CERTIFICATE

The form of a key individual certificate shall be as set out below —

“ALDERNEY GAMBLING CONTROL COMMISSION



ALDERNEY

GAMBLING CONTROL COMMISSION

KEY INDIVIDUAL CERTIFICATE

issued under section 7 of the Alderney eGambling Ordinance, 2009

[insert name of key individual certificate holder]

[affix photograph]

whose address is —

[insert address of certificate holder]

has been granted a key individual certificate subject to the conditions provided for in regulation 155 of the Alderney eGambling Regulations, 2009 [*and such further conditions as are attached hereto*].

This key individual certificate is valid from: **[insert date]**

Signed: _____ on this [insert date]

Chief Executive Officer

for and on behalf of the Commission

Certificate Number: **[insert number]**".

SCHEDULE 11

Regulation 176

**APPLICATION DOCUMENT FOR APPROVAL OF INTERNAL
CONTROL SYSTEM**

1. The cover sheet and first page of an application for approval of an eGambling licensee's or foreign gambling associate certificate holder's proposed internal control system shall be in the form as set out below —
“

ALDERNEY GAMBLING CONTROL COMMISSION



ALDERNEY

GAMBLING CONTROL COMMISSION

APPLICATION FOR

APPROVAL OF AN INTERNAL CONTROL SYSTEM

[INSERT LICENSEE'S OR CERTIFICATE HOLDER'S NAME]

APPLICATION SUMMARY

- (1) **Applicant's Name:** _____
- (2) **Nominated principal contact person:** _____
- Tel: _____
- Email: _____
- Fax: _____
- (3) **Intended hosting provider:** _____
- (4) **Intended system supplier:** _____
- (5) **ICS Version No.:** _____
- (6) **Website URL:** _____
- (7) **eGambling to be offered:** _____
- (8) **Proposed go-live date:** _____
- (9) **External auditors:** _____

Immediately after the pages required by paragraph 1, the substance of an application for approval of an eGambling licensee's or foreign gambling associate certificate holder's proposed internal control system shall be set out in accordance with the following list of contents —

SECTION 1 : CORPORATE STRUCTURE AND STAFFING

- 1.1 Corporate Structure
- 1.2 Related Gambling Experience and Exposure
- 1.3 Organisational Structure
- 1.4 Job Descriptions
- 1.5 Staff Probity
- 1.6 Staff Training
- 1.7 Compliance Officer
- 1.8 Money Laundering and Terrorist Financing
- 1.9 External Consultants and Associates
- 1.10 Due Diligence on Foreign Business Associates
- 1.11 Internal Audit Function

- 1.12 Premises
- 1.13 Disaster Recovery

SECTION 2 : ACCOUNTING SYSTEMS

- 2.1 Accounting Policies
- 2.2 Chart of Accounts
- 2.3 Internal Accounting Controls
- 2.4 Management Accounts
- 2.5 Budgets
- 2.6 External Audit
- 2.7 Accounting Software
- 2.8 Record retention policy
- 2.9 Bank Accounts
- 2.10 Bad Debts
- 2.11 Agency Arrangements
- 2.12 Asset Classification and Control
- 2.13 Jackpot accounting
- 2.14 Registers

SECTION 3 : CUSTOMER REGISTRATION, VERIFICATION, BANKING AND MANAGEMENT

- 3.1 Terms Governing Customer Accounts
- 3.2 Customer Verification and Identification
- 3.3 Customer Funds on Account
- 3.4 Closing Accounts
- 3.5 Customers at Risk
- 3.6 Accepting Wagers
- 3.7 Customer Complaints
- 3.8 Registers

SECTION 4 : eGAMBLING

- 4.1 Hosting Premises
- 4.2 Alderney Branding
- 4.3 Random Number Generator (RNG) Requirements
- 4.4 Customer Game Session
- 4.5 Malfunction and Non-Responsive Games

- 4.6 Foreign Business Associates (connecting to external gaming systems)
- 4.7 eGambling requirements
- 4.8 Game Design
- 4.9 Requirements for Games against the House (not P2P)
- 4.10 Game Artwork (Information Displayed)
- 4.11 Spinning Wheel (Reel) Requirements
- 4.12 Positioning, Size, Colour and Shape
- 4.13 Substitutes
- 4.14 Winning Patterns
- 4.15 Features
- 4.16 Keno and Bingo Artwork Requirements
- 4.17 Card Game Artwork Requirements
- 4.18 Gamble Option Artwork Standards
- 4.19 Roulette
- 4.20 Dice Games
- 4.21 Simulated Wagering
- 4.22 Scratch Ticket
- 4.23 Video Poker
- 4.24 Blackjack
- 4.25 Live Gambling Studio Control Guidelines and Standards
- 4.26 Event Based Wagering
- 4.27 Other Games
- 4.28 Peer to Peer (P2P) Games
- 4.29 Jackpots and Promotional Jackpots
- 4.30 Registers

SECTION 5 : COMPUTER CONTROLS

- 5.1 System Operations
- 5.2 Security
- 5.3 Software Development, Testing, Maintenance and Approval
- 5.4 Equipment
- 5.5 Network
- 5.6 Domain Name System (DNS) Requirements
- 5.7 Communication
- 5.8 Database and Information
- 5.9 External Wagering Systems

5.10 Registers”.

At the end of an application for approval of an eGambling licensee’s or foreign gambling associate certificate holder’s proposed internal control system, following the substance of the application as required by the list set out in paragraph 2, the following page shall be included as the final sheet of the application document —

DECLARATION

I have been duly authorised by the Applicant to make this Application on its behalf (see certified true copy of Minute attached).

I declare that the information contained in this Application is true and accurate to the best of my knowledge, information and belief and that, if any of the information contained in or appended to this application is discovered to be false, I may be liable to prosecution.

Signature: _____

Name (*print*): _____

Date: _____

The original completed Application Form and any attachments appended should be bound as a single document and, together with one digital copy, should be forwarded to:

Chief Inspector
Alderney Gambling Control Commission
St. Anne’s House
Queen Elizabeth II Street
ALDERNEY
GY9 3TB
via United Kingdom.

SCHEDULE 12**CHANGES TO APPROVED INTERNAL CONTROL SYSTEM
REQUIRING DEPOSIT OF EVALUATION MONIES**

For the purposes of regulation 193, if the type of change to an eGambling licensee's or foreign gambling associate certificate holder's approved internal control system in respect of which an application is made in accordance with regulation 192 involves any of the following —

- (a) a significant change to the corporate structure, for example involving a merger or acquisition;
- (b) a significant change to staff responsibilities, whether within the organisational structure or individual job descriptions;
- (c) entering into a significant arrangement with a new associate;
- (d) the introduction of a new accounting software package;
- (e) the introduction of a new method of payment provision;
- (f) the introduction of a new method of customer registration;
- (g) the introduction of a new method of customer identity verification;
- (h) the introduction of any additional element into an existing form of eGambling;
- (i) the introduction of a new type of eGambling;
- (j) a change in the operating system which is more than a minor change or the necessary fixing of a bug;
- (k) a change in the whole, or a significant part, of the operating platform; or
- (l) a change to the network infrastructure, for example by adding a system hardware component; or

the required deposit shall be made by, or on behalf of, the eGambling licensee or foreign gambling associate certificate holder before, or at the time, the application is submitted.

Regulation 201

SCHEDULE 13

**APPLICATION FORM FOR APPROVAL OF GAMBLING
EQUIPMENT**

An application by an eGambling licensee or foreign gambling associate certificate holder for approval of its gambling equipment shall be made on a form as set out below —
“

ALDERNEY GAMBLING CONTROL COMMISSION



ALDERNEY

GAMBLING CONTROL COMMISSION

APPLICATION FOR

APPROVAL OF GAMBLING EQUIPMENT

[INSERT LICENSEE'S or CERTIFICATE HOLDER'S NAME]

APPLICATION DETAILS

- (1) Applicant's name: _____
- (2) Nominated principal contact person: _____
- Tel: _____
- Email: _____
- Fax: _____
- (3) Hosting provider: _____
- (4) System supplier: _____
- (if associate certificate held, provide details)*
- _____
- (5) Website URL: _____
- (6) Proposed go-live date for equipment: _____

GAMBLING EQUIPMENT

- (7) Gambling equipment approved in principle:
(where the application relates in whole or in part to gambling equipment for which an associate certificate holder has obtained approval in principle identify with sufficient particularity the equipment in question and the date(s) on which associate certificate holder obtained its approval)

(8) Previously unapproved gambling equipment:

(provide details of the type of gambling equipment concerned; describe the development process(es) undertaken, including the build number/ version and date(s); where the equipment will be added to currently approved gambling equipment, detail the inter-relationship of those elements; provide such manuals and documentation as will assist an evaluation of the equipment in question)

(9) Further information:

(add such further information as you wish that you consider relevant to assist the Commission determine your application)

DECLARATION

I have been duly authorised by the Applicant to make this Application on its behalf (see certified true copy of Minute attached).

I declare that the information contained in this Application is true and accurate to the best of my knowledge, information and belief and that, if any of the information contained in or appended to this application is discovered to be false, I may be liable to prosecution.

Signature: _____

Name (print): _____

Date: _____

The original completed Application Form and any attachments appended should be bound as a single document and, together with one digital copy should be forwarded to:

Chief Inspector
Alderney Gambling Control Commission
St. Anne's House
Queen Elizabeth Street
ALDERNEY
GY9 3TB
via United Kingdom.

Regulation 210

SCHEDULE 14

FORM OF GAMBLING EQUIPMENT APPROVAL

The form of a gambling equipment approval shall be as set out below —

“ALDERNEY GAMBLING CONTROL COMMISSION



ALDERNEY

GAMBLING CONTROL COMMISSION

GAMBLING EQUIPMENT APPROVAL

issued under regulation 210 of the Alderney eGambling Regulations, 2006

[name of licensee or certificate holder]

whose registered office is situate at —

[address of licensee’s or certificate holder’s registered office]

has obtained approval from the Commission in respect of the following gambling equipment, thereby authorising it to utilise all or any of this equipment in the conduct of its operations under its eGambling licence or foreign gambling associate certificate —

1. Description of component:
System supplier:
Software ID:
Version:
Dated:

Date of approval: [insert date]

[insert any conditions attached]

2. Description of component:
System supplier:
Software ID:
Version:
Dated:

Date of approval: [insert date]

[insert any conditions attached]

- 3., etc.[continue numbering and format for further entries, as necessary]

Signed: _____ on this [insert date]

Chief Inspector
for and on behalf of the Commission”.

Regulation 216

SCHEDULE 15

**APPLICATION FORM FOR APPROVAL IN PRINCIPLE OF
GAMBLING EQUIPMENT**

An application by an associate certificate holder for approval in principle of its gambling equipment shall be made on a form as set out below —
“

ALDERNEY GAMBLING CONTROL COMMISSION



ALDERNEY

GAMBLING CONTROL COMMISSION

APPLICATION FOR

APPROVAL IN PRINCIPLE OF

GAMBLING EQUIPMENT

[INSERT ASSOCIATE CERTIFICATE HOLDER'S NAME]

APPLICANT'S DETAILS

(1) **Associate certificate holder's name:** _____

(2) **Nominated principal contact person:** _____

Tel: _____

Email: _____

Fax: _____

GAMBLING EQUIPMENT

(3) **Gambling equipment for which approval in principle sought:**

(provide details of the type of gambling equipment concerned; describe the development process(es) undertaken, including the build number/ version and date(s); where the equipment will be added to any gambling equipment currently approved in principle, detail the inter-relationship of those elements; provide such manuals and documentation as will assist an evaluation of the equipment in question)

(4) **Further information:**

(add such further information as you wish that you consider relevant to assist the Commission determine your application)

DECLARATION

I have been duly authorised by the Applicant to make this Application on its behalf (see certified true copy of Minute attached).

I declare that the information contained in this Application is true and accurate to the best of my knowledge, information and belief and that, if any of the information contained in or appended to this application is discovered to be false, I may be liable to prosecution.

Signature: _____

Name (*print*): _____

Date: _____

The original completed Application Form and any attachments appended should be bound as a single document and, together with one digital copy of the same, should be forwarded to:

Chief Inspector
Alderney Gambling Control Commission
St. Anne's House
Queen Elizabeth II Street
ALDERNEY
GY9 3TB
via United Kingdom.

SCHEDULE 16**MONEY LAUNDERING AND TERRORIST FINANCING
PROVISIONS***Risk assessment***Business risk assessment.**

1. An eGambling licensee or, as the case may be, a foreign gambling associate certificate holder, shall carry out a suitable and sufficient business risk assessment before submitting its application for approval of its internal control system in accordance with regulation 176.

*Customer due diligence, etc.***Customer due diligence.**

2. A Category 1 eGambling licensee shall undertake customer due diligence measures —
 - (a) subject to paragraph 4, before registering a customer in accordance with regulation 227;
 - (b) immediately after a registered customer, in accordance with regulation 230, makes a deposit —
 - (i) of €3,000 or more, or
 - (ii) that results in the total value of his deposits in the course of any period of 24 hours reaching or exceeding €3,000;
 - (c) when it knows or suspects or has reasonable grounds for knowing or suspecting that a person is engaged in money laundering or terrorist financing; or
 - (d) when it doubts the veracity or adequacy of documents, data or information previously obtained for the purposes of identification or verification of a registered customer.

Additional customer due diligence.

3. (1) Where a Category 1 eGambling licensee is required to carry out

customer due diligence in accordance with paragraph 2, it shall also carry out enhanced customer due diligence in relation to the following customer relationships —

- (a) a relationship in which the customer or any beneficial owner or underlying principal is a politically exposed person;
 - (b) a relationship where the customer is established or situated in a country or territory that does not apply or insufficiently applies the FATF Recommendations;
 - (c) a relationship which has been assessed as a high risk relationship pursuant to regulation 227(2) or 229, and
 - (d) a relationship which the Category 1 eGambling licensee considers to be a high risk relationship, taking into account any notices or warnings issued from time to time by the Commission pursuant to regulation 4(l).
- (2) Where a customer relationship falls within sub-paragraph (1)(a), a Category 1 eGambling licensee shall —
- (a) ensure that senior management approval is obtained for registering the customer, or, in the case of an existing registered customer, continuing that relationship;
 - (b) take reasonable measures to establish the source of any funds and of the wealth of the customer and beneficial owner and underlying principal.
- (3) Where the customer was not physically present when an activity set out in paragraph 2(a) or (b) takes place, the Category 1 eGambling licensee shall take adequate measures on a risk-sensitive basis to compensate for the specific risk arising as a result —
- (a) when carrying out customer due diligence measures; and
 - (b) when carrying out monitoring of that relationship pursuant to paragraph 6.

Timing of identification and verification.

4. Verification of the identity of the customer and of any beneficial owner and underlying principal may be completed following the registration of the customer provided that —
- (a) it is completed as soon as reasonably practicable thereafter;
 - (b) the need to do so is essential not to interrupt the normal conduct of the Category 1 eGambling licensee's business; and
 - (c) appropriate and effective policies, procedures and controls are set out in the licensee's approved internal control system so as to manage money laundering and terrorist financing risks.

Non-compliance with customer due diligence measures, etc.

5. Where a Category 1 eGambling licensee is unable to comply with paragraph 2 and, where applicable, paragraph 3, it shall —
- (a) in the case of a person wishing to become a registered customer, not register that person as a customer;
 - (b) in the case of an existing registered customer, terminate that customer relationship; and
 - (c) consider whether making a disclosure is required pursuant to Part I of the Disclosure Law or section 12 of the Terrorism Law.

Ensuring compliance and record keeping

Monitoring transactions and other activity.

6. (1) A Category 1 eGambling licensee shall perform ongoing and effective monitoring of any existing customer relationship, which shall include —
- (a) reviewing identification data to ensure they are kept up to date and relevant in particular for registered customers in respect of whom there is a high risk;
 - (b) ensuring that the way in which identification data are recorded and stored is such as to facilitate the ongoing monitoring of each customer relationship; and
 - (c) without prejudice to the Category 1 eGambling licensee's obligations under regulation 236, scrutiny of any transactions or other activity (including, where necessary, the source of funds) to ensure that the transactions are consistent with the licensee's knowledge of the registered customer and his risk profile, paying particular attention to all —
 - (i) complex transactions,
 - (ii) transactions which are both large and unusual, and
 - (iii) unusual patterns of transactions,which have no apparent economic purpose or no apparent lawful purpose and recording its findings thereon in writing.
- (2) A Category 1 eGambling licensee shall examine as far as reasonably possible, the background and purpose of the transactions described in paragraph 1(c) and shall set forth its findings in writing.
- (3) The extent of any monitoring carried out under this paragraph and the frequency at which it is carried out shall be determined on a risk-sensitive basis including whether or not the customer relationship is a high risk relationship.

Reporting suspicion.

7. (1) A Category 1 eGambling licensee, a Category 2 eGambling licensee, a foreign

gambling associate certificate holder and a Temporary eGambling licensee (in respect of the activities under its Temporary eGambling licence) shall —

- (a) provide the name and title of the officer appointed as its money laundering reporting officer in accordance with regulation 4(e) (its **“MLRO”**) to the Commission and the Financial Intelligence Service as soon as is reasonably practicable and, in any event, within fourteen days starting from the date of that person’s appointment;
 - (b) nominate another person (a **“nominated officer”**) to carry out the functions of the MLRO in his absence and ensure that any relevant employee is aware of the name of that nominated officer;
 - (c) ensure that where a relevant employee, other than the MLRO, is required to make a disclosure under Part I of the Disclosure Law or section 12 of the Terrorism Law, that this is done by way of a report to the MLRO, or, in his absence, to a nominated officer;
 - (d) ensure that the MLRO, or, in his absence, a nominated officer, in determining whether or not he is required to make a disclosure under Part I of the Disclosure Law or section 12 of the Terrorism Law, takes into account all relevant information;
 - (e) ensure that the MLRO, or, in his absence, a nominated officer, is given prompt access to any other information which may be of assistance to him in considering any report; and
 - (f) ensure that it establishes and maintains such other appropriate and effective procedures and controls as are necessary to ensure compliance with requirements to make disclosures under Part I of the Disclosure Law and section 12 of the Terrorism Law.
- (2) Where a Category 1 eGambling licensee, a Category 2 eGambling licensee, a foreign gambling associate certificate holder and a Temporary eGambling licensee (in respect of the activities under its Temporary eGambling licence) makes a disclosure under Part I of the Disclosure Law or section 12 of the Terrorism Law, a copy of that disclosure shall be provided to the Commission at the same time or as soon as practicable thereafter.

Employee screening and training.

8. (1) A Category 1 eGambling licensee, a Category 2 eGambling licensee, a foreign gambling associate certificate holder and a Temporary eGambling licensee (in respect of the activities under its Temporary eGambling licence) shall —
- (a) maintain appropriate and effective procedures, when hiring employees, for the purpose of ensuring high standards of employee probity and competence;

- (b) ensure that relevant employees receive comprehensive ongoing training in —
 - (i) the relevant enactments, the Law, the Ordinance and these Regulations;
 - (ii) the personal obligations of employees and their potential criminal liability under the relevant enactments and the Ordinance;
 - (iii) the implications of non-compliance by employees with any guidance issued by the Commission in accordance with section 22(3)(b) of the Ordinance; and
 - (iv) its policies, procedures and controls for the purposes of forestalling, preventing and detecting money laundering and terrorist financing;
- (c) identify relevant employees who, in view of their particular responsibilities, should receive additional and ongoing training, appropriate to their rôles, in the matters set out in clause (b) and shall provide such training.

Record-keeping.

9. (1) A Category 1 eGambling licensee, a Category 2 eGambling licensee, a foreign gambling associate certificate holder and a Temporary eGambling licensee (in respect of the activities under its Temporary eGambling licence) shall keep such of the following as is appropriate to their licence or certificate —
- (a) a transaction document or a copy thereof for five years starting from the date that both the transaction and any related transaction were completed; and
 - (b) any customer due diligence information or a copy thereof for five years starting from the date the person concerned ceased to be a registered customer,
- or, in either case, for such other longer period as the Commission may direct.
- (2) Where an eGambling licensee or an associate certificate holder is required by any enactment, rule of law or court order to provide a transaction document or any customer due diligence information to any person before the end of the period set out in sub-paragraph (1), the licensee or certificate holder shall —
- (a) keep a copy of the transaction document or customer due diligence information until the period has ended or the original is returned, whichever occurs first; and
 - (b) maintain a register of transaction documents and customer due diligence information so provided.

- (3) An eGambling licensee and an associate certificate holder shall (if applicable) also keep records of —
- (a) any findings made under paragraph 6(1)(c) for five years from the date the record was created;
 - (b) any reports made to its MLRO as referred to in paragraph 7 and of any disclosure made under Part I of the Disclosure Law or section 12 of the Terrorism Law made other than by way of a report to the MLRO for five years starting from the date the person concerned ceased to be a registered customer;
 - (c) any training carried out under paragraph 8 for five years starting from the date the training was carried out;
 - (d) any minutes or other documents prepared pursuant to regulation 188(2) until —
 - (i) the expiry of five years starting from the date that they were finalised, or
 - (ii) they are superseded by later minutes or other documents prepared under that regulation,whichever occurs later; and
 - (e) its policies, procedures and controls which it is required to establish and maintain pursuant to these Regulations, including previous iterations of the relevant sections of its approved internal control system, for five years starting from the date that they ceased to be operative.
- (4) Documents and customer due diligence information, including any copies thereof, kept under this paragraph —
- (a) may be kept in any manner or form, provided that they are readily retrievable; and
 - (b) shall be made available on a timely basis to the Financial Intelligence Service, an officer of police, the Commission, the MLRO, nominated officer or any other person where such documents or customer due diligence information are requested pursuant to these Regulations or any relevant enactment.

Miscellaneous

Interpretation.

10. (1) In this Part, unless the context otherwise requires —

“customer due diligence information” means —

- (a) identification data, and
- (b) any other files and correspondence relating to the customer

relationship;

“customer due diligence measures” means —

- (a) identifying the customer and verifying the customer’s identity on the basis of identification data,
- (b) identifying, where there is a beneficial owner or underlying principal who is not the customer, the beneficial owner or underlying principal and taking adequate measures, on a risk-sensitive basis, to verify his identity so that the eGambling licensee is satisfied that it knows who the beneficial owner or underlying principal is, including, in the case of a legal person, trust or other legal arrangement, measures to understand the ownership and control structure of the person, trust or arrangement,
- (c) identifying any person purporting to act on behalf of a customer and verifying that identity on the basis of identification data and the authority of the person so acting, and
- (d) obtaining information on the purpose and intended nature of the customer relationship;

“Disclosure Law” means the Disclosure (Bailiwick of Guernsey) Law, 2007¹⁰;

“document” includes information recorded in any form (including, without limitation, in electronic form);

“enactment” includes a Law, an Ordinance or any subordinate legislation and any provision or portion of a Law, an Ordinance or any subordinate legislation and, for the purposes of this definition, **“subordinate legislation”** means any statutory instrument, regulation, rule, order, notice, rule of court, resolution, scheme, warrant, byelaw or other instrument made under any enactment and having legislative effect;

“enhanced customer due diligence” means steps in relation to identification and verification in addition to customer due diligence measures, including taking the following steps —

- (a) obtaining senior management approval for establishing a customer relationship,
- (b) obtaining senior management approval for, in the case of an existing customer relationship with a politically exposed person, continuing that relationship,
- (c) taking reasonable measures to establish the source of any funds and of the wealth of the customer and beneficial owner and underlying principal,
- (d) carrying out more frequent and more extensive ongoing monitoring in accordance with paragraph 6, and

¹⁰ Order in Council No. XVI of 2007; Ordinance XXXIX of 2008.

- (e) taking one or more of the following steps as would be appropriate to the particular customer relationship –
- (i) obtaining additional identification data,
 - (ii) verifying additional aspects of the customer’s identity, and
 - (iii) obtaining additional information to understand the purpose and intended nature of each customer relationship;

“FATF Recommendations” means the Financial Action Task Force Recommendations on Money Laundering and the Financial Action Task Force Special Recommendations on Terrorist Financing as revised or reissued from time to time;

“Financial Intelligence Service” means the service, known by that title, comprising those officers of police and customs officers assigned to the service for the purpose of the receipt, analysis and dissemination within the Bailiwick of Guernsey, and elsewhere, of disclosures which are more commonly known, or referred to, as suspicious transaction reports and, for the purposes of this definition, **“customs officer”** means an officer within the meaning of section 1(1) of the Customs and Excise (General Provisions) (Bailiwick of Guernsey) Law, 1972¹¹;

“high risk relationship” means a customer relationship which has a high risk of involving money laundering or terrorist financing and related terms shall be construed accordingly;

“identification data” means documents, data or information relating to identification which are from a reliable and independent source;

“legal arrangement” means an express trust or any other vehicle whatsoever which has a similar legal effect;

“MLRO” shall be construed in accordance with paragraph 7(1)(a);

“nominated officer” shall be construed in accordance with paragraph 7(1)(b);

“politically exposed person” means —

- (a) a person who has, or has had at any time, a prominent public function or who has been elected or appointed to such a function in a country or territory other than the Bailiwick of Guernsey including, without limitation —
 - (i) heads of state or heads of government,
 - (ii) senior politicians and other important officials of political parties,
 - (iii) senior government officials,
 - (iv) senior members of the judiciary,

¹¹ Ordres en Conseil Vol. XXIII, p. 573; Vol. XXIV, p. 87; Order in Council No. XIII of 1991; and No. X of 2004.

- (v) senior military officers, and
- (vi) senior executives of state owned body corporates,
- (b) an immediate family member of such a person including, without limitation, a spouse, partner, child, sibling, parent-in-law or grandchild of such a person and, for the purposes of this definition, **“partner”** means a person who is considered by the law of the country or territory in which the relevant public function is held as being equivalent to a spouse, or
- (c) a close associate of such a person, including, without limitation —
 - (i) a person who is widely known to maintain a close business or professional relationship with such a person, or
 - (ii) a person who is in a position to conduct substantial financial transactions on behalf of such a person;

“subsidiary” has the meaning given to it by paragraph 1 of Schedule 4 of the Companies (Alderney) Law, 1994¹², as amended;

“relevant enactments” means —

- (a) the Money Laundering (Disclosure of Information) (Alderney) Law, 1998¹³,
- (b) the Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law, 1999,
- (c) the Drug Trafficking (Bailiwick of Guernsey) Law, 2000,
- (d) the Terrorism (United Nations Measures) (Channel Islands) Order 2001¹⁴,
- (e) the Al-Qaida and Taliban (United Nations Measures) (Channel Islands) Order 2002¹⁵,
- (f) the Terrorism Law,

¹² No. XXXIV of 1994; as amended by the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc (Bailiwick of Guernsey) Law, 2000 (No. I of 2001); the Companies (Alderney) (Amendment) Law, 2001 (No. XV of 2002); the Companies (Alderney) Law (Annual Returns) Ordinance, 1996 (Alderney Ordinance No. I of 1996); the States Committees (Transfer of Functions) (Alderney) Ordinance, 1997 (Alderney Ordinance No. II of 1997); the Machinery of Government (Transfer of Functions) (Guernsey) Ordinance, 2003 (No. XXXIII of 2003); the Companies (Alderney) Law (Fees) Ordinance, 2007 (Alderney Ordinance No. XI of 2007); the Administrator of Income Tax (Guernsey) (Transfer of Functions) Ordinance, 2009 (No. VII of 2009). This Law is modified by the Document Duty Ordinance, 2003 (No. VI of 2003). See also the Companies (Alderney) Law (Applications) Ordinance, 1995 (Alderney Ordinance No. IV of 1995); the Companies (Alderney) Law (Auditors) Ordinance, 1996 (Alderney Ordinance No. VIII of 1996); Companies (Alderney) (Amendment) Law, 2001.

¹³ Order in Council No. VII of 1998.

¹⁴ S.I. 2001/3363 (registered on 11th October, 2001) as amended by S.I. 2002/258 and the British Overseas Territories Act 2002, s. 2(3) (an Act of Parliament).

¹⁵ S.I. 2002/258 (registered on 18th February, 2002) as amended by the British Overseas Territories Act 2002, s. 2(3) (an Act of Parliament).

- (g) the Disclosure Law,
- (h) the Transfer of Funds (Alderney) Ordinance, 2007¹⁶,

and such enactments relating to money laundering and terrorist financing as may be enacted from time to time in, or in respect of, the Island of Alderney;

“transaction document” means a document which is a record of a transaction carried out by an eGambling licensee or foreign gambling associate certificate holder with a registered customer and which, as a minimum, identifies the customer (in the case of a Category 1 eGambling licensee only), the nature and date of the transaction and the type and amount of the currency involved and the identifying number of any account involved in the transaction;

“underlying principal” means, in relation to a customer relationship, any person who is not a beneficial owner but who —

- (a) is a settlor, trustee or protector of a trust which is the customer or the beneficiaries of which are the beneficial owners, or
- (b) exercises ultimate effective control over the customer or exercises or is to exercise such control over the customer relationship,

and, for the purposes of this definition, **“protector”** means a person other than a trustee who, as the holder of an office created by the terms of the trust, is authorised or required to participate in the administration of the trust.

- (2) A reference to an enactment is to that enactment as from time to time amended, repealed and replaced, extended or applied by or under any other enactment.

Application to associates, foreign branches and subsidiaries.

- 11. (1) A reference to an eGambling licensee or a foreign gambling associate certificate holder in this Part shall include a reference to the following –
 - (a) an associate which an eGambling licensee or a foreign gambling associate certificate holder has arranged to perform on its behalf any activity required to be carried out in accordance with this Part;
 - (b) any other associate which the Commission requires by written notice to comply with this Part; and
 - (c) branches and subsidiaries of the eGambling licensee or foreign gambling associate certificate holder dealing with eGambling which are situated in a foreign country or territory, to the extent that the laws of that foreign country or territory allow.
- (2) An eGambling licensee or a foreign gambling associate certificate holder shall ensure that an associate, foreign branch or subsidiary in a country or territory outside the Island of Alderney to which sub-paragraph (1) applies complies

¹⁶ Ordinance No. VI of 2007.

with —

- (a) the applicable requirements of this Part and the regulations in Chapter V of Part VI associated therewith; and
- (b) the requirements under the law in that country or territory which are consistent with the FATF Recommendations,

to the extent that the law of that country or territory allows.

(3) If —

- (a) a foreign branch or subsidiary referred to in sub-paragraphs (2) is unable to comply with the requirements of sub-paragraph (2) for any reason, including that the law of that country or territory does not so allow; or
- (b) the legal and administrative requirements and standards in a foreign country or territory do not apply or insufficiently apply the FATF recommendations and this affects the ability of the foreign branch or subsidiary to comply with sub-paragraph (2),

the foreign branch or subsidiary shall advise the MLRO and/or nominated officer as soon as possible and the licensee or certificate holder shall notify the Commission accordingly.

Regulation 242(1)**SCHEDULE 17****FORMAT OF MONTHLY OPERATIONAL PERFORMANCE
REPORT FOR CATEGORY 1 eGAMBLING LICENSEES**

ALDERNEY

GAMBLING CONTROL COMMISSION

The format of an eGambling licensee’s monthly operational report to the Commission shall be as follows —

“INDEX
[Calendar Month reporting period]

<u>CHANGES AND PROBLEMS</u>	<u>Page</u>
1. Change Control Statements	
1(a) Low Risk Change Reports	x
1(b) Other Change Reports	x
2. Significant Software and Hardware Events	x
3. Security Breaches	x
<u>CUSTOMER ACTIVITY</u>	
4. Seized Accounts	x
5. Reversed/Voided Transactions	x
6. Customer Counts and Values, by Age Category	x
7. Manual Adjustments to Customer Funds	x
8. Suspicious Transactions	x
<u>GAME DATA</u> <i>(where applicable)</i>	
9. Operating Performance Summary	x
10. Game Activated or Inactivated from System	x

CHANGES AND PROBLEMS**1. Change Control Statements****1(a) Low Risk Change Report**

Definition of report: A count of the number of low risk change requests submitted to the AGCC under regulation 201(3)(a) and dealt with pursuant to regulation 202(3).

Number of Low Risk Changes submitted: _____

1(b) High Risk Change Report

Definition of report: A count of the number of other change requests (i.e., not “low risk” as in 1 (a)) submitted to the AGCC under regulation 201(3) or (4) and dealt with otherwise than pursuant to regulation 202(3):

Change Control ID	Implemented Date	Description	AGCC Approval Date

* * * * *

2. Significant Software and Hardware Events

Definition of report: This report lists all unusual technical events that resulted in, *inter alia*, the need to re-start any part of the system, the refunding or otherwise of customer funds, the voiding or re-creation of games, or other technical events, whether planned or otherwise.

Date	Description	Value	AGCC Notification Date

* * * * *

3. Security Breaches

Definition of report: This report lists a description of any event whereby any part of the system was penetrated, accessed without authorisation or potentially compromised in any way, regardless of whether its origin. Further, describe any event whereby data belonging to the licensee, an associate or the customers may have been compromised

regardless of whether by technical means or physical means.

Date	Description	Measures Implemented

* * * * *

CUSTOMER ACTIVITY

4. Seized Accounts

Definition of report: This report lists customers whose accounts have been seized, whether temporarily or permanently.

User Name	Date Excluded	Reason	Amount

* * * * *

5. Reversed / Voided Transactions

Definition of report: This report lists all transactions that have been initiated and completed by the customer, accepted and logged by the system, but subsequently reversed / voided because of mistake (either manual or system error).

Customer ID	Transaction ID	Amount	Date	Description

* * * * *

6. Customer Counts and Values, by Age Category

Definition of report: This report aggregates the number of customer accounts and their value, by age category, whether those funds are held directly with the eGambling licensee or by an associate on behalf of the licensee.

	Customer Count	Aggregate Real Monetary Value

	Current Month	Previous Month	Current Month	Previous Month
Active Customers				
Inactive Customers				
Dormant Customers				
Totals				

For purposes of this report, the following parameters apply:

Active customers: customers who have logged-in within the past 12 months.

Inactive customers: customers who have been inactive for more than 12 months, but less than 24 months.

Dormant customers: customers who have been inactive for over 24 months.

Real Monetary Value: withdrawable funds excluding unfulfilled bonuses and promotions, etc.

* * * * *

7. Manual Adjustments to Customer Funds

Definition of report: This report shows actual customer real money balance modifications which derive from mistakes.

Customer ID	Date	Amount	Reason

* * * * *

8. Suspicious Transactions

Definition of report: This report lists all suspicious transaction reports that have been submitted to the Guernsey FIS.

Customer ID	Date	Description	Amount

* * * * *

GAME DATA (where applicable)

9. Operational Performance Summary

Definition of report: This report contains a summary of operational performance, itemised by product lines (casino, bingo, poker, (other, as necessary)). Aggregate totals are also required.

For poker sites please explain this in your own terminology, e.g. played hands, poker rake and tournament fees etc.

Product Line	Handle	Payouts	Hold	Hold %	Number of Transactions	Average Wager	Number Unique Logins
A							
B							
C... etc.							
Aggregate							

* * * * *

10. Game Activated or Inactivated from System

Description of report: This report lists any games added to, or removed from, the games made available to customers.

Game	Version	Date	Added/Removed	Description/Reason

* * * * *

CERTIFICATION**11. Certification**

I hereby certify that I am duly authorised to submit this certification; that I believe the information in this return is true and to the best of my knowledge and belief; and that having made reasonable enquiries, I have:

1. informed the Alderney Gambling Control Commission, to the best of my knowledge and belief, of any material changes to the statement of structure and organisation of the business and its control, supplied at the time of the application, or subsequently
2. compiled to the best of my knowledge and belief, with the requirement to inform the Alderney Gambling Control Commission about key events, and
3. Formed a reasonable opinion that the licensed entity has adequate resources to operate in accordance with the Licensing objectives, the Licensing conditions and codes for the foreseeable future.

Please note that it is an offence under section 24 of the Alderney eGambling Ordinance, 2009 for any person, without reasonable excuse, to give the Alderney Gambling Control Commission information which is false or misleading.

Name	
Position held (Must be a key Individual)	
Date	

Regulation 242(2)**SCHEDULE 18****FORMAT OF QUARTERLY REPORT FOR CATEGORY 1
eGAMBLING LICENSEE**

The format of a Category 1 licensee's quarterly report of its management accounts to the Commission shall be as follows:

ALDERNEY GAMBLING CONTROL COMMISSION**ALDERNEY**

GAMBLING CONTROL COMMISSION

QUARTERLY MANAGEMENT ACCOUNTS of

[INSERT LICENSEE'S NAME]

QUARTER ENDED [*insert day/month/year*]

Contents	Page
Profit and Loss Account	x
Balance Sheet	x
Notes	x

**PROFORMA PROFIT & LOSS ACCOUNT FOR QUARTER ENDED
XX/XX/XX**

	This Quarter	Previous Quarter	Variance
	Currency	Currency	%
Income			
Gross gambling income	x		
Other authorised income	x		
Less Cost of Sales			
Gambling payout (excluding sign up & promotional bonuses)	x		
Revenue share commissions paid *	x		
Net Gaming Yield	<u>x</u>		
Licence fees	x		
Affiliate fees	x		
Gross profit	<u>x</u>		
Administrative expenses	x		
Establishment expenses	x		
Selling and Marketing expenses	x		
Operating profit	<u>x</u>		
Other income/expenses	x		
Net Profit	<u><u>x</u></u>	<u><u>x</u></u>	<u><u>x</u></u> **

Dividends Paid	x
	<hr/>
Closing Balance	x
	<hr/> <hr/>

*** Requires pre-approval from the Alderney Gambling Control Commission**

**** If the net profit has risen or fallen by 20% (or more) compared against the net profit from the previous quarter, then you are required to provide details (in the notes) as to the factors that attributed to this rise or fall.**

PROFORMA BALANCE SHEET AS AT XX/XX/XX

FIXED ASSETS	Currency
Intangible assets	x
Tangible assets	x
	<hr/>
	x
	<hr/>
CURRENT ASSETS	
Trade debtors	x
Prepayments	x
Other debtors	x
Other current assets	x
Loans to related parties	x
Cash at bank & in hand	x
Cash at bank - client accounts	x
	<hr/>
	x
CURRENT LIABILITIES	

Bank loans and overdrafts	x
Loans from related parties	x
Trade creditors	x
Amounts due to customers	x
Directors' current accounts	x
Other creditors	x
Social security and other taxes	x
Accruals	x
	<hr/>
	x
NET CURRENT ASSETS	x
LONG TERM LIABILITIES	
Bank loans and overdrafts	x
Directors' loans	x
Loans from related parties	x
	<hr/>
	x
	<hr/>
TOTAL NET ASSETS	x
	<hr/> <hr/>
CAPITAL AND RESERVES	
Called up share capital	x
Share Premium	x
Other Capital & Reserves	x
Profit and loss account (Current Year)	x
Retained earnings (Past Years)	x
	<hr/>
SHAREHOLDERS' FUNDS	x
	<hr/> <hr/>

NOTES

* Please provide a breakdown of all the revenue share commissions that you have paid

during the period

* Show player funds as “cash at bank-client accounts” in the balance sheet only if these are held in separate bank accounts titled as “client accounts”; if no such formal arrangement is in place, include player funds in “cash in bank and at hand” in the balance sheet.

Licensee Revenue Share Commissions paid during quarter ended dd/mm/yy:

Name of Entity 1 : **Amount:**

Name of Entity 2 : **Amount:**

Name of Entity 3 : **Amount:**

Name of Entity 4 : **Amount:**

Name of Entity 5 : **Amount:**

(continue as needed)

Total:

** Please provide explanation/s (in the box below) for profit variance. Kindly note that this is merely required whereby net profit has risen or fallen by 20% or more compared against the net profit from the previous quarter:

Licensee Profit Variance explanation for quarter ended dd/mm/yy:**CERTIFICATION**

I hereby certify that I am duly authorised to submit this certification; that I believe the information in this return is true; and that having made reasonable enquiries, I have to the best of my knowledge and belief:

1. informed the Alderney Gambling Control Commission of any material changes to the statement of structure and organisation of the business and its control, supplied at the time of the application, or subsequently
2. complied with the requirement to inform the Alderney Gambling Control Commission about key events, and
3. formed a reasoned opinion that the licensed entity has adequate resources to operate in accordance with the Licensing objectives, the Licensing conditions and codes for the foreseeable future

Please note that it is an offence under section 24 of the Alderney eGambling Ordinance, 2009 for any person, without reasonable excuse, to give the Alderney Gambling Control Commission information which is false or misleading.

Name	
Position held (Must be a key Individual)	
Date	

SCHEDULE 19Regulation 242**FORMAT OF QUARTERLY OPERATIONAL PERFORMANCE
REPORT FOR CATEGORY 2 eGAMBLING LICENSEES,
TEMPORARY eGAMBLING LICENSEES AND FOREIGN
GAMBLING ASSOCIATE CERTIFICATE HOLDERS**

The format of a quarterly operational report for a Category 2 eGambling licensee, a Temporary eGambling licensee and a foreign gambling associate certificate holder to the Commission shall be as follows-

“ALDERNEY GAMBLING CONTROL COMMISSION

**ALDERNEY**

GAMBLING CONTROL COMMISSION

*QUARTERLY OPERATIONAL PERFORMANCE REPORT
(Platform operator)*

of

[INSERT LICENSEE'S NAME]

INDEX

QUARTER ENDED [insert day/month/year]

TECHNICAL DATA **Page**

1.	Change Control Statements	
	1(a) Low Risk Change Reports	x
	1(b) Other Change Reports	x
2.	Significant Software and Hardware Events	x
3.	Security Breaches	x
4.	Reversed/Voided Transactions	x
5.	Games activated or inactivated from a Platform	x

FINANCIAL DATA

6.	Financial Information	x
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CERTIFICATION

7.	Certification	x
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TECHNICAL DATA**1. Change Control Statements****1(a) Low Risk Change Report**

Definition of report: A count of the number of low risk change requests submitted to the AGCC under regulation 201(3)(a) and dealt with pursuant to regulation 202(3).

Number of Low Risk Changes submitted: _____

1(b) High Risk Change Report

Definition of report: A count of the number of other change requests (i.e., not “low risk” as in 1 (a)) submitted to the AGCC under regulation 201(3) or (4) and dealt with otherwise than pursuant to regulation 202(3):

Change Control ID	Implemented Date	Description	AGCC Approval Date

* * * * *

2. Significant Software and Hardware Events

Definition of report: This report lists all unusual technical events that resulted in, *inter alia*, the need to re-start any part of the system, the refunding or otherwise of customer funds, the voiding or re-creation of games, or other technical events, whether planned or otherwise.

Date	Description	Value	AGCC Notification Date

* * * * *

3. Security Breaches

Definition of report: This report lists a description of any event whereby any part of the system was penetrated, accessed without authorisation or potentially compromised in any way, regardless of whether its origin. Further, describe any event whereby data belonging to the licensee, an associate or the customers may have been compromised regardless of whether by technical means or physical means.

Date	Description	Measures Implemented

* * * * *

4. Reversed / Voided Transactions

Definition of report: This report lists all transactions that have been initiated and completed by the customer, accepted and logged by the system, but subsequently reversed / voided because of mistake (either manual or system error).

Customer ID	Transaction ID	Amount	Date	Description

* * * * *

5. Games Activated or Inactivated from a Platform

Description of report: This report lists any games added to, or removed from, the games made available to customers.

Game	Version	Date	Added/Removed	Description/ Reason

* * * * *

FINANCIAL DATA**6. Financial Information**

Description of report: This report lists your net profit/loss figure at the end of the quarter, and your net asset value (total assets less total liabilities) as at the quarter end date.

Currency:	
Net Profit/ Loss:	
Currency:	
Net Asset Value:	

* * * * *

CERTIFICATION**Certification**

I hereby certify that I am duly authorised to submit this certification; that I believe the information in this return is true; and that having made reasonable enquiries, I have to the best of my knowledge and belief:

1. informed the Alderney Gambling Control Commission of any material changes to the statement of structure and organisation of the business and its control, supplied at the time of the application, or subsequently
2. complied to the best of my knowledge and belief, with the requirement to inform the Alderney Gambling Control Commission about key events, and

3. formed a reasoned opinion that the licensed entity has adequate resources to operate in accordance with the Licensing objectives, the Licensing conditions and codes for the foreseeable future.

Please note that it is an offence under section 24 of the Alderney eGambling Ordinance, 2009 for any person, without reasonable excuse, to give the Alderney Gambling Control Commission information which is false or misleading.

Name	
Position held (Must be a key Individual)	
Date	

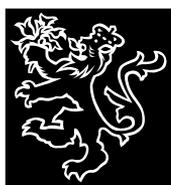
Regulation 243

SCHEDULE 20

**FORMAT OF MONTHLY REPORT OF A CATEGORY 1 LICENSEE'S
RATIO POSITION**

The format of a Category 1 eGambling licensee's monthly report to the Commission in relation to its ratio position shall be as follows-

“ALDERNEY GAMBLING CONTROL COMMISSION



ALDERNEY

GAMBLING CONTROL COMMISSION

MONTHLY RATIO REPORT (Category 1 licence)

of

[INSERT LICENSEE'S NAME]

(to be provided within 20 days of month end)

MONTH OF [*insert month and year*]

	£	Ratio	Requirement
Total assets	TA		
Total liabilities	TL		
Total assets : total liabilities		$(TA - TL) / TL$ $\times 100\%$	> 25%
Current assets	CA		
Current liabilities	CL		
Current assets – current liabilities		CA - CL	> 0
Cash	C		
Amounts due to customers	ADC		
Cash – Amounts due to customers		C - ADC	> 0

”

CERTIFICATION

I hereby certify that I am duly authorised to submit this certification; that I believe the information in this return is true; and that having made reasonable enquiries, I have to the best of my knowledge and belief:

1. informed the Alderney Gambling Control Commission of any material changes to the statement of structure and organisation of the business and its control, supplied at the time of the application, or subsequently
2. complied to the best of my knowledge and belief, with the requirement to inform the Alderney Gambling Control Commission about key events, and
3. formed a reasoned opinion that the licensed entity has adequate resources to operate in accordance with the Licensing objectives, the Licensing conditions and codes for the foreseeable future.

Please note that it is an offence under section 24 of the Alderney eGambling Ordinance, 2009 for any person, without reasonable excuse, to give the Alderney Gambling

Control Commission information which is false or misleading.

Name	
Position held (Must be a key Individual)	
Date	

SCHEDULE 21**COSTS AND DEPOSITS**

The sums to be specified under the regulation mentioned in column 2 in respect of the item described in column 3 shall be the amount specified in column 4 in respect of each item:

Provided that if the Chief Executive Officer decides that a lesser sum is sufficient as a deposit on account of the cost of processing and investigation in any specific instance, then he may specify the payment of a lesser sum by notice in writing.

Column 1 Item#	Column 2 Regulation	Column 3 Item	Column 4 Amount
1	17	Deposit on account of cost of processing and investigation – Category 1 eGambling licence and Category 2 eGambling licence	£10,000
2	17	Deposit on account of cost of processing and investigation – Temporary eGambling Licence	£5,000
3	27	Supplementary deposit on account of cost of processing and investigation – Category 1 eGambling licence and Category 2 eGambling licence	£5,000
4	27	Supplementary deposit on account of cost of processing and investigation – Temporary eGambling Licence	£5,000
5	39(3)(c)	Administrative charge	£100
6	62	Deposit on account of cost of processing and investigation	£5,000
7	71	Supplementary deposit on account of cost of processing and investigation	£5,000
8	83(3)(c)	Administrative charge	£100
9	99	Deposit on account of cost of	£5,000

Column 1 Item#	Column 2 Regulation	Column 3 Item	Column 4 Amount
		processing and investigation	
10	106	Supplementary deposit on account of cost of processing and investigation	£5,000
11	119(3)(c)	Administrative charge	£100
12	140	Deposit on account of cost of processing and investigation	£1,000
13	146(1)	Deposit on account of cost of processing and investigation	£1,000
14	159(3)(c)	Administrative charge	£100
15	177	Deposit on account of cost of processing and investigation	£10,000
16	193	Deposit on account of cost of processing and investigation	£5,000
17	203(1)	Deposit on account of cost of processing and investigation	£5,000
18	217	Deposit on account of cost of processing and investigation	£5,000
19	252	Deposit on account of cost of processing and investigation	£7,500
20	255(1)(a)	Deposit on account of cost of processing and investigation	£5,000
21	255(1)(b)	Deposit on account of cost of processing and investigation	£5,000
22	255(2)	Supplementary deposit on account of cost of processing and investigation	£2,000
23	260(3)	Deposit to be maintained	£2,000
24	261(1)	Deposit to be maintained	£2,000

Dated this day of , 2009.

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JOHN GODFREY
Chairman of the Alderney Gambling Control Commission
for and on behalf of the Commission.