



THE ONLINE GAMBLING REGULATION ACT 2001

**THE ONLINE GAMBLING (REGISTRATION AND ACCOUNTS)
REGULATIONS 2008**

Laid before Tynwald 15th April 2008

Coming into operation 31st March 2008

In exercise of the powers conferred on the Department of Home Affairs by section 21 of the Online Gambling Regulation Act 2001¹, and of all other enabling powers, the following Regulations are hereby made:—

1. Citation, Commencement and Interpretation

(1) These Regulations may be cited as the Online Gambling (Registration and Accounts) Regulations 2008 and shall come into operation on the 31st March 2008.

(2) In these Regulations —

" Act" means the Online Gambling Regulation Act 2001, as amended;

"Business Participant" means a party participating, in the course of business, in Online Gambling with an Operator;

"Commissioners" means the same as defined in the Act;

¹ 2001 c.10

- "Online Gambling" means the same as defined in the Act;
- "Operator" in relation to any Online Gambling, means the person by whom it is conducted and who is licensed under the Act;
- "Player" means in relation to any Online Gambling any party participating in the Online Gambling, other than the Operator or an employee or director of an Operator but excluding a Business Participant.
- "Participant" means both Business Participants and Players;

2. Registration and Accounts

- (1) Subject to paragraph (2), no Online Gambling shall be carried on unless the Participant —
- (a) is registered with the Operator, and
 - (b) holds an account with the Operator.
- (2) Paragraph (1) does not apply to Online Gambling consisting of Online Gambling where —
- (a) no stake or bet is made in money or money's worth, and
 - (b) nothing in money or money's worth may be won or lost.

3. Rules for Registration

Subject to paragraph (2) the following rules apply to registration under regulation 2(1)(a)

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1. No Participant may be registered except on an application for registration in such form, and containing such particulars, as may be approved by the Commissioners.
 2. No Player under the age of 18 may be registered.
 3. Before an applicant for registration is registered (unless such is a Business Participant), he must provide details of —
 - (i) his age;
 - (ii) his identity and
 - (iii) his place of residence.

4. The Operator shall use his best endeavours to exclude from registration, and to cancel the registration of, problem gamblers.

5. The Operator shall maintain a secure online list of all registrations (current or closed).

4. Rules as to Accounts

The rules set out in the Schedule apply to the opening and maintenance of accounts under regulation 2(1)(b).

5. Rules as to Play

The following rules apply to any Online Gambling —

Other than with the prior written consent of the Commissioners, no Operator shall accept any stake, bet, money or money's worth from a Participant where, if it is lost in the course of Online Gambling (either alone or in combination with any other stake or bet, money or money's worth) the Participant's account would be overdrawn.

1. Before a Player is permitted to begin a session of Online Gambling, the Operator shall request and the Player shall provide unique identifying information (such as a user name and password) previously notified to or supplied by the Operator.

2. (1) The Operator must provide the Player with one of the following options for setting his maximum stakes or bets —

- (a) a maximum stake or bet, or maximum total stakes or bets, per session, or
- (b) a maximum total stakes or bets in any period (not being less than 7 days).

(2) A Player shall not be permitted to increase any such maximum except after 7 days' notice.

6. Privacy

(1) An Operator shall not disclose to any person —

- (a) any information obtained by him on the registration of or opening an account with a Participant;
- (b) any information as to the state of a Participant's account.

(2) Paragraph (1) does not apply where the disclosure is —

- (a) required by law, or
 - (b) made with the consent of the relevant Participant.
- (3) Paragraph (1) is without prejudice to any requirements of the Data Protection Act 2002, as the same may be amended or re-enacted from time to time.

7. Revocation

The Online Gambling (Registration and Accounts) Regulations 2007² are hereby revoked.

8. Penalties

If any requirement of regulation 2 or 6, or any of the rules contained in these Regulations, is contravened, each of the following —

- (a) the Operator, and
- (b) the person who is the designated official in relation to the Operator's licence,

is guilty of an offence and liable on summary conviction to a fine not exceeding £5,000.

² SD 729/07

Regulation 4.

SCHEDULE
RULES AS TO ACCOUNTS

Opening of account

1. An account may not be opened except by means of a deposit of money —
 - (a) by credit or debit card, or
 - (b) by such other means as may be approved by the Commissioners.
2. The Operator shall not encourage a Player to hold more than one account.
3. Until the requirements of rule 5 are complied with, a Participant may not deposit sums exceeding in the aggregate such amount as the Commissioners may from time to time direct by notice in writing to the Operator.

Use of account

4. Money deposited by a credit or debit card must not be available for Online Gambling until —
 - (a) the funds are received from the provider of the card account, or
 - (b) the provider issues an authorisation number to the Operator indicating that the funds are guaranteed (in which case the number shall be maintained in a system audit log).

Withdrawal from account

5. The Operator shall provide a Participant with a means of verifying his identity before any balance on his account may be withdrawn, consisting of —
 - (a) a personal identification number (PIN) sent to his place of residence as stated in his registration, or
 - (b) such other means as may be approved by the Commissioners.
6. A Participant shall not be permitted to make withdrawals from his account unless his identity has been positively verified in accordance with rule 5.
7. (1) A Player shall not be permitted to make withdrawals from his account except —
 - (a) to the card account or other financial facility from which the initial deposit was made, or
 - (b) if the Operator of the card account or other facility will not accept it, by cheque sent to the Player's place of residence as stated in his registration.

(2) Where a withdrawal from a Player's account is made by cheque exceeding, or cheques exceeding in the aggregate, such amount as the Commissioners may from time to time direct by notice in writing to the Operator, the Operator shall carry out such additional verification procedures as the Commissioners may so direct.

(3) A Business Participant shall not be permitted to make withdrawals from its account except in

the form as the Commissioners may direct in writing to the Operator.

Statement of account

8. A Participant must be able to access online a statement of its account containing —
- (a) sufficient information to allow it to reconcile the statement against its own records to the session level; and
 - (b) details of major wins.

Security of account

9. (1) Participants' accounts must be secured against invalid access or update by methods approved in writing by the Commissioners.
- (2) All deposits, withdrawals and other transactions must be maintained in a system audit log.
- (3) A secure online list of all accounts (current or closed) must be maintained.
- (4) An inactive account in credit must be protected against forms of illicit access or removal.
- (5) All account transactions must be backed up so as to be capable of being recovered in case of system failure.
- (6) Personal data of a confidential nature, including the following —
- (a) details of Participants' bank and other accounts;
 - (b) card numbers;
 - (c) card expiry dates;
 - (d) expected answers to any questions used to verify a Participant's identity (e.g. mother's maiden name).

must only be stored in an encrypted or hashed form.

- (7) Personal information numbers (PINs) relating to —

- (a) bank and other accounts;
- (b) Participants' accounts.

must be stored using an irreversible encryption algorithm.

Saving for money-laundering code

10. These rules are without prejudice to the requirements of any applicable code of practice under section 17F (money-laundering codes) of the Criminal Justice Act 1990.

MADE

26th March 2008

Minister for Home Affairs

EXPLANATORY NOTE

(This note is not part of the Regulations.)

These Regulations are made under the Online Gambling Regulation Act 2001 and provide for the rules and procedures that must be followed by the Operator in registering new customer accounts. The Order also specifies detailed rules on the way accounts must be managed, privacy of information on account holders and the penalty for contravention.