

Executive Order No. 67 of 25. January 2012 on online casinos¹

The following is hereby laid down pursuant to Sections 36(2), 41(1) and 60 of Act No. 848 of 1 July 2010 on gambling, and Sections 17(2), 19 and 46 of Act No. 223 of 22 March 2011 for Greenland on certain games:

Chapter 1

Scope

Section 1. This Executive Order shall apply to the operation of online casinos, cf. Section 18 of the Act on gambling and Section 7 of the Act for Greenland on certain games.

Paragraph 2. Permits to operate online casinos, as mentioned in Section 42(5) of the Act on gambling and Section 8(1) of the Act for Greenland on certain games, are not covered by this Executive Order.

Chapter 2

Registration, etc. of players

Section 2. To participate in online casinos, a player must be registered as a customer of the licence holder. ‘Licence holder’ means a person in possession of a licence to operate an online casino.

Paragraph 2. Only natural persons may be registered as customers.

Paragraph 3. The licence holder must know the customer in accordance with paragraphs 4-9, Section 3 and Section 4, including asking the customer to prove his identity as part of the registration process.

Paragraph 4. The licence holder shall obtain information concerning the customer’s identity, including his name, address and personal ID number, or other similar information if the person in question does not have a personal ID number. The information obtained must be confirmed by means of the necessary documentation. The scope of the documentation shall be determined on the basis of a risk analysis, so that the licence holder is sure that the customer is the person who the customer claims to be.

Paragraph 5. The licence holder shall make registration as a customer conditional upon the customer acting exclusively on his own behalf.

¹ The Executive Order contains provisions implementing parts of Directive 2005/60/EC of the European Parliament and of the Council on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing (OJ 2005 L 309, p. 15), as amended by Directive 2007/64/EC of the European Parliament and of the Council of 13 November 2007 (OJ 2007 L 319, p. 1), Directive 2008/20/EC of the European Parliament and of the Council of 11 March 2008 (OJ 2008 L 76, p. 46), and Directive 2009/110/EC of the European Parliament and of the Council of 16 September 2009 (OJ 2009 L 267, p. 7).

Paragraph 6. In the event of any doubt as to whether information obtained previously concerning the customer's identity is adequate, further proof of identity shall be requested. The same shall apply in the event of any suspicion that a transaction is connected to money laundering or the financing of terrorism.

Paragraph 7. The licence holder shall obtain information concerning the extent to which the customer intends to play.

Paragraph 8. The licence holder shall:

- 1) have adequate procedures in place to decide whether the player is a politically vulnerable person (cf. paragraph 9) resident in another country;
- 2) obtain the approval of senior management for the registration of such a customer;
- 3) take reasonable measures to obtain information on sources of property and income covered by the gambling activities; and
- 4) be constantly aware of customer contact.

Paragraph 9. Politically vulnerable persons (cf. paragraph 8) shall be understood according to the definition given in Section 4 of Executive Order No. 712 of 1 July 2008 on the natural and legal persons and products that may be exempted from the Act on preventative measures against money laundering of profits and the financing of terrorism and defining politically vulnerable persons.

Section 3. The identity verification procedure must take place when the licence holder establishes the customer relationship, and no later than when the first payment is made; see, however, Section 7.

Section 4. The customer relationship shall be continuously monitored to ensure that the extent of play, including individual transactions, is consistent with the licence holder's knowledge of the customer, including the intended extent of play and gambling patterns to date. In this context, he shall seek information concerning the origin of the funds if necessary. Documents, data and other information about the customer shall be updated continuously.

Chapter 3

Storage of identity information, etc.

Section 5. The licence holder shall store the identity and control information concerning a registered player covered by this Executive Order (cf. Chapter 2) for at least five years after the end of the customer relationship.

Paragraph 2. Documents and records relating to customer transactions must be kept so that they can be found together for at least five years after the transactions are made.

Paragraph 3. Should the licence holder cease trading, the last functioning management shall endeavour to ensure that the identity information, etc. continues to be stored in accordance with paragraphs 1 and 2.

Chapter 4

Gambling account and payments

Section 6. The licence holder shall set up a gambling account for a registered player.

Paragraph 2. The licence holder shall give the player access to information about the gambling account's balance, gambling history (including stakes, winnings and losses), deposits and withdrawals and other transactions related thereto. The information shall be available to the player on the gambling account for at least 90 days.

Paragraph 3. The licence holders shall, upon request by the player, provide account statements for all transactions on the gambling account for the last 12 months.

Section 7. Until the licence holder has checked the information mentioned in Section 2, only a temporary gambling account can be opened for the player; but see paragraph 5.

Paragraph 2. If the player has provided false information in connection with the registration or if, after a request from the licence holder, the player has not submitted the necessary documentation for the correctness of the information within one month, the licence holder shall close the temporary gambling account.

Paragraph 3. No payments can be made from a temporary gambling account to the player.

Paragraph 4. A player may pay no more than DKK 10 000 into a temporary gambling account.

Paragraph 5. A temporary gambling account cannot be set up for a player who is listed in the register of self-excluded persons, cf. Section 19.

Section 8. The licence holder shall ensure that login to a gambling account, where the information mentioned in Section 2 has been checked, involves the use of a digital signature with a security level corresponding to the OCES standard with a digital signature.

Paragraph 2. The licence holder shall check to ensure that the digital signature used matches the player registered pursuant to Section 2.

Paragraph 3. The Danish Gambling Authority may permit that login to a gambling account for a certain period takes place without a digital signature if:

1) login takes place from a customer in Greenland or
2) it is not technically possible to use a digital signature on the technical platform used for the game.
The first login to the gambling account must, however, take place from a technical platform where a digital signature is used.

Paragraph 4. Paragraphs 1 and 2 shall not apply to login to a gambling account where the player is registered as a customer without a personal ID number pursuant to Section 2(4). The licence holder shall ensure that the player is identified when he logs into such a gambling account.

Paragraph 5. The licence holder shall ensure that the player is properly identified when he logs into a gambling account without the use of a digital signature, cf. paragraphs 3 and 4.

Section 9. The licence holder may only receive payments into a gambling account from a payment services provider that provides such services legally in Denmark pursuant to the Payment Services Act.

Paragraph 2. Cash deposits cannot be accepted.

Section 10. Amounts paid by the player shall be credited to the gambling account immediately after the licence holder has received the payment.

Paragraph 2. Winnings shall be credited to the gambling account immediately.

Section 11. A licence holder may not permit transfers of money, gambling tokens, etc. between gambling accounts.

Section 12. The funds on a player's gambling account are entrusted funds that must be deposited on a setoff-free account held at a financial institution, etc. that shall be kept separate from the licence holder's own funds, and which only the licence holder shall have at its disposal. The funds from the account can only be paid out to the player and may therefore not be used to cover claims against the licence holder. The funds shall be insured against the insolvency, etc. of the licence holder.

Paragraph 2. The funds in the setoff-free account shall at all times at least equal the total amount on the players' gambling accounts.

Chapter 5 *Information for players*

Section 13. All information which the licence holder is required to make available to the player in accordance with the provisions laid down in the Act on Gambling or the Act for Greenland on certain

games and associated regulations must be available in Danish on the licence holder's website. It must be possible for all other communication between players and the licence holder to be in Danish.

Paragraph 2. A licence holder who has a licence to provide gambling in Greenland must make information available pursuant to paragraph 1 in Danish and Greenlandic.

Section 14. The licence holder's website shall

- 1) state that it is not permitted for persons under the age of 18 to participate in gambling;
- 2) provide information on responsible gambling and the potentially deleterious effects of gambling. The information must be produced in cooperation with a treatment centre;
- 3) facilitate access to a self-administered test for gambling addiction; and
- 4) provide information on and contact addresses for Danish treatment centres.

Paragraph 2. The information in paragraph 1 shall be placed in a prominent area of the licence holder's website and must be accessible from all pages on the website.

Paragraph 3. A licence holder who has a licence to provide gambling in Greenland must provide information pursuant to paragraph 1 in Danish and Greenlandic and inform about contact addresses for Greenlandic treatment centres.

Section 15. The homepage of licence holders' websites must show that the licence holder has a licence from and is under the supervision of the Danish Gambling Authority. Access shall be facilitated to the website of the Danish Gambling Authority.

Section 16. There must be a clock on the licence holder's website that allows the player to be aware of the time spent on the gambling page. The clock must be visible to the player at all times.

Chapter 6

Responsible gambling

Section 17. The licence holder must make a function available to the player that allows the player to set daily, weekly and monthly deposit limits. A player's request to set a deposit limit shall be implemented immediately upon request; but see paragraph 2.

Paragraph 2. A player's request for an increase of a previously fixed deposit limit may not come into force until after 24 hours have passed.

Section 18. The licence holder shall provide a function for the player, allowing the player to request temporary or permanent exclusion from gambling. The licence holder shall ensure that the player cannot start new games after he has requested exclusion.

Paragraph 2. Temporary exclusion may not be for less than one month, but the player shall have the opportunity to choose a short break from gambling for 24 hours (cooling-off period). A temporary exclusion and short break from gambling mean that the player's gambling account is deactivated during this period.

Paragraph 3. Final exclusion of a player means that the licence holder shall close the player's account and terminate the customer relationship. The player cannot re-register as a customer (cf. Section 2) until one year has passed from closure of the gambling account.

Paragraph 4. If a player has excluded himself from participation in a licence holder's game, the licence holder shall inform the player about the option for counselling and treatment of pathological gambling at a Danish treatment centre. If the player is a customer from Greenland, the licence holder shall inform about counselling and treatment of pathological gambling at a Greenlandic treatment centre.

Section 19. The Danish Gambling Authority shall keep a register of players who want temporary or permanent exclusion from gambling with all licence holders. A player may be entered in the register on the Danish Gambling Authority's website or by turning to the Danish Gambling Authority. The player shall give explicit consent to his inclusion on the register.

Paragraph 2. The licence holder shall provide information about the opportunity for inclusion on the register, and shall facilitate access to the register on the Danish Gambling Authority's website.

Paragraph 3. When setting up a new player, the licence holder shall consult the register of self-excluded persons in order to ensure that the player in question is not listed on the register. If a player is listed on the register, the setting up of the player must be refused by the licence holder.

Paragraph 4. When the player logs onto the gambling system, the licence holder shall consult the register of self-excluded persons to ensure that the player has not been listed in the register. If a player is listed in the register, he shall be refused permission to play.

Paragraph 5. Should a licence holder become aware that a player is listed in the register of self-excluded persons as having been permanently excluded, the licence holder shall close the player's gambling account and terminate the customer relationship.

Paragraph 6. A player who has been listed in the register of self-excluded persons as having been permanently excluded may at any time, but at least one year after inclusion in the register, request the Danish Gambling Authority to delete him from the register.

Paragraph 7. Paragraphs 1-6 shall not apply to players registered as customers without a personal ID number pursuant to Section 2(4).

Section 20. The licence holder shall take measures to avoid sending marketing material to players who have excluded themselves from participation in gambling temporarily or permanently.

Chapter 7

Bonuses

Section 21. Should a licence holder offer the player a bonus for participating in a game, all the conditions shall be explained in a clear, lucid manner within the immediate context of the offer. Payment of a bonus to the player shall occur immediately when the conditions are satisfied.

Paragraph 2. Bonuses shall not be given to individual players on terms that differ from deals given to other players.

Paragraph 3. The player shall have at least 60 days to meet any conditions associated with the payment of a bonus.

Chapter 8

Suspension and closure of gambling accounts

Section 22. When closing a gambling account, the licence holder shall pay the balance from the player's gambling account to the player as quickly as possible and no later than five working days after closing the account. No fee shall be charged for closure.

Paragraph 2. When closing a temporary gambling account on the basis of Section 7(2), only the remaining deposits on the gambling account may be refunded to the player. Any winnings shall be retained by the licence holder.

Paragraph 3. When closing a gambling account at the licence holder's initiative, the licence holder shall send a reasoned decision with documentation to the player. A copy of the decision shall be sent to the Danish Gambling Authority.

Section 23. By suspension of a player's gambling account the licence holder shall make a decision within reasonable time. The player may not close their gambling account during the suspension period. The player shall be duly informed of the final decision when it is made.

Paragraph 2. The licence holder shall send a reasoned decision with documentation to the player. A copy of the decision shall be sent to the Danish Gambling Authority.

Chapter 9

Gambling systems

Section 24. The licence holder shall comply with the technical requirements for control systems and gambling systems that follow from Annex 1.

Section 25. The gambling system, meaning the IT equipment used to operate the online casino (cf. Annex 1) shall be located in Denmark.

Paragraph 2. The Danish Gambling Authority may dispense from the requirement pursuant paragraph 1 if the licence holder:

- 1) has a licence for the provision of gambling in another country, if a public authority in that country oversees the licence holder's provision of gambling and that supervisory authority has entered into an agreement with the Danish Gambling Authority on the supervision of the licence holder's provision of gambling in Denmark, or
- 2) can give the Danish Gambling Authority access to perform a satisfactory supervision of the gambling system by means of remote access or similar.

Section 26. The licence holder's gambling systems, business procedures and business systems shall be certified by an accredited testing company before the gambling system is used to operate an online casino. The Danish Gambling Authority may impose requirements for the certification.

Paragraph 2. The Danish Gambling Authority may impose requirements with regard to how testing companies are to be accredited.

Section 27. When a gambling system is certified, the Danish Gambling Authority may, at any time, order the licence holder to conduct further testing, verification and certification of the system.

Section 28. The licence holder shall keep all data on the operation of the online casino in the gambling system for at least five years.

Chapter 10

Awareness, investigation and information obligations

Section 29. The licence holder's management and employees who are engaged in the games covered shall be aware of activities by players which, by their nature, are felt to be connected to money laundering or the financing of terrorism. This shall apply in particular to complicated or unusually large transactions and to all unusual transaction patterns, viewed in relation to the player, as well as to

transactions connected to countries or territories where statements from the Financial Action Task Force suggest that there is a particular risk of money laundering or the financing of terrorism.

Paragraph 2. The purpose of the activities and transactions mentioned in paragraph 1 shall be investigated, and the results noted and stored, cf. Section 5.

Section 30. Should there be any suspicion that a player's transaction or application is or has been connected to money laundering or the financing of terrorism, the licence holder shall investigate the transaction or application thoroughly. In the event that such suspicion cannot be disproved, the Public Prosecutor for Serious Economic Crime must be notified immediately.

Paragraph 2. In the event that such suspicion concerns money laundering or the financing of terrorism and the transaction has not yet been carried out, it shall remain pending until it has been reported pursuant to paragraph 1. If the transaction cannot be avoided, or if doing so is deemed detrimental to the investigation, the report shall instead be issued immediately after the transaction.

Section 31. If the Danish Gambling Authority becomes aware of circumstances that are presumed to be connected to money laundering or the financing of terrorism, it shall notify the Public Prosecutor for Serious Economic Crime.

Chapter 11

Confidentiality and liability

Section 32. The licence holder, his employees and management shall not be held liable in any way for reports and information that the licence holder gives in good faith pursuant to Section 30. The passing on of information in this context shall not be regarded as a breach of any confidentiality obligation.

Section 33. The licence holder, his management and employees, as well as auditors and any other persons who perform or have special functions for him, shall be obliged to keep secret the fact that a report has been issued pursuant to Section 30, or that such action is being considered, or that an investigation into money laundering or the financing of terrorism is being or will be launched; but see paragraph 2.

Paragraph 2. Information to the effect that a report has been issued pursuant to Section 30, or that this is being considered, or that an investigation into money laundering or the financing of terrorism is being or will be launched may be passed on to the Danish Gambling Authority so that the Authority may process such information for use in the supervision of licence holders.

Chapter 12

Internal rules, training, etc.

Section 34. The licence holder shall prepare written internal rules on adequate monitoring and communication procedures, including customer identification, awareness, investigation and noting obligations, storage of registrations, risk assessments, risk management, communication and control in order to forestall and prevent money laundering and the financing of terrorism.

Paragraph 2. The licence holder shall also prepare training and instruction programmes for employees, so that the rules in Chapters 2, 3, 10 and 11 are complied with.

Paragraph 3. The licence holder shall endeavour to ensure that employees engaged in registration, exchange and actual gambling activities are made aware of the internal rules and the obligations set out in this Executive Order and in the Act on gambling and the Act for Greenland on certain games..

Paragraph 4. Every quarter, the licence holder shall send information to the Danish Gambling Authority concerning the number of reports to the Public Prosecutor for Serious Economic Crime, and how many employees have undergone training and instruction programmes pursuant to paragraph 2.

Chapter 13

Complaints

Section 35. The licence holder shall process complaints from players regarding the licence holder's provision of gambling. A complaint shall contain information about the player's identity and the grounds for the complaint. The complaint may be rejected if the requirements are not satisfied.

Paragraph 2. The licence holder shall process the complaint as soon as possible. If the complaint is not settled within 14 days, the licence holder shall inform the player about when he may expect a decision in the case.

Paragraph 3. The licence holder shall store documents involved in complaint cases, including documents in cases of rejected complaints, for at least two years. These shall be forwarded to the Danish Gambling Authority on request.

Chapter 14

Supervision

Section 36. The Danish Gambling Authority shall supervise compliance with this Executive Order, cf. Chapter 9 of the Act on gambling and Chapter 6 in the Act for Greenland on certain games.

Chapter 15
Penalties

Section 38. Unless higher penalties are justified by other legislation, infringements of the following Sections, whether deliberately or through gross negligence, shall be punishable by a fine: Sections 2 (1), (1) and (2)-(8), Sections 3-7, Section 8 (1), (2), (3)(2) and (5), Sections 9-18, Section 19(2)-(5), Section 21, Section 22(1) and (3), Section 23(2), Section 24, Section 25(1), Section 26(1)(1), Section 27, Section 28, Section 29(2), Section 30(1) and (2)(1), Section 33(1), Section 34, and Section 35(1)(1) and (3).

Paragraph 2. Criminal liability may be imposed on companies, etc. (legal persons) in accordance with the rules of Chapter 5 of the Penal Code.

Chapter 16
Entry into force

Section 39. This Executive Order shall enter into force on 1 February 2012.

The Danish Ministry of Taxation, 25 January 2012

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