



Guidelines to the application for a licence to provide betting and/or online casino

Unofficial translation of the Danish guidelines to the application form 2-01

Version

Publication date	Version	Description
September 2017	2.0	General update of guidelines
May 2018	3.0	Regarding simplification forwarding an application - Bluewhale

PLEASE NOTE

This is a translated document. The Danish version of the document is the only applicable and authentic version.

Instructions

You must submit your application for a licence to provide betting and/or online casino to the Danish Gambling Authority, who in accordance with Act on Gambling No. 1494 of December 6 2016 and Act on certain games in Greenland No. 336 of April 7 2016 has the authority that issues the licence.

Definitions:

- Betting is an activity where a participant can win a prize by paying a deposit and where you bet on the outcome of a future event or the occurrence of a future event.
- Online casino is games between a player and a game provider offered through the use of remote communication. With a licence to provide online casino the game provider may offer roulette, baccarat, punto banco, black jack, poker, online bingo and games on gaming machines in an online casino.

The Danish Gambling Authority may allow other types of games and may limit a licence to one or more types of games.

Submission of the application material

Applications must be sent using the Danish Gambling Authority's application forms.

Forms, digital forms and Bluewhale

If you are a Danish applicant with a central business registration number (CVR number), you must forward the application using the Danish Gambling Authority's digital forms. If the attachments are too large for the digital form, you can send these to the Danish Gambling Authority by using the Bluewhale-system.

If you are an applicant without CVR number, the application and the attachment must be sent together to the Danish Gambling Authority using the Bluewhale-system.

Find further instructions on how to use Bluewhale in our guidelines: "Guidance – how to receive and send messages using Bluewhale" or in the description at the back of the application forms.

Organising the application material

In order for the Danish Gambling Authority to process the application material as efficiently as possible the material must be submitted in a specific manner.

The application material must be packed into three or four folders (depending on whether an annex C is required) in a ZIP-file. The titles of the folders must be:

- Application (Ansøgning)

- Annex A (Tillæg A)
- Annex B (Tillæg B)
- Annex C (Tillæg C) if necessary

All folders, subfolders and documents must be named in accordance to the names of the item on the application form.

If you wish to add several documents to one of the attachment items on the application form, you must create a folder and name it in accordance with the attachment item. The names of the documents in the subfolder are secondary.

If you do not enclose all the attachments to item 27 (attachment that must be submitted when applying for a licence to provide betting and/or online casino), you must add a list of the attachments that are not enclosed. You must state why the attachment is not enclosed and inform us whether the attachment will be submitted at a later stage in the application process.

Attachments to item 28 (attachments that must be submitted if relevant) must be enclosed by naming the documents in accordance to the item on the application form and by creating subfolders if there are more than one document.

The folder Annex A must contain all the Annex A, which should be named: “Annex A - followed by the name of the person who has completed the annex A”. All attachments connected with the Annex A must be named in accordance to the item in the application form followed by the name of the person whom it concerns, e.g.: “Item 16. Debt certificate – John Johnson”

If there is not enough space in the application form or in the Annex A form, e.g. if the person in question has had more than two countries of residence within the last 10 years, then please enclose the rest of the information separately. The document should be named e.g. “Item 5 additional information - followed by name of the person in question”. The procedure for completing the folders Annex B and Annex C is equal to the procedure for completing the application form.

Requirements

Individuals who are 21 years or older may receive a licence to provide and organize gambling if they:

1. are not under guardianship or curatorship.
2. have not filed an application for reconstruction, insolvency or debt restructuring.
3. are not under a process of reconstruction, insolvency or debt restructuring.
4. have not received a criminal conviction that would give reason to believe that there exists a risk of misuse of the access to working with gambling.
5. do not have outstanding debt to the public authorities.

The Danish Gambling Authority is authorised issue licences to provide gambling to companies that fulfil the requirements 2 - 5, and where the members of the management board/board of directors fulfil the requirements in item 1 – 5.

The company must be established in Denmark or in another EU or EEA country. If the company is not established in Denmark or in another EU or EEA country, the Danish Gambling Authority may issue a licence if the applicant has appointed a representative who can be approved by the Danish Gambling Authority.

The applicant, members of the management board or board of directors or others who have controlling interests in the company's operations must not have displayed a conduct that would give reason to believe that the company will not be managed properly.

Only applicants who are considered to be able to provide gambling activities in a financially and professionally responsible manner may receive a licence to provide and organize gambling.

Application fee

The applicant must pay a fee to the Danish Gambling Authority in order to apply for a licence to provide gambling. Applicants that receive a licence must also pay an annual fee.

The fee for processing of the application

The fee must be paid when you submit the application at the latest. Please enclose documentation of payment of the fee.

Danske Bank, account No. 0216 4069174310.

If you pay from abroad:

IBAN No. DK8202164069056784 - Danske Bank, Girostrøget 1, DK 0800 Høje Taastrup

Swift code: DABADKKK.

In "Notice for the beneficiary" you must write the name of the applicant from item 1 of the application and state what the fee is intended to cover.

Application for	Fee (2010 level)
A licence to provide betting or online casino	250,000 DKK
A licence to provide both betting and online casino	350,000 DKK

As a rule the fee is not refunded if the application does not result in a licence.

You can read more about the fees on our webpage www.spillemyndigheden.dk

Annual fee

You must also pay an annual fee, which depends on the gambling revenue that you expect to receive during a calendar year. The fee must be paid one month after the licence has entered into force at the latest, according to the following scale:

The amount of the gambling revenue	Annual fee (2018 level)
Less than 5,000,000 DKK	54,700 DKK
5,000,000 – 10,000,000 DKK	136,800 DKK
10,000,000 – 25,000,000 DKK	246,200 DKK
25,000,000 – 50,000,000 DKK	492,300 DKK
50,000,000 – 100,000,000 DKK	875,200 DKK
100,000,000 – 200,000,000 DKK	1,641,000 DKK
200,000,000 – 500,000,000 DKK	2,735,000 DKK
More than 500,000,000 DKK	4,923,000 DKK

The fee is determined according to the budget enclosed.

If the gambling revenue has exceeded the limit for which you have paid a fee, the Danish Gambling Authority will collect the difference between the fee paid and the actual fee. The fee must be paid one month after you have received the notice at the latest.

If the gambling revenue is less than the limit for which you have paid a fee, the Danish Gambling Authority will refund the difference between the fee paid and the actual fee. The Danish Gambling Authority will refund the fee after the calendar year.

The fees are regulated according to section 20 in Act on Income tax for individuals.

Item 1 – Applicant

The name of the applicant must be stated in the form. If the applicant is a partnership, all the names of the partners must be stated here. The central business registration number (CVR-number) must be stated if a number has been issued to you.

The applicant must also state the e-mail address and webpage.

Electronic communication

The Danish Gambling Authority would like to communicate quickly and effectively with applicants. If you do not want the communication to be carried out electronically, you must tick the box.

According to the Personal Data Protection Act, documents containing personal information cannot be sent in an unencrypted e-mail. Some documents will therefore be sent by post.

Members of the board of management and the board of directors

The members of the board of management and the board of directors must be listed and it must be indicated whether they are a member of the board of management or a member of the board of directors.

Item 2 - Method of management

Please tick the box that states the method of management under which the applying company is managed.

If the correct method of management is not mentioned in the form, you must state which other method is used. If it is a foreign company, you must tick the box “Andet” (other) and state the company type.

All members of the management board or board of directors of the company must sign the application. The same persons must complete and sign a personal declaration - Annex A which must be attached to the application.

Item 3 - Head office

If the applicant has a head office with a different address than stated in item 1, this item must be completed.

Item 4 - Previous names

If the applicant has changed the company’s name one or several times, this item must be completed.

Item 5 - Secondary names

If the applicant is known by one or more secondary names in Denmark or abroad, this item must be completed.

Item 6 – Application

You must state which licence you are applying for:

1. A five year licence to provide betting or online casino
2. A five year licence to provide betting and online casino

If you apply for a licence to provide betting, online casino or a licence to provide both types of games, you must state whether the licence should also cover Greenland.

A licence to betting can cover both land-based and online betting. Land-based betting is a game where the player and a game provider or the shop manager of the game provider, meet physically.

You should expect a case administration process of approximately 3 months.

Item 7 - Fee paid

Tick the box stating the amount that you have paid. You must attach documentation of payment of the fee.

Item 8 - Other licences to gambling

Please state if you as an applicant have a licence to operate gaming machines or land-based casino in Denmark.

If you have a licence to provide gambling abroad, you must state

- which country has issued the licence(s),
- what the licence covers,
- when the licence has been issued, and
- the licence number, if there is any

You must attach a copy of the licence.

If you have had more licences of the same type in the same country, it is the latest licence that you must state.

Item 9 - Denial of a licence

If you have been denied a gambling licence from a public authority, you must state the details in that connection.

You must attach a copy of the denial.

Item 10 - Revocation of a licence

If your licence has been revoked, you must state the details in that connection.

You must attach a copy of the revocation.

Item 11 – Debt

You must state if the applicant is indebted to the public authorities in Denmark and/or abroad. You must inform us of the amount of the total outstanding debt to the public authorities. If you do not have any debts, you must write the amount 0 in the item.

It is mandatory to enclose a statement from the public authorities in the country, where the applicant is established. This applies whether the applicant is indebted or not.

A debt is not outstanding, if you have concluded a payment agreement with the Danish Tax Authority's Recovery Centre or the debt is fully secured.

Item 12 - Reconstruction – insolvency

If a request for reconstruction or insolvency has been filed in Denmark, you must state the date and the particular circumstances hereof. You must also state if you are under reconstruction or insolvency proceedings and the date and the particular circumstances hereof.

Item 13 - Criminal offences

If the applicant has been convicted of a criminal offence or has made an out-of-court settlement in Denmark or abroad, you must state it here. You must state the reason for the conviction or the settlement and attach a copy of the ruling.

If the material is very extensive, a summary will be sufficient if it is satisfactory. The Danish Gambling Authority might, if necessary during the processing of the personal declaration, request that you submit an authorized translation of the complete ruling. You must also state if the applicant has been charged or is under investigated by the police in Denmark or abroad. You must state the reason for the charge or the investigation.

Item 14 - Investigation by another public authority

If the applicant within the last 5 years has been the object of an investigation by another public authority in Denmark or abroad in connection with a gambling licence, you must state that here.

You must state the following information:

- the investigating authority
- the type of licence
- the details of the investigation.

Item 15 - Civil actions

If the applicant within the last 5 years has been sued in a civil action, you must state this and you must state the type of civil action.

Item 16 - Contact person

Here you must state the name of the person with whom the Danish Gambling Authority should communicate when processing this application. It may be one of the applicant's employees or a other representative such as a lawyer. Decisions will be sent to both the contact person and the applicant.

There are no formal requirements regarding the contact person, but it is an advantage if the person can make decisions on behalf of the applicant.

Item 17 - Assigned representative

If the company is domiciled outside the EU or EEA, a representative must be assigned. The representative must be a resident of or established in Denmark. An assigned representative must be approved by the Danish Gambling Authority. Therefore the representative must complete and sign the form Annex A – Personal declaration which must be attached to the application. It may be one of the applicant's employees or another representative such as a lawyer.

The representative must have the authority to represent the licence holder (as a subject) in administrative, procedural and criminal matters.

If the assigned representative is a company, declaration "Annex C" must be attached to the application.

The assigned representative must fulfil the requirements which apply to the licence holder. Furthermore you must state a contact person if the assigned representative is a company.

Item 18 - Responsible manager for the daily operations

The licence holder must be appropriately organised and sufficiently manned in order to provide his products. The licence holder must as a minimum establish the following organisational roles. The roles must always be filled with named persons who must be employed in the applicant's company:

- The person responsible for gambling software and the operation of games must assure that all games are constructed and play correctly and reliably without errors and cheating, including the licence holder's possible collaborators.
- The person responsible for IT-security must assure that all types of IT hardware, software and network used by the licence holder and the licence holder's possible collaborators, operate in a sufficiently secure way.
- The person responsible for finances must assure that SKAT always receives the correct share of the gross gambling revenue.
- The person responsible for the change management must assure that all system changes comply with "The Danish Gambling Authority's technical standards", that the consequences or the modifications are acceptable, that the modifications are well documented and that the implementation of the modifications is satisfactory.

The persons must possess the necessary qualifications and the necessary experience to assume the role and the responsibility. The licence holder must assure that the persons have the authority to establish arrangements and make the necessary modifications to assure that the licence holder observes the requirements.

In connection with an inspection, these persons are the direct contact persons. Therefore these persons must always be able to provide and explain to the Danish Gambling Authority any information and documentation within the respective areas.

A resume of the persons responsible must be attached to the application. The resume must state the level of experience of the persons responsible. One person may be responsible for more than one of the roles.

The responsible persons' resumes must demonstrate to the Danish Gambling Authority that the person is qualified for the job. Therefore, it is not necessary that the resume contains personal information about family etc. The resume must give a true and fair picture of the former employments of the person and a description of his or her professional competences in connection to the job description.

Item 19 – Fight against money laundering and financing of terrorism

The person responsible for supervising the possibility of money laundering and financing of terrorism must attach a resume that demonstrates to the Danish Gambling Authority that the person is qualified for the position.

The resume must state the level of experience of the person. The resume must show the Danish Gambling Authority that the person is qualified for the job. Therefore, the resume does not need personal information about family etc. However, the resume must give a true and fair picture of the former employments of the person and a description of his or her professional competences connected to the job description.

The person responsible for supervising the possibility of money laundering and financing of terrorism must assure that the licence holder and his possible collaborators make formal instructions and procedures for the supervision of possible money laundering and terrorist financing. Furthermore, the person responsible must assure that the instructions and procedures are observed.

The following information must be given, regarding money laundering:

- An organizational chart with a highlighting of the section in which the fight against money laundering is based.
- The number of employees dedicated to the fight against money laundering. If the task is divided between several persons who also have other job functions, please state this.

- In the case that the section for the fight against money laundering is not physically located with the applicant, please state how it is organized.
- The connection between the person responsible for the fight against money laundering and the management, i.e. level of employment; manager, expert, employee in a staff function etc.

Item 20 - Is the applicant owned by other companies?

If the applicant is owned by one or several other companies, you must attach a flow chart which shows the structure of the ownership and identifies the company.

Item 21 - Is the applicant part of a group of companies?

If the applicant forms part of a group of companies, the name and address of the companies in the group must be stated.

Item 22 – Ultimate owner

An ultimate owner is defined as the last owner in the ownership chain, who owns more than 50% of the applicant company through directly or indirectly ownership.

Documentation that ensures a clear identification of the ultimate owner:

- For individuals, e.g. by using CPR-number (the Civil Registration System)
- For companies, e.g. by using CVR-number (the Central Business Register)

If the ultimate owner does not have a CPR-number or a CVR-number.

- An individual without CPR-number, must attach a copy of his/her passport or national identifications card, that can be used on entry in a Schengen country.
- A company without a CVR-number, must attach an official proof of the company's legal establishment in the home country. The proof must be no more than 3 three months old.

Item 23 - Owners of qualified shares (10 per cent or more)

The Danish Gambling Authority must receive information about the names of physical and legal persons who directly or indirectly:

- own a qualified share of 10 per cent or more of the company, or
- command 10 per cent or more of the voting rights.

The same persons must complete and sign an Annex A – personal declaration which must be attached to the application.

Item 24 - Set-off free account

The funds which a player has in gaming account are entrusted funds which must be deposited on a set-off free account in a financial institution which is separate from the licence holders own funds and which only the licence holders commands. The funds in the account may only be paid out to the player and consequently it may not be used to cover claims against the licence holder. The funds must be secured in the event of insolvency etc. for the licence holder.

Item 25 - Further information of use in the consideration of the case

If there is any other information which the Danish Gambling Authority would expect to be informed of, you must state them here.

Item 26 - The applicant's declaration and signature

With his or her signature the applicant consents that the Danish Gambling Authority may obtain the necessary information, and that the relevant authority in Denmark or abroad may pass on this information to the Danish Gambling Authority.

The validity of the information is checked by the Danish Gambling Authority when we process the application.

With his or her signature the applicant declares that the information stated in the application is correct and complete.

If the application concerns a company, all the members of the management board or board of directors and other persons, who have a controlling interest in the company operations, must sign that the information submitted is correct and complete.

The same persons must also complete and sign an Annex A – personal declaration, which must be attached to the application.

Despite the above-mentioned the Danish Gambling Authority may always require that an Annex A – personal declaration is needed for other persons.

Item 27 – documentation that must be attached when applying for a licence to provide betting and/or online casino

Annex A and Annex B must be completed in the original Danish forms. All other attachments must be in Danish or in English. If documents from public authorities are not in Danish or in English, an authorized translation must be attached. A copy of the original document must also be attached.

The following annexes must always be attached. In certain instances, it is not possible, e.g. the applicant's account for the last 3 years can only be attached if the company has existed for 3 years.

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- Annex A – personal declaration (the number of Annex As must be stated)
 - Annex B - information about provision of gambling
 - Documentation of payment of the fee
 - Declaration about debts from public authorities
 - Resume of the person responsible for gambling software and the operation of gambling
 - Resume of the person responsible for IT security
 - Resume of the person responsible for finances
 - Resume of the person responsible for change management
 - Resume for the person responsible for the fight against money laundering
 - The applicant's financial statements for the past 5 years
 - A copy of the funding plan which documents how the applicant will ensure correlation between the system for monitoring net positions and the actual funding.
A funding plan contains a specific description of mathematical calculations of financial risks and the funding of such risks. Financial risks includes for example currency risks, interest rate risks and gambling risks.
 - The applicant's operating budget for the 12 months ahead including the comments of the management.
An operating budget for the 12 months ahead broken down by expected revenue per type of gambling, expected costs by main cost categories such as payroll, selling costs, administrative costs, amortisation and depreciation, service charges to group companies, net interest expenses and income taxes accompanied by the comments of the management including budget assumptions.
 - Business plan for the applicant's business in Denmark. A description of planned activities in Denmark including other activities than those for which the applicant has applied to date.
 - A copy of the applicants programme for compliance and ethics. A compliance and ethics programme contains descriptions of the establishment and implementation of rules and
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principles dealings, for instance, with fraud exclusion, fairness conduct, money laundering, acceptance and exclusion of customers, pathological gambling, etc.

- Copies of written procedures for
 1. General policies for the applicant's internal controls
 2. Framework for internal controls, such as COSO
 3. Implementation of risk assessments in the areas:
 - a. setoff-free account
 - b. IT
 - c. book-keeping
 - d. reconciliation of customers funds
 - e. financing procedures
 - f. mathematical models
 4. Assessment of all major risks substantiated by the associated risk handling policies.

Re 1: Written business procedures for the company's internal controls. Internal controls may for example be concerned with the following areas:

- revenue
- book-keeping
- reconciliation
- setoff account
- salary determination
- bonus calculation
- list of persons authorised to sign, including access to liquid bank accounts
- IT security

Re 2: The committee Of Sponsoring Organisations (COSO) is a generally recognised framework that describes an internal control system based on the following phases:

- internal environment
- objective settings
- event identification
- risk assessment
- risk response
- control Activities
- information & communication
- monitoring

The framework is only guiding, and the particular company may have established its own control system based on other similar principles.

Re 3: Documentation proving that the applicant has identified risks associated with the mentioned areas and that the applicant has implemented compensatory controls or similar to counter the risks identified.

Re 4: The management's specific description of all significant risks and description of counter-acting controls.

- A copy of the areas of work for the internal audit, compliance group or the monitoring bodies.
If the applicant has set up an internal audit function, compliance group or another independent monitoring body, the applicant is requested to enclose documentation which proves it. It may be a description of these departments, their managerial position in the organisation, reporting channels, responsibilities and reviews completed.
- A copy of the past 12 months' risk management reports to the executive and board of directors. A report containing a prioritised overview of significant risks associated with the applicant's business and the games operated by the applicant. The report will typically include a description of risks and the measures taken to counter these risks, and a description of whether the risk management of the particular risks works as intended or requires improvement.
- A copy of the applicant's procedures and controls designed to ensure that the applicant has sufficient funds to pay out all potential winnings. A funding plan containing a specific description of mathematical calculations of financial risks and the funding of such risks. Financial risks include for example currency risk, interest rate risk and gambling risk.
- Documentation of software or description of the manual process that continuously monitors and reconciles all customer accounts to a setoff-free bank account held in the applicant's name.
- Declaration from the applicant's bank about the setoff-free bank account and a description of how compliance with the executive order is ensured.
- The company's history and documentation of its company registration. For instance a transcript from the Danish Business Authority or similar.
- Management history substantiated by statements from authorities. For instance a transcript from the Danish Business Authority or similar with comments on significant and/or frequent changes of management.

Item 28 – documentation that must be attached to all applications if relevant

All attachments must be in Danish or English. If documents from public authorities are not in Danish or in English, an authorized translation, together with a copy of the original document, must be attached.

- “Annex C – Declaration from representative” must be attached if the representative appointed is a company.
- Document of foundation in a copy certified by the board.
- The company’s latest articles of association signed by all members of the board.
- Chart of the group if the company forms part of a group.
- Flowchart of the company’s organisational structure.
- Flowchart which shows the structure of the ownership if the company is owned by other companies.
- An overview of the applicant’s corporate and group affiliation supported by official certificates. A group chart or other description of the group’s structure, indicating shareholdings, using the definition of a group set out in the Financial Statements Act or another relevant definition (IFRS, US GAAP etc.). Official certificates may be transcripts from the Danish Business Authority, certifying the company’s registration.
- Information about the company’s procedures, administrative matters and organization.
- A description of the applicant’s or associated companies’ present gambling activities with indication of in which countries the gambling activities are provided.
- Documentation providing an overview of the applicant’s largest accounts at the time of application. A list of debtors broken down by age, with the particular accounts broken down by the following maturity categories:
 1. not due
 2. more than one month overdue
 3. more than three months overdue
 4. more than six months overdue
 5. more than nine months overdue

The list must show the names of debtors and the amount of each account outstanding.

- Documentation of the ultimate parent's address and establishing.
- Documentation of company registration of the ultimate parent. This must show – or be enclosed in a separate document – by name and profession who is a member of the management and board.
- The ultimate parent's financial statements for the past 5 years. An ultimate parent is defined as the owner(s) who, in total, possesses a qualified shareholding above 50%. Please enclose financial statements for the past 5 years from the top group company/companies presented according to generally accepted principles (financial Statements Act, IFRS, US GAAP, etc). If the ultimate owner is an individual, corresponding accounting data should be submitted, for instance annual accounts, statements of capital or similar data.
- The ultimate parent's operation budget for the 12 months ahead. The operation budget for 12 months ahead of the top group company/companies, showing expected revenues, costs, net interest expenses and corporate income taxes accompanied by management comments, including significant budget assumptions.
- Documentation that ensures a clear identification of the ultimate owner:
 - For individuals, e.g. by using CPR-number (the Civil Registration System)
 - For companies, e.g. by using CVR-number (the Central Business Register)

If the ultimate owner does not have a CPR-number or a CVR-number.

- An individual without CPR-number, must attach a copy of his/her passport or national identifications card, that can be used on entry in a Schengen country.
- A company without a CVR-number, must attach an official proof of the company's legal establishment in the home country. The proof must be no more than 3 three months old.
- A copy of the guarantee provider's credit rating of the applicant. If guaranties to cover the applicants financial risk or similar have been provided by a third party to the applicant, documentation that proves this must be submitted. If an official credit rating has been issued, for example by S&P (Standard and Poor's Credit Rating Agency), this must be submitted.
- A copy of guarantees issued to third parties. In case the applicant has provided guarantees to a third party, the applicant should submit documentation of such guarantees.
- Licences in other countries

- Denial of a licence

- Revocation of a licence

- Conviction or out-of-court settlement

- Other

Further information

If you have questions to the application please contact the Danish Gambling Authority at this e-mail: mail@spillemyndigheden.dk.

Publication of licence holders

The Danish Gambling Authority holds a list of names and addresses of the licence holders. The list is published on www.spillemyndigheden.dk.
