



# Guidelines for operators of betting and online casinos

Description of licence requirements for betting and online casino providers

## Version

| Publication date | Version | Description   |
|------------------|---------|---|
| February 2017    | 2.0     | General update of guidelines  |
| January 2018     | 3.0     | Updated application fee and annual fee  |
| May 2018         | 4.0     | Regarding simplification forwarding an application - Bluewhale  |
| February 2019    | 5.0     | General review  |
| March 2021       | 6.0     | Change of approval of white label<br>References to additional guides <ul style="list-style-type: none"><li>- Guide on sales promotion</li><li>- Guide on responsible gambling</li><li>- Guide on duty of disclosure when marketing and advertising gambling</li><li>- Guide on preventive measures against money laundering of criminal proceeds and financing of terrorism</li></ul> |

### PLEASE NOTE.

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

## Contents

|        |   |    |
|--------|---|----|
| 1      | Foreword .....  | 4  |
| 2      | Practical Information .....   | 4  |
| 3      | What do the guidelines include?.....                                    | 5  |
| 3.1    | Games for which a licence may be issued .....                           | 6  |
| 3.2    | Games for which a licence may not be issued.....                        | 7  |
| 3.3    | Games that may be provided without a licence.....                       | 7  |
| 4      | Who can apply?.....   | 8  |
| 4.1    | Subcontractors.....   | 9  |
| 4.2    | White label.....  | 10 |
| 4.3    | Affiliates .....  | 12 |
| 5      | Application .....   | 12 |
| 6      | Requirements for applicants .....                                       | 14 |
| 6.1    | Requirements for individuals.....                                       | 14 |
| 6.2    | Requirements for companies.....   | 15 |
| 6.3    | Requirements for executive board members and board members .....        | 16 |
| 6.4    | Licensees who are resident or based outside EU or EEA countries .....   | 16 |
| 7      | Requirements for appropriate financial and professional operations..... | 16 |
| 7.1    | Appropriate financial operations .....                                  | 16 |
| 7.2    | Appropriate professional operation.....                                 | 17 |
| 7.2.1  | Persons responsible.....  | 17 |
| 7.2.2  | Annex A .....   | 18 |
| 7.2.3  | Control of gambling data.....   | 19 |
| 7.2.4  | Link-up to SAFE and ROFUS .....   | 19 |
| 7.2.5  | Requirements of the gambling system.....                                | 21 |
| 7.2.6  | Registration of players .....   | 24 |
| 7.2.7  | Prevention of money laundering.....                                     | 26 |
| 7.2.8  | Safekeeping of identity information etc.....                            | 27 |
| 7.2.9  | Information to players.....   | 29 |
| 7.2.10 | Player options for setting a limit to gambling .....                    | 30 |
| 7.2.11 | Requirements which only apply to betting licences.....                  | 31 |
| 8      | Issue of licences .....   | 32 |
| 8.1    | Renewal of licences.....  | 33 |
| 9      | Changes to a licence .....  | 33 |
| 9.1    | Application for additional games not mentioned in licence .....         | 33 |
| 9.2    | Transfer of a licence.....  | 33 |
| 9.3    | Other changes .....   | 34 |
| 10     | Additional requirements for gambling providers.....                     | 35 |
| 10.1   | Marketing of gambling activities and sales promotion.....               | 35 |

---

|      |   |    |
|------|---|----|
| 10.2 | Responsible gambling.....                                       | 36 |
| 10.3 | Complaints from players .....                                   | 36 |
| 10.4 | Suspension of player accounts .....                             | 36 |
| 10.5 | Land-based betting activities.....                              | 36 |
| 11   | Annual fee .....  | 37 |
| 12   | Lapse of licence .....  | 38 |
| 13   | Withdrawal of license.....                                      | 39 |
| 14   | Appeals on decisions made by the Danish Gambling Authority..... | 39 |

---

## 1 Foreword

The Danish Gambling Authority is part of the Ministry of Taxation.

The Danish Gambling Authority is responsible for ensuring that the Gambling market in Denmark is well-run and properly regulated.

These guidelines are intended for individuals and companies who wish to provide betting and online casinos in Denmark in compliance with Gambling legislation (Act on Gambling, executive order no. 1303 of 4 September 2020 about gambling, and executive order nr. 336 of 16 April 2016 for Greenland on certain types of gambling) and associated ministerial orders.

The guidelines give an overview of what licensees need to consider when applying for a licence to provide betting and/or online casinos.

The Danish Gambling Authority has the responsibility for issuing licences for the provision of gambling in Denmark.

There are three basic conditions that the gambling activity needs to meet before a licence is required from the Danish Gambling Authority:

- Participants pay a stake to take part in the game (money or any items of value)
- Participants must have a chance of receiving winnings, and
- There must be a random element involved.

All three conditions need to be met before a license is required. If, for example, there is no need for a stake to take part in the game, then a licence from the Danish Gambling Authority is not necessary.

The full application fee must always be paid before the Danish Gambling Authority can begin the application process.

## 2 Practical Information

These guidelines describe the most important rules for individuals and companies that wish to provide betting and online casino.

The legislation is described in Gambling legislation (Act on Gambling, executive order nr. 1494 of 6 December 2016 about gambling, and executive order nr. 336 of 16 April 2016 for Greenland on certain types of gambling) and the following executive orders:

- Executive order on online casinos
- Executive order on online betting
- Executive order on land-based betting

In addition, the Danish Gambling Authority can attach conditions to a licence such as the regulation of games offered.

The Danish Gambling Authority is responsible for issuing licences, charging fees and supervising the industry. SKAT (The Danish Tax Authority) is responsible for the registration of licensees, invoicing, control and collection of fees.

Gambling for money is exempt from sales tax (MOMS). Gambling providers offering gambling activities have to pay payroll tax in accordance with the Danish Act on Payroll Tax § 1(1) (lønsumsafgiftslovens § 1, stk. 1). Contact SKAT for any further questions regarding sales tax (MOMS) and payroll tax. See [www.skat.dk](http://www.skat.dk) for more information.

You can find further information at [www.spillemyndigheden.dk](http://www.spillemyndigheden.dk). Here you can also find forms and other documents for use in applications. Please feel free to contact the Danish Gambling Authority via our online contact form at [www.spillemyndigheden.dk/en/kontakt](http://www.spillemyndigheden.dk/en/kontakt). You can select a subject and the message is digitally encrypted. You can also contact us by phone on 72 38 79 13.

### 3 What do the guidelines include?

The guidelines include the most important conditions for the provision of gambling.

Some games do not require a licence, while for other games it is impossible to have a licence; for example gambling activities that fall under the responsibility of the state monopoly in Denmark.

As mentioned in the foreword, there are three conditions that all need to be met before a licence is required:

- There must be a stake involved
- There must be a chance of winnings, and
- There must be a random element involved.

The following section gives an overview of the rules.

#### **What is a stake?**

A stake is typically an amount of money paid by a player to take part in a game. Subscriptions and similar can also constitute a stake if there is an extra payment for taking part.

#### **What are winnings?**

Winnings can be cash, goods, or services that have a financial value. There does need to be a connection between the size of the stake and the winnings. In this respect, a sponsored prize also counts as winnings.

#### **What is an element of chance?**

There has to be an element of chance involved in finding the winner. An element of chance could, for example be, if the game involves a roll of the dice or use of playing cards. If the winner is

found by means of pure skill, then the activity does not fall under the Act on Gambling, and a licence is not required.

### 3.1 Games for which a licence may be issued

#### **Betting**

Betting is an activity where the participant has a chance of receiving winnings, with bets placed on the result or outcome of a future event. This could, for example, include bets on the name of a new Royal Family member.

Provision of betting only requires a licence if the participants:

- Pay a stake (money or similar), and
- Have the chance of receiving winnings as a result of the stake (all types of winnings).

Betting can be divided into two categories:

- Fixed odds betting – where the player bets directly against the gambling provider and knows the potential winnings beforehand. This definition also includes betting exchanges, where players compete against each other.
- Pool betting – where all or part of the winnings are decided by the accumulated pool of stakes or is shared between the winners.

A licence for betting includes both online and land-based sales of betting. Online betting is defined as when the player and the provider are not physically in the same location, for example internet, telephone and TV sales.

It is not allowed to provide betting on events limited to children under the age of 18.

Land-based provision of betting also includes betting on the results of virtual sports events.

#### **Online casinos**

Online casinos require a licence from the Danish Gambling Authority.

A licence for online casinos in Denmark includes the following games:

- Roulette, blackjack, baccarat, punto banco, poker, onlinebingo and gaming machines games
- Combination games - all other games with a combination of skill and chance; see definition below.

#### **Combination games**

A combination game is defined as a game where the participant has a chance of receiving winnings, and where this chance depends on a combination of skill and chance. Combination games are decided by a combination of chance elements, such as using playing cards, rolls of the dice,

draws, and the players' skill/intelligence. The share of chance or skill involved does not define whether the game is a combination game or not.

If an element of chance is added to a game which is purely based on skill – for example a draw between the best players, then the game will be classified as a combination game because the opportunity for winnings now depends a combination of skill and chance. However, the combination of skill and chance must be a demonstrably natural part of the game.

Examples of combination games include:

- Whist
- Hearts
- Yahtzee
- Ludo
- Rubber-bridge
- Backgammon

### 3.2 Games for which a licence may not be issued

It is not possible to apply for a licence for lotteries or class lotteries.

A lottery is a game where the winner is chosen completely at random.

Lotteries include games such as:

- scratchcards
- prize-winning draws

These games can only be offered by companies with a special licence. Licenses have been issued, for example, to Danske Lotteri Spil A/S and Det Danske Klasselotteri A/S.

Danske Lotteri Spil A/S has a monopoly on providing lotteries such as lotto and scratchcards.

Danske Lotteri Spil A/S is a state-owned public limited company with the licence to provide gambling in Denmark and Greenland. The licence has been issued by the Danish Gambling Authority, and the Danish Gambling Authority supervises its activities.

It is, however, possible to apply for a licence for land-based provision of charitable lotteries, i.e. lotteries for the benefit of a charity or other non-profit organisations. Read more about this at [www.spillemyndigheden.dk/en](http://www.spillemyndigheden.dk/en) → Gambling category → Lottery.

### 3.3 Games that may be provided without a licence

Examples of games that can be provided without a licence:

- Games without stake, but with the opportunity of winnings



- Games with a stake, but without the opportunity of winnings
- Games with a stake and winnings, where there is no element of chance such as; chess, quizzes, bridge with duplicate cards, sports events, certain types of computer games, etc.

Even though there is a stake, winnings and an element of chance, some games can still be provided without a licence from the Danish Gambling Authority. A license is not required for:

- Land-based tournament backgammon
- Bank premium bond accounts
- Premium bonds
- Betting on future value of financial assets
- Gambling for small amounts of money in private homes.

The reason that there is no requirement for a licence for these types of gambling activity is that they are specifically exempted in the Danish Act on Gambling.

If betting on the future value of financial assets does not fall under current financial regulations, you should be aware that it may instead fall under gambling legislation and, as a result, require a licence.

## 4 Who can apply?

The Act on Gambling lists the requirements that a person or company needs to meet in order to obtain a licence for the provision of gambling.

### **Obligations, responsibilities and rights.**

In principle, all individuals and companies that provide gambling and/or online casinos must have a licence. If a licensee has decided to offer a number of games under a single brand through different individual companies, then all of these companies will need their own licence.

Licensees are responsible for ensuring that gambling activities are in full compliance with Danish legislation. The licensee's rights and obligations include the following:

1. Responsibility, risk and managerial authority for the operation of games.
2. Registration of players.
3. Ownership of gambling data, including registration of players.
4. Player support.
5. Ownership of intellectual property rights relating to games.
6. Ownership of website/game client.
7. Compliance with technical requirements for the control system and gambling infrastructure in place.
8. Majority ownership or leasing agreement of the gambling infrastructure in place.
9. Attention from the management's and employees' side to any suspicious activity from players that may be associated with money laundering or financing of terrorism.

10. A payment transfer system and support of various payment methods.
11. Attention to good marketing practices.

## 4.1 Subcontractors

A licensee is allowed to use subcontractors for part of the tasks mentioned above. The actual number of tasks allowed will depend on an individual assessment. However, in principle, the majority of the services must be provided by the licensee.

There is a distinction between internal and external suppliers. An internal supplier is another company providing services that is part of the same business group. An external company is a separate subcontractor supplying services and is not part of the same business group.

The use of subcontractors is not in breach of the prohibition against the delegation of rights as mentioned in section 9.2. The licensee, however, must be aware that the use of subcontractors does not entitle the licensee to disclaim liability in relation to the obligations of a licensee. As a result of this, it is the licensee's responsibility to ensure that any subcontractors live up to licence requirements at all times.

A subcontractor may not be a white label buyer from a gambling operator it provides services to. For further information on white label, see section 4.2.

### **Network platforms**

Network platforms are defined as platforms used exclusively for games where players play against each other (peer-to-peer games). Customers are redirected via the licensee to a network platform where the player can take part in games against or with players from other gambling operators and other countries.

Network platforms do not need, in principle, a licence to provide gambling in Denmark if the provider using the platform is a Danish licensee. It is not a requirement that all gambling providers connected to the network are licensees in Denmark. Players from Denmark must, however, always access the network via Danish licensees.

Network platforms will be considered as subcontractors to the extent that the network platform does not have or carry out the majority of the tasks listed in the section; Obligations, responsibilities and rights. The nature of the interaction with the licensee may lead to the overlapping of tasks.

The network platform must have a licence if, in addition to operating the platform, it is a white labeller or acts as a gambling provider offering games directly to players.

As the network platform is not required to have a licence, it means that the licensee redirecting players to the platform is directly responsible for the game provided via the platform.

## 4.2 White label

The prohibition against delegation of the licence does not hinder that the licence holder can enter into marketing agreements via white label contracts. The prohibition against delegation is specified in section 9.2.

Thus, the Danish Gambling Authority accept that the white labelling licence holder can sell the right to offer gambling in Denmark via white-label contracts. This does not make the white label buyer the licence holder since the licence is still granted to the licence holder. The white label contract can only be a marketing measure and in this way, the white label buyer cannot influence the operation, access to accounts etc. In addition, the white label buyer cannot have a relation to the registered players exceeding the relation needed for marketing.

However, it will be accepted that the white label buyer takes over the ownership of the database of registered players or the gambling system, when the cooperation with the white labeller is terminated.

As the white labeller, the licence holder is responsible for the provision of gambling offered via white label domains, and thereby also responsible for any offences of the gambling legislation committed by the white label buyer.

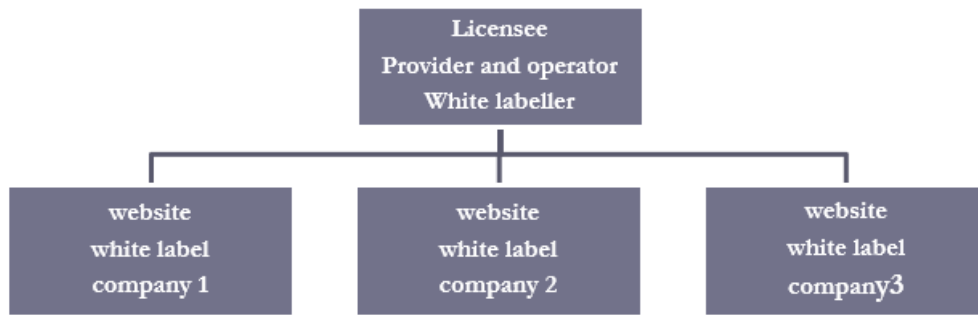
Provision of gambling via white label requires a preceding approval from the Danish Gambling Authority in the form of an annex to the licence. In connection with the request of such an annex to the licence, a copy of the signed white label contract as well as form no. 2-07 must be submitted to the Danish Gambling Authority. If the contractual terms appear from the annex to a previous contract, both the annex and the contract must be submitted.

The licence holder must appear explicitly as a contracting party in the white label contract and must specifically agree to the individual white label contract. Requests for approval of white label domains will be declined if this term is not met.

Only domains stated in the white label contract or annexes to the contract are covered by the Danish Gambling Authority's approval. A domain covers both domain names and endings. This means that if the white label contract solely states the .com domain, a .dk domain cannot be added unless a new white label contract or an annex to the approved contract is submitted.

### **White labeller**

The white labeller must have a licence issued by the Danish Gambling Authority. No matter the construction, the licensee is responsible for ensuring that games are provided in compliance with current legislation and the terms set down in the licence.



White labellers can make use of a subcontractor, as described above in section 4.1. A subcontractor may not be a white label buyer from the white labeller or its affiliates.

### White label buyer

White label buyers are only allowed to market the website and associated games (companies 1, 2 and 3 in the diagram). The white label buyer must not have access to player accounts or operational activities in general.

The white label buyer:

- Must not have any relations to registered players, other than is necessary for marketing purposes. If the white label buyer has relations to registered players due to the operations of a separate business area (other than online gambling), this will not constitute circumvention of the regulations.
- Must only have access to information in the customer database that is necessary for marketing purposes.
- Must not have ownership of the registered player database or gambling infrastructure. The white label buyer may take over the database when the partnership with the white labeller has been terminated.

If the white labeller acquires any influence on operations or player accounts, the construction will no longer be regarded as white label and an independent license will be required.

If the white label buyer owns the brand used to market the website, this will not be in breach of the regulations.

The licensee is responsible for ensuring that games are carried out in accordance with the current legislation and the terms of the licence. For this reason, a situation in which a white label buyer is responsible for the operation of games cannot normally arise. The licensee cannot disclaim liability.

A white label buyer (company 1, 2 and 3) may also be held responsible in cases where it acts contrary to general marketing practices or consumer protection rules and the relevant provisions of

the Gambling Act. Even though the white label buyer will typically be responsible for the majority of marketing of the gambling site, there is also nothing to prevent marketing by use of affiliates.

A licence for white labelling is an administrative decision and a revocation of the white label approval can be made according to section 44(1)(3) of the Gambling Act cf. section 29(1).

### 4.3 Affiliates

An 'affiliate' is defined as an individual or company that markets another company's products or services.

Licensees often use this type of affiliate marketing to market their sites and the games they offer, for example by means of links or banner advertising, and also articles and similar which do not have the nature of editorial cover.

Even though affiliates are typically used for online communication, their use is not restricted to this activity. Hotels, cafés, and other "offline" channels can also be used in connection with marketing.

Affiliates do not need to have a licence from the Danish Gambling Authority, if they are only involved in marketing the licensee. In such cases, this means that they:

- Do not have any relations to the players.
- Do not own gambling data.
- Do not own any rights associated with the brands and websites they are marketing.
- Do not own any parts of the gambling infrastructure used for the site they are marketing.

The general consumer protection rights and marketing rules, as well as the provisions of the Act on Gambling concerning marketing and promotion also apply to affiliates. Affiliates may be held liable for breaches of these regulations.

## 5 Application

It is now possible to apply for 5 types of licence:

1. A five-year betting licence
2. A five-year online casino licence
3. A one-year betting licence for providers with a maximum gross gambling revenue (GGR) of DKK 1 million (income-restricted licence)
4. A one-year online casino licence for providers with a maximum gross gambling revenue (GGR) of DKK 1 million (income-restricted licence)
5. A one-year licence for manager games for providers with a turnover of maximum DKK 5 million and where the return to player rate (RTP) does not exceed 20% (turnover-restricted licence)

The revenue and turnover-restricted licences are not covered any further in this guide but are described in the “Guide on revenue and turnover-restricted licences”.

Please be aware that the processing time for applications is three months, provided that documentation has been sent in correctly.

### Forms

Applicants need to use form 2-01 to apply for a licence for betting and/or online casino. The form can be found at [spillemyndigheden.dk/en](https://spillemyndigheden.dk/en) → select “online casino” or ”betting” → the form 2-01 (PDF). It is possible to fill in and save the form online.

The form also contains detailed explanations on the final pages on how to fill in each point.

The following individuals must fill out a personal declaration (Annex A - form 2-02):

- Individuals (sole-proprietor companies)
- All the stakeholders of a participating joint venture company
- All the executive board members and board members in the applicant’s company
- An appointed representative in Denmark
- Beneficial owners
- Any other individuals that are requested by the Danish Gambling Authority to do so.

Information about the gambling activities must also be provided in Annex B – form 2-03.

In connection with the application, the Danish Gambling Authority may ask for further information and perhaps request a meeting. This depends on the nature of the game, and the measures that the Danish Gambling Authority consider necessary to protect the players.

All forms must be signed manually or with one’s own electronic signature.

### Application fees

When you send in the application you need to pay a fee. The account number to which the fee must be paid is shown on the application form.

The fee is regulated on an annual basis and appears from the individual application form on [spillemyndigheden.dk/en](https://spillemyndigheden.dk/en).

The fee must have been paid when you send the application to the Danish Gambling Authority and proof of the payment must be enclosed.

The fee will not, in principle, be returned – even in the cases where you are not granted a licence. An exception to this rule is the application for an income-restricted licence where up to half of the amount may be refunded.

To read more about fees and the current rates, see [spillemyndigheden.dk](http://spillemyndigheden.dk).

### Submitting the application

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

If you are an applicant without CVR number, the application must be sent to the Danish Gambling Authority using Bluewhale. In case you are a Danish applicant with a CVR number, you must forward the application using the Danish Gambling Authority's digital forms, but forward attached documents using Bluewhale, if these are too large for attachment.

The communication using Bluewhale is described in: "Guidance – how to receive and send messages using Bluewhale" and at the back of the application forms. The application must be organised into files, with each file having a logical title and number referring to the relevant point on the application.

It is not possible to send a hard copy version of the application or using USB.

## 6 Requirements for applicants

Both individuals and companies can apply for a licence to provide gambling. It is not necessary for the individual or company applying for the licence to be resident or established in Denmark. See, however, section 6.4.

### 6.1 Requirements for individuals

There are four objective requirements and three subjective requirements that need to be fulfilled before a licence can be granted. The objective requirements can be defined as those easily verified.

The objective requirements are:

- The applicant must be at least 21 years old.
- The applicant must not be under guardianship or requested guardianship
- The applicant must not have filed a petition for restructuring, bankruptcy or debt relief or be subject to restructuring, bankruptcy or debt relief proceedings.
- The applicant must not have any debts outstanding to public authorities.
  - Outstanding debts are defined as debts which have passed the deadline for payment and have been passed on to the national debt recovery authority at SKAT.
  - Debts will not affect your licence application if:
    - 1) The applicant has entered into a repayment agreement,
    - 2) Full security for the debt has been provided, or
    - 3) There is disagreement between the applicant and SKAT as to the existence of the debt or its size, and SKAT has informed the applicant that the debt will not be recovered until such disagreement has been settled.

Subjective requirements are defined as situations where the Danish Gambling Authority makes an individual assessment of whether the applicant meets the requirements.

The subjective requirements are:

- The applicant must not have been convicted of a crime in Denmark or abroad that implies a risk that the applicant will misuse the access to working in the area of gambling.
- The applicant must be able to provide gambling in an appropriate financial manner.
- The applicant must be able to provide gambling in an appropriate, professional way.

| Requirements   | What do the requirements mean?  |
|--|---|
| The applicant must not have been convicted of a crime in Denmark or abroad that implies a risk that the applicant will misuse the access to working in the area of gambling. | <p>The Danish Gambling Authority must assess whether contravention of legislation involves a significant probability that the applicant will misuse the access to working with gambling activities.</p> <p>All infractions may be relevant but the Danish Gambling Authority will always consider the type of crime you have committed, when it happened in relation to the time of application, and if it involved repetition or systematic contravention.</p> <p>Contraventions of tax and excise duty legislation may also be of importance in any assessment. Fines and similar are also considered as infractions.</p> |
| The applicant must meet the requirements for appropriate financial operations  | <p>The Danish Gambling Authority takes into account factors such as whether:</p> <ul style="list-style-type: none"> <li>• The provider is in a position to pay out all potential winnings.</li> <li>• Budgets are consistent with the targets defined in the business plan.</li> <li>• There are sufficient funds allocated to the operation of the business.</li> </ul> <p>Refer to section 8.1 for more details</p>   |
| The applicant must meet the requirements for appropriate professional operations.  | <p>In its assessment the Danish Gambling Authority takes into account factors such as your previous experience in the areas of business operation and gambling activities. If you have no previous experience, the Authority will assess your educational background and other experience.</p> <p>In addition. An assessment will be made of how far the proposed gambling activities meet the requirements of the gambling legislation.</p> <p>Refer to section 7.2 for more details.</p>  |

## 6.2 Requirements for companies

The requirements for companies are the same as those for individuals. See section 6.1.

However, the age requirement and the requirement that a person may not be under any type of guardianship do not apply.



### 6.3 Requirements for executive board members and board members

The requirements for executive board members and board members are the same as those for individuals. See section 6.1.

### 6.4 Licensees who are resident or based outside EU or EEA countries

If the licensee is resident or the company is established outside the EU or EEA, it is a requirement that the licensee has a representative in Denmark. The representative, who must be approved by the Gambling Authority, may be either an individual or a company.

At [www.skat.dk](http://www.skat.dk) you can find an overview of EU and EEA countries.

The representative must be able to represent the licensees in areas of administrative law and in procedural and criminal law, as the representative will be responsible for the day-to-day communication with the Danish Gambling Authority.

If the representative is an individual, the representative must meet the same requirements as the licensee; see requirements for individuals in section 6.1. In addition, the representative must be resident in Denmark.

If the representative is a company the representative must meet the same requirements as the licensee, see requirements for companies in section 6.2. In addition, the company must be established in Denmark.

## 7 Requirements for appropriate financial and professional operations

To obtain a licence for provision of gambling activities in Denmark, you must demonstrate that the operation of the gambling activity will take place in an appropriate professional and financial manner. The two concepts are described separately below.

### 7.1 Appropriate financial operations

A gambling business must be operated in an appropriate financial manner. When applying for a licence, you must enclose documentation that will enable the Gambling Authority to assess your company's financial situation.

The documentation appears from the list in "Part 2" of the application form 2-01.

To do this, the Danish Gambling Authority will look at the following:

- Is the company in a position to pay out all potential winnings?

- Are the budgets consistent with the targets defined in the business plan?
- Are there sufficient funds allocated to the operation of the business?

The Danish Gambling Authority will send a considerable part of the financial information provided to an auditor, who will assist the Danish Gambling Authority in its assessment. The auditor is under a duty of confidentiality. The auditor will not make the final decision as to whether an applicant is assessed as able to carry out gambling operations in an appropriate financial manner. The Danish Gambling Authority will make the final assessment based on assessments from the auditing firm.

### **The setoff-free account**

To protect player funds, the applicant must have a setoff-free account at a financial institution, which is kept separate from other funds. The funds in the account may only be used for payouts to players and they must be protected should the licensee become insolvent.

The amount held in the account must at the minimum be equal to the total amount deposited in the players' gambling accounts. The setoff-free account must be updated once every 24 hours to ensure that the two amounts will match.

## **7.2 Appropriate professional operation**

The Danish Gambling Authority's evaluation of applicants includes the requirements set out below as well as the relevant Acts and Executive Orders. The evaluation will also be based on the information you submit with the application.

### **7.2.1 Persons responsible**

The application must state who has the responsibility for:

- Gambling software and the operation of the games
- IT security
- System changes
- Monitoring of anti-money laundering measures and financing of terrorism
- Financial affairs

In principle, the responsible persons should be employed by the licensee's company, but the Danish Gambling Authority will accept persons employed in the same group, for instance, if it can be guaranteed that these persons are empowered to establish measures and carry out any changes that may be necessary. These persons must also be able to provide and account for any information and documentation which the Danish Gambling Authority may need.

These persons may in no case be employed by subcontractors or companies that are not part of the same group as the applicant.

A description of the experience level for each individual responsible for a particular area must be attached to the application. An individual is allowed to be responsible for more than one area. The CVs of the individuals responsible must demonstrate to the Danish Gambling Authority that they are qualified for their jobs. The CVs must give an accurate view of the individual's professional track record and a description of the professional competencies they possess to take on the responsibility.

#### 7.2.2 Annex A

A personal declaration, annex A, must be filled out by the following individuals::

- Individuals (self-employed individuals),
- All stakeholders in a joint venture company,
- All board members and executive board members of the applicant's company,
- The representative of the applicant in Denmark,
- Beneficial owners,
- Anybody that the Danish Gambling Authority requests to do so.

#### **Beneficial owners**

Applicant companies must identify the business's beneficial owners. Publicly available registers in many jurisdictions will include information about the beneficial owners.

The term "beneficial owners" is defined in the Anti-Money Laundering Act, which is administered by the Danish Financial Supervisory Authority. The Danish Gambling Authority rely on this definition and thus refer to the Danish Financial Supervisory Authority's AML guide for additional guidance and interpretation of the term "beneficial owners". Furthermore, we refer to the Danish Business Authority's guide on registration of beneficial owners for further interpretation.

The beneficial owners of an applicant company are the natural person(s), who own or control the applicant company.

When the applicant company shall identify its beneficial owners, the company must assess which persons, who have a sufficient share of the equity interests or the control. An indicator of what constitutes a sufficient share would be, in principle, that the person has more than 25 percent of the equity interests and/or the control (indirect ownership). However, it is important to stress that the percentage limit is only an indicator of real ownership or control.

Annex A should include criminal record, and declaration of debts.

Documentation regarding criminal records and declarations of debt from the relevant authorities in the current country of residence must not be more than 6 months old at the time of application. For previous countries of residence, it is sufficient with a certificate of any time during the stay.

### 7.2.3 Control of gambling data

Annex 1 to the Executive Orders requires the establishment of SAFE and use of the Tamper Token. In addition, operators who provide games online must be linked up to the Danish Gambling Authority's register of self-excluded players (ROFUS).

#### **SAFE**

SAFE is the licensee's own data storage system (a file server) where you are required to store data - in accordance with standard records - for all the games provided. All licensees are required to establish at least one SAFE system. It must be possible for the Danish Gambling Authority to get online access to the licensee's data storage.

#### **Tamper Token**

Tamper Token is a security system which ensures that the data saved by the licensee in the SAFE system remains unchanged in storage.

Tamper Token is implemented in the Danish Gambling Authority's system and deals with:

- Creation of keys (tokens) used for the creation of identification codes.
- Storage of identification codes for later control.
- Ongoing control to check that the fixed time period for terminating tokens is observed.
- Verification that a retrieved series of data has not been changed in relation to the identification code received.

#### **ROFUS**

The Register of Self-Excluded Persons (ROFUS) is a register of all players in Denmark who have voluntarily requested exclusion - temporarily or permanently - from online casinos or online betting, as well as exclusion from access to land-based casinos in Denmark. The register is located at the Danish Gambling Authority, which is also responsible for keeping the register. If a player wants to be registered in ROFUS, the licensee must provide access to the Gambling Authority's website, from where self-exclusion can take place.

For a further description of ROFUS, please refer to section 7.2.4 and 7.2.10.

For a more detailed technical description of SAFE and ROFUS, please see the document "Technical requirements – online casino and betting", which is available under each gambling sector under *General technical requirements* on [www.Spillemyndigheden.dk](http://www.Spillemyndigheden.dk).

### 7.2.4 Link-up to SAFE and ROFUS

Before a licence can be granted, the applicant has to go through a number of system tests. The link-up process consists of the following:

#### **Test of access to SAFE**

The Danish Gambling Authority must be able to access SAFE to retrieve data. The applicant must disclose a username, password, IP address and in some cases an URL to SAFE. This information must be given to the Gambling Authority in the application form (Annex B).

### Approval of standard records

In connection with the application process the applicant must deliver the following material:

1. Test data in form of a number of specifically defined standard records, which cover the games for which you apply for a licence to offer. All test data must be based on retrievals from the gambling system, packed with TamperToken, be placed in SAFE and reported to the Danish Gambling Authority's test environment. Upon submitting test data, the applicant must cover all scenarios covered by their gambling offers. If the applicant for example uses one or more gambling providers, then all test data must cover games from all gambling providers. If several types of betting are offered, for example fixed odds, pool games, and betting on electronically simulated sports events, test data covering all types of games must be reported. If gambling activities are provided via computers, smartphones and land-based premises, test data must cover all sales channels used.
2. A description of the applicant's understanding of each data element in the standard records. The applicant must describe their understanding of the field, including any decisions made in regard to implementation.

### Tamper Token and ROFUS

The licensee must demonstrate correct use of the Tamper Token and show that it is possible to communicate with the ROFUS register.

In connection with the processing of an application for a licence, the applicant receives access to the TamperToken and ROFUS test environment. In addition, the Danish Gambling Authority sends test cases that must be completed by the applicant to demonstrate and document that they use TamperToken and ROFUS correctly.

The Danish Gambling Authority does not give access to the TamperToken and ROFUS test environment unless an application for a licence is received. To provide access to the TamperToken test environment, the Danish Gambling Authority must also have received information about the applicant's SAFE in Annex B.

### Final evaluation

When the required testing has been completed, the results and associated documentation are sent to the Danish Gambling Authority. An overall assessment of the process will be carried out and the results forwarded to the applicant.

A licence cannot be issued before all test cases are completed correctly and test data is reported to and approved by the Danish Gambling Authority.

Simultaneously with the issuance of the licence, the applicant is provided access to the TamperToken and ROFUS production environment.

For a more detailed description of the link-up process, refer to the guidelines: 'Description of the connection process', which is available in Danish under the item 'Technical requirements and service descriptions' in the Gambling Authority's website.

For a more detailed description of the technical requirements, see "Technical requirements – online casino and betting" on [www.Spillemyndigheden.dk](http://www.Spillemyndigheden.dk) under the heading: 'General technical requirements' for each gambling sector.

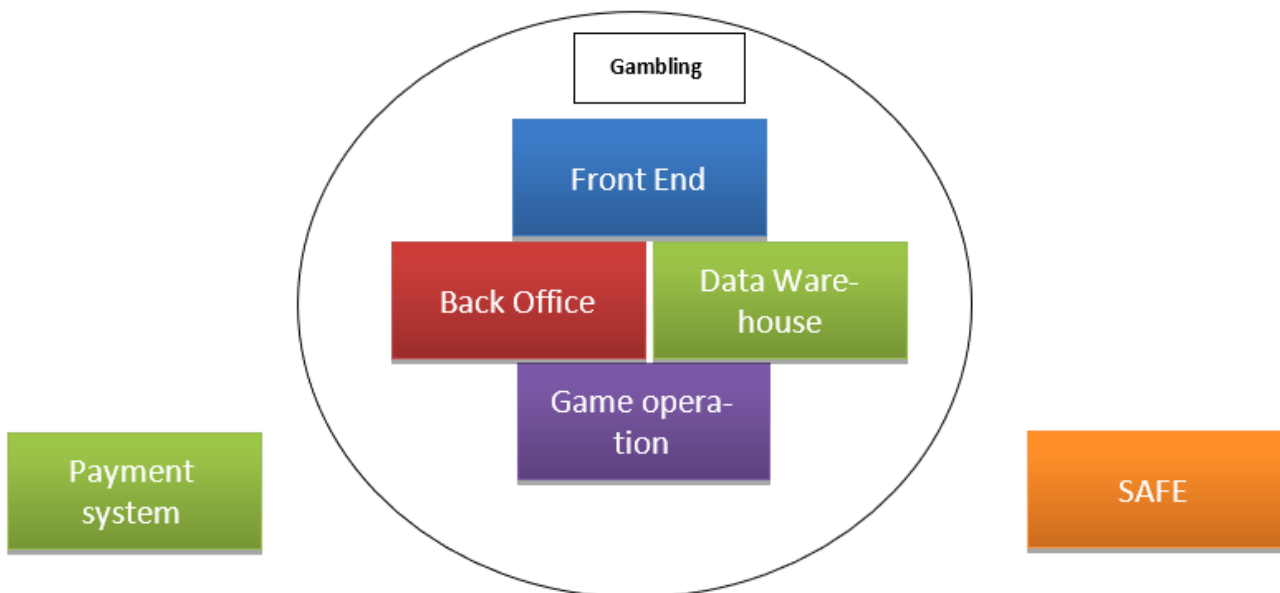
#### 7.2.5 Requirements of the gambling system

##### What does the concept "gambling system" include?

The Danish Gambling Authority defines the gambling system as electronic or other equipment used by or on behalf of licensees for provision of gambling activities, central development, operation of games; including equipment which:

1. Is used to store information concerning players' participation in gambling such as historical data and outcome data (results).
2. Generates and presents games to the player.
3. Determines the outcome of a game or calculates whether a player has won or lost in the game.

The illustration below shows the components that are (normally) used to provide gambling online, and which of these components are considered to be part of the gambling system. Payment transmission services and SAFE are not part of the gambling system.



Description of the various components:

- Front End defines the part of a system where the player interacts. In practice, this means the **gambling website**, including the **server** on which the site is operated; and **client software** installed on the player's computer and/or mobile telephone (item 1.above)

- Back Office defines the part of a system where the **player-specific data** is stored. As a minimum this includes the player's identity details and financial data, and in some cases gambling data will also be stored here (item 2. above)
- Data Warehouse defines the part of a system where **system-generated data** is structured and stored. In the illustration above it will in practice be gambling data, but in certain cases also financial data may be stored there (item 2. above)
- Game Operation defines the part of the system which determines the outcome of a game or calculates whether the player has won or lost in a game. The Random Number Generator with its support processes and the system for carrying out betting and similar activities are located here (item 3. above)

### Certification of the gambling system

The Danish Gambling Authority requires that gambling systems, business procedures and business systems are certified by an accredited test agency before the gambling system is used to offer games to players.

The requirements for certification are described in seven documents:

- General requirements
- Testing standards
- Inspection standards
- Information security management system
- Guidelines for penetration testing
- Guidelines for vulnerability scanning
- Change management programme.

The test and inspection standards are divided into different gambling categories, while the remaining documents apply to all categories. To be approved as a certified testing agency, the testing agency must satisfy the requirements specified in the individual documents

The documents and their requirements are:

| Document code |  | Description   |
|---------------|--|---|
| 00.00         | General requirements                   | Overall requirements and certification framework  |
| 01.00         | Testing standards                      | Random Number Generator (RNG) and jackpots  |
| 02.00         | Inspection standards                   | Game rules, registration, operation reports, player overview, terms and conditions, security, suspicious gambling behaviour etc |
| 03.00         | Information security management system | Information security etc (audit)  |
| 04.00         | Guidelines for penetration testing     | Information security (test)   |
| 05.00         | Guidelines for vulnerability scanning  | Information security (test)   |

| Document code |                             | Description   |
|---------------|-----------------------------|---|
| 06.00         | Change management programme | Standards for approving changes to gambling systems |

The test companies must give certification on the basis of the requirements stated in the above documents and report these using the standard reports at [www.spillemyndigheden.dk](http://www.spillemyndigheden.dk). The frequency of the certification is also stated here.

If the necessary certifications have not been obtained before Annex B is submitted, the fields in the form concerned with certification should not be filled in. In such cases, a timetable for the certification must be drawn up and enclosed. The certification must be ready before a licence can be granted.

#### Certification frequencies

Licence holders are responsible for ensuring that they are certified with the following frequencies:

| Document code |  | Frequency   |
|---------------|--|---|
| 00.00         | General requirements                   | -   |
| 01.00         | Testing standards                      | Interval of maximum 12 months   |
| 02.00         | Inspection standards                   | Interval of maximum 12 months   |
| 03.00         | Information security management system | Interval of maximum 12 months   |
| 04.00         | Guidelines for penetration testing     | Interval of maximum 12 months   |
| 05.00         | Guidelines for vulnerability scanning  | Interval of maximum 3 months  |
| 06.00         | Change management programme            | Interval of maximum 12 months (procedures) and<br>Interval of maximum 3 months (actual changes) |

For certifications that must be completed within an interval of maximum 12 months, the licence holder has a deadline of 2 months from the completion of the certification to submit the certification report for the certification in question.

For certifications that must be completed within an interval of maximum 3 months, the licence holder has a deadline of 1 month from the completion of the certification to submit the certification report for the certification in question.

#### Using accredited testing agencies

The requirements for accredited testing agencies are set out in the individual certification programme documents. The testing agency must acquire accreditation for ISO 17025 or ISO 17020-standards together with the Danish Gambling Authority's further requirements for individual areas.



Accreditation of testing agencies are granted by the Danish Accreditation Fund (DANAK) or a similar accreditation agency part of the European cooperation for Accreditation's multilateral agreement (the EA MLA), or a member of International Laboratory Accreditation Cooperation.

To carry out a penetration test and a vulnerability scanning, it is required that the testing agency is approved as an Approved Scanning Vendor (ASV). The approval is granted by the Payment Card Industry (PCI) Security Standards Council (SSC).

When a testing agency has been accredited it may, without any approval from the Danish Gambling Authority, carry out certification of gambling systems, etc.

When your gambling system is ready to be certified, you should approach testing agencies and make sure the company is an accredited agency. The licensee is responsible for proving to the Gambling Authority that the testing agency complies with the requirements from the Danish Gambling Authority for accredited testing agencies.

### **Physical location of the gambling system**

There are no requirements for the geographical location of the licence holder's gambling system.

The licence holder must with a short notice be able to give the Danish Gambling Authority Access to conducting a control of the gambling system by means of remote access or similar measures.

When conducting a control via remote access, representatives from the licence holder attend a meeting at the Danish Gambling Authority in person at which they give the Danish Gambling Authority access to conducting a control of the gambling system.

Gambling operators can request that the requirement for controls via remote access be dispensed with if the licence holder has a licence to offer gambling products in another jurisdiction where a public authority monitors the licence holder's gambling activities and this supervisory authority has entered into a cooperation agreement with the Danish Gambling Authority about the supervision of the licence holder's provision of gambling products in this country. The approval of the dispensation requires that the licence holder's entire gambling system is covered by the supervision of another authority, also in case the gambling system is geographically located in several jurisdictions, for example if multiple providers are used.

#### **7.2.6 Registration of players**

It is a fundamental requirement that the licensee has comprehensive knowledge of the players. The licensee must be convinced that the customer has provided details of their true identity. There must be no circumstances which give rise to doubts about the player's identity.

The extent of the identification procedure must be determined on the basis of an individual risk assessment. However, the risk assessment must never result in no form of identification measures being taken.

Below is a description of the guidelines in the area, but the licensee is obliged to introduce stricter procedures where it is assessed that there is a greater level of risk. For each player relationship, the licensee must be able to prove to the Danish Gambling Authority that the extent of the checks has been sufficient.

To participate in gambling, the player must be registered in the licensee's system. Only physical individuals may be registered as players, which this means that companies, clubs, etc., are not allowed to have gambling accounts. Moreover, licensees are required to make the registration conditional on the players acting solely on their own behalf.

### **Player registration**

In connection with the registration, the player must provide the following information:

- Name
- Address
- CPR-number

If the customer does not have a CPR number, you must obtain other similar identification documentation. This may be in the form of a personal registration number valid for the public authorities of the individual's home country or, if the country in question does not have such identification numbers, information about date and place of birth.

Players without CPR numbers include tourists staying in Denmark.

The licensee must confirm all information using the necessary documentation.

Players without CPR numbers only include players who actually do not have a CPR number. If the players do not wish to state their CPR number or provide similar information, they cannot be registered as a player.

#### *Specific requirements about addresses*

The address stated must be the player's permanent address (habitual residence). A post-office box address does not satisfy the requirements. If the player is homeless, it may be acceptable to establish a customer relationship even though address information has not been provided. Instead, players may obtain documentation from the local authority confirming that they are homeless.

If the customer resides outside Denmark, please see below.

### **Proof of identity for players**

The information provided by the player must be checked. The name, address and CPR number of the player must be verified by means of a reliable and independent source, such as the CPR Register. All three pieces of information must be checked. This means it is not sufficient to only check

the CPR number and name, but all three pieces of information do not have to be verified through the same source. Further documentation is also required:

This documentation may be provided in the form of an information check by using NemID as it is a requirement that customers use a digital signature with a security level corresponding to the OCES standard when logging into their gambling account. Prior to first login, the data should be compared with the information provided by the customer and verified. Access to the gambling account must only be granted if the sets of data match.

For customers without CPR numbers, a check of the name, address and identification similar to the CPR number is necessary. Note that passports and driving licences do not contain home address information so it is not sufficient to submit a copy of these documents alone.

In addition, the digital signature requirement does not apply to customers without a CPR number.

Based on an individual risk assessment, further information must also be obtained for players with a CPR number if there is doubt about the player's identity.

Further information for verification of the player's identity may include:

- Submission of photo identification.
- Requirement that the first payment is made by means of a money transfer from a bank account where the player has undergone a verification process.
- Telephone contact to the player if the number can be reasonably verified.
- Submission of a contract or similar to the player with a request to sign and return the document.

Picture identification must originate from a reliable and independent source and will thus typically be issued by public authorities. The information contained in the picture identification must be current.

Licensees must not set up a gambling account if they discover that the player has provided incorrect information. Individual pieces of information may be adjusted in cases where it the licensee assesses that the player did not intend to provide incorrect information; for example if the player did not state whether they live to the right or to the left side in a multi-storey building.

#### 7.2.7 Prevention of money laundering

The prevention of money laundering is specified in the guide “The Danish Gambling Authority’s guidance on preventive measures against money laundering of criminal proceeds and financing of terrorism”.

### 7.2.8 Safekeeping of identity information etc

The licensee must keep records of identity information for a period of at least 5 years after the customer relationship has been terminated. “Identity information” means the actual information about an individual.

The requirement for safekeeping of identity information includes the licensee keeping records of which identification documents were used to set up the account.

If the player has shown a passport, the passport number must be noted down and kept. If the passport shown is of foreign origin, birth data information (date and place of birth) must also be noted down and kept. If a driver’s licence has been shown, the licence number must be noted down and kept.

#### **Safekeeping of information after the closure of a company**

If a company closes down, the last known functioning management group must ensure that records of identity information continue to be kept in accordance with the Executive Order on online casinos, online betting and land-based betting.

#### **Updating of information while the customer relationship is still in force**

Documents, data and other information about the player must be updated on an ongoing basis.

The licensee must ask for new identification if there is doubt as to whether the documentation already obtained about the player’s identity is correct or sufficient.

If there are significant changes in the player’s gambling patterns, the information regarding the intended extent of gambling must be renewed by the player.

#### **Gambling accounts**

When the licensee has obtained information about the customer's identity and verified this information with the required documentation, a gambling account can be set up for the player. A player may have more than one gambling account, but the customer identification process must be carried out each time a gambling account is set up.

A gambling account must provide the player with information about:

- Account balance
- Gambling history (including stakes, winnings and losses)
- Deposits and withdrawals
- Details of all associated transactions

The gambling history must provide the player with access to view all stakes, winnings and losses resulting from a gambling session and must be recorded minute-by-minute at a minimum.

The information available to the player in the gambling account must date back at least 90 days. The player must also be able to access to information on request for a minimum of twelve months.

It must only be possible for the player to gain access to the gambling account using a digital signature. This must, as a minimum, have a security level corresponding to the OCES standard. NemID meets this requirement. On each login, verification must take place to ensure that the digital signature applied corresponds to the licensee's information about the player.

The Danish Gambling Authority may dispense with this requirement, and allow a log in to a gambling account without using a digital signature. This applies only in cases where the game has been developed from technical platform where it has not previously been possible to use the digital signature (such as tablets, smartphones and similar). It is a requirement for the exemption that the player activates the media by logging into a gambling account via the Internet. On log in to the gambling account, the usual player identification requirements, including the digital signature requirement, apply.

The digital signature requirement does not apply to players without a CPR number either. For such players, adequate identification of the player must be carried out during login in some other manner, for example through the use of a secure password.

### **Temporary gambling accounts**

Until the player's identity has been confirmed correctly as referred to in section 7.2.6 (proof of the player's identity), the licensee is only permitted to set up a temporary gambling account. The temporary gambling account must be shut down within 30 days if the player has not been properly identified with the correct documentation.

A temporary gambling account may not be set up for players who are listed in ROFUS.

The player may deposit a maximum amount of DKK 10,000 into a temporary gambling account, and no withdrawals may be made from the gambling account. This means that any winnings won must not be paid out until the gambling account has the status of a normal gambling account, and the player's identity verified. However, any winnings must be immediately credited to the gambling account.

When a temporary gambling account is shut down, the player will only be able to withdraw the remainder of the total deposited amount. Any winnings won by the player will accrue to the licensee.

### **The players' deposits to the gambling account**

It must only be possible for gambling accounts to accept payments from payment service providers that meet the requirements of the Payment Services Act. Players must not be granted a credit and cash deposits are not allowed.

When an amount has been deposited into the gambling account by the player, it must be shown immediately after the amount has been received. In the case of bank transfers, the amount must be credited to the account immediately after it has been received.

### **Closing a gambling account**

When a gambling account is closed, the licensee must pay out the balance of the gambling account to the player no later than five working days after the account has been closed.

#### 7.2.9 Information to players

All necessary and relevant information to the player must be in Danish, including playing rules and standard terms and conditions.

It must be possible for the player to find information about:

- All costs associated with participation
- The value of all winnings (market value)
- Where and when the winners are announced
- Theoretical payout percentages used
- Start and end dates for participation
- How winnings are paid out to the winners
- Deadline for submission of valid winnings claims
- The name of the licensee and the physical address where the licensee is established, e-mail address, postal address (if applicable) and any other information about the licensee necessary for contacting and communicating with the licensee
- The central business registration number (CVR No.), if the licensee is registered in the Central Business Register
- How the player can file a complaint with the licensee
- The approved licence period for providing gambling services.

The items of information defined as relevant depend on the form of the game and the gambling services provided.

It must be stated on the homepage of the website that the gambling licence has been issued by the Danish Gambling Authority and that the Danish Gambling Authority supervises the operation of gambling services. The Danish Gambling Authority's label must appear from the licence holder's website and the front page of the website must also include a link to the Danish Gambling Authority's website.

It is also a requirement for the provision of gambling via websites that:

- It must be stated that persons below the age of 18 are not allowed to take part

- Information about responsible gambling and the potential harmful effects of gambling must be provided. The information must be prepared in cooperation with a treatment centre
- The player must be able to access a gambling addiction self-test
- The player must be able to find information about and addresses of Danish treatment centres.

This information must be in a prominent place on the website, for example on the homepage, and it must always be possible for players to find and access the required information from all pages of the site.

During online casino games, a clock must be visible to players so they can see how much time has been spent on the site. The clock does not necessarily have to be a traditional clock or set to a specific time zone. It may instead be a timer function that starts when the player logs in.

#### 7.2.10 Player options for setting a limit to gambling

Below is a list of measures enabling players to set limits to their own gambling. As these are minimum requirements, it is also possible to implement further measures

##### **Deposit limits**

Players must be able to set daily, weekly and monthly deposit limits (24 hours, 7 days and 30 days from the time of registration). All three options must be offered to the players, and it must be possible for individual players to set a nominal amount of their own choice.

In principle, the deposit limits must be activated as soon as they are set. However, in cases where a previous deposit limit has been increased, 24 hours must pass before activation of the new limit.

##### **Self-exclusion from individual gambling operators**

Players must be able to exclude themselves from playing. The following options must be possible:

- A brief break from playing (cooling-off period)
- Temporary self-exclusion (minimum 1 month)
- Permanent self-exclusion.

In connection with permanent exclusion, the player's gambling account must be closed down and the player relationship terminated. The player can only set up a new account again one year after the gambling account was shut down at the earliest.

##### **Self-exclusion from gambling via the Danish Gambling Authority**

ROFUS is The Danish Gambling Authority's register of voluntarily self-excluded players. ROFUS allows players to voluntarily register using NemID if they want to exclude themselves temporarily or permanently from gambling in Denmark.

Players have the option of taking a 24-hour break or excluding themselves for a temporary period of 1, 3 or 6 months. Permanent self-exclusion is also an option.

The Danish Gambling Authority has the responsibility for operating ROFUS.

A licensee may not carry out exclusion on behalf of the player, but the licensee must inform the player about self-exclusion and refer them to the Danish Gambling Authority's homepage.

When registering a new player, the licensee must check the ROFUS register. If the player is listed in ROFUS, the licensee is not permitted to set up a gambling account - not even a temporary one. Each time a player logs in to the gambling system, you must consult the ROFUS register and check that the player has not been entered into the register. When a player is listed in the register, the player must be denied access to log in and the player relationship must be terminated in cases of permanent exclusion. In cases of temporary exclusion, the customer relationship may continue, but the player must still be denied access to log in.

A player who has requested permanent exclusion may ask the Gambling Authority to be deleted from the register after one year from the date of entry on the register

Temporary exclusions will be terminated automatically at the end of the exclusion period

ROFUS contains information about:

civil registration number of the players in the register.

- Date and time of self-exclusion.
- Date when temporary self-exclusion ends.

### **The Danish Gambling Authority's helpline**

The Danish Gambling Authority operates the helpline "StopSpillet".

StopSpillet can help players with:

- Professional, impartial and confidential advice about responsible gambling
- Clarification of problematic gambling behaviour
- Guidance about treatment options

The helpline can be contacted on +45 70 22 28 25.

Licence holders are required to inform players about ROFUS and "StopSpillet" in their marketing, which includes the licence holder's own website. For more information about the duty of disclosure, please see the Danish Gambling Authority's guide on duty of disclosure when marketing and advertising gambling. The guide is available on [spillemyndigheden.dk/en](http://spillemyndigheden.dk/en).

#### 7.2.11 Requirements which only apply to betting licences

The licensee is required to take the appropriate measures for reducing the risk of match-fixing.



### Land-based betting

Many of the above-mentioned requirements do not apply in connection with the provision of land-based betting - because, for example, it is not necessary to set up gambling accounts.

The following sections do not apply:

- Registration of players (section 7.2.6)
- Gambling accounts (section 7.2.9)
- Player options for setting a limit to gambling (section 7.2.11)

## 8 Issue of licences

### Licence period

A licence to provide betting or online casino games is granted for a period of up to five years.

### Geographical cover of the licence

A licence for betting or online casinos can only be used to provide gambling in Denmark.

This means that the provision of gambling in other countries cannot take place with a Danish licence even though the player already has an account with the Danish version of the homepage.

Similarly, games can only be provided in Denmark with a Danish licence. This applies no matter who the gambling provider is.

With a licence to provide betting or online casinos, the licensee may provide gambling to persons:

- Who are resident in Denmark and have a civil registration number
- Without a civil registration number, if they are staying in Denmark for a short period of time - for example, on holiday.

It is possible to apply for a licence to cover the provision of gambling in Greenland but not for the provision of gambling services in the Faroe Islands.

It is not possible with a Danish licence to provide gambling to persons who are resident in other countries, irrespective of whether they are Danish or have another nationality.

When players leave Danish territory, they are no longer bound by Danish legislation and will be subject to the regulations in the country where they currently are.

A Danish licence cannot be used for the provision of gambling outside Danish territory.

### Terms of the licence

The licence contains a number of specific terms and conditions, so licensees must always pay special attention to the terms stated in the licence.

Examples of terms include:

- Requirements for setting up a setoff-free account.
- Requirements for the responsible operation of gambling activities with the aim of avoiding social, health or public order problems.

Violation of the terms of the licence may result in withdrawal of the licence.

### **Publication of licensee list**

The Danish Gambling Authority regularly publishes a list of the licensees with approval to provide betting or online casinos in Denmark. This list is available on the Gambling Authority's website at [www.spillemyndigheden.dk](http://www.spillemyndigheden.dk).

## 8.1 Renewal of licences

Before a licence expires, it is possible to apply for a new one.

The fees and current rates on renewal of licences can be found on [spillemyndigheden.dk/en](http://spillemyndigheden.dk/en).

## 9 Changes to a licence

You may need to make changes to the basis on which your licence was issued. This could be in connection with changing key persons, providing new games or restructuring of your enterprise following a merger, a change of beneficial owners or changes to the ownership structure etc.

For changes to the licence, use form 2-07 - Modifications.

### 9.1 Application for additional games not mentioned in licence

#### **Online casinos**

With a licence for online casino services, you can provide the games roulette, baccarat, punto banco, blackjack, poker and games on gaming machines with cash winnings - unless your licence is limited to individual types of games.

In addition, you may - without a special licence - provide games that meet the criteria for being a combination game.

Before the provision of a new game, the Danish Gambling Authority must always be informed – especially see section 7.2.5. on the Danish Gambling Authority's change management programme, and where this may lead to a requirement for re-certification of parts of the gambling system.

#### **Betting**

With a licence for betting, all types of betting may be provided except those mentioned in section 3.2.

### 9.2 Transfer of a licence

A licence cannot be transferred.

#### **Delegation of a licence**

It is not possible to transfer (delegate) a licence or the rights and obligations that follow with the licence. This means that another company cannot provide gambling services based on a licence issued to another licensee.

Despite the ban against delegation of a licence, it is permitted to use external subcontractors. However, the licensee is always responsible for the games and cannot disclaim responsibility in relation to the Danish Gambling Authority or the players.

The ban against delegating does not prevent you from providing gambling services via white label constructions or selling games through employees, etc. Please refer to section 4.2 for more information.

### 9.3 Other changes

#### **Members of the board of directors or the executive board**

The Danish Gambling Authority must be notified within fourteen days if a new member joins the board of directors or a new executive officer is employed in the executive board of the licenced company. This is done by the person in question filling in and submitting form no. 2-07 as well as Annex A of the application.

The Danish Gambling Authority may decide that members of the board of directors or members of the executive board must resign from their post if they have been convicted of a criminal offence that involves a risk that they will misuse their access to working with gambling activities. The same applies if the member has unpaid, outstanding debt to public authorities in excess of DKK 100,000.

If a member of the board of directors or the executive board is placed under guardianship in accordance with section 5 of the Guardianship Act (personal and financial guardianship) or section 7 (requested guardianship), the member must resign from their post. This also applies if the member has petitioned for a reorganisation, bankruptcy proceedings or debt relief, or is in the course of reorganisation, bankruptcy or debt relief proceedings.

#### **Changes in named employees responsible for specific areas**

Changes to the named employees responsible for:

- Day-to-day operations
- IT security
- Finance
- System changes
- Combating money laundering and financing of terrorism

must be reported to the Danish Gambling Authority together with the name of the employee responsible for the task in the future. The Gambling Authority must approve the employee responsible for the area, and a CV must be submitted for this person. The licence holder is responsible

for ensuring that the Danish Gambling Authority is at all times in possession of the most recent information about the persons responsible. Read more about CVs in section 7.2.

### **Changes to the ownership structure**

The Danish Gambling Authority must be notified if the ownership structure is changed. In this connection, it is assessed whether the new owner is able to operate in an appropriate, financial manner. For the preliminary assessment, the following must be sent:

- Timetable for the procedure
- Description of the future changes to the organisational level as well as gambling and business concept
- Organisation chart of the group before and after the changes
- New Annex A if there has been changes in this group of persons (see form 2-02 for a description of this group of persons)
- Most recent annual accounts of the licence holder
- Expenditure budget for the coming 12 months with comments or completed budget template of the licenced business
- Sales contract between the parties
- Information about guarantee for the licence holder
- Annual accounts of the collateral provider
- Budget of the collateral provider

In addition to the above, it is assessed whether additional information is required.

Based on the material submitted, the Danish Gambling Authority assess whether the licence holder may continue to operate a gambling business in an appropriately financial and professional manner in relation to section 29 of the Act on Gambling. The Danish Gambling Authority may involve external consultancy in the process, after which it may be assessed that additional information is required.

A guarantee may be, for example, a statement of support from a parent company. The Danish Gambling Authority has a template for a statement of support.

## **10 Additional requirements for gambling providers**

There are a number of requirements for the provision of gambling activities which must be met in the day-to-day operation of a gaming enterprise.

### **10.1 Marketing of gambling activities and sales promotion**

In addition to the general marketing rules, there are special rules for the marketing of gambling activities. A more detailed description is available in the guide “Guide on duty of disclosure when marketing and advertising gambling” and specifically about sales promotion in “The Danish Gambling Authority’s guide on sales promotion”.

## 10.2 Responsible gambling

Various provisions of the gambling legislation state that licence holders must observe the requirements of responsible gambling. The requirements are specified in the guide “The Danish Gambling Authority’s guide on responsible gambling”.

## 10.3 Complaints from players

Players must be able to file a complaint with the licensee about its gambling services. As a result, the licensee must always deal with an inquiry from a player who disagrees about the size of winnings or about the way the game is played. However, this rule does not mean complaints about issues such as advertising or the cleanliness of a gaming shop must be dealt with.

It is not possible for the player to file a complaint about your decisions to the Danish Gambling Authority, but the licensee must instead refer the player to the authority where they can file an appeal.

A complaint must be dealt with within 14 days. If the licensee does not manage to complete the case within 14 days, the player must receive notification and notice of the expected date of completion.

The licensee must keep records of the complaints and the decisions made for a period of two years. Part of the Gambling Authority's supervision of activities may be to review any such complaints.

## 10.4 Suspension of player accounts

A gambling account may be suspended if the player is suspected of having unlawfully obtained winnings or violated conditions set out in the Danish Gambling Act, the Executive Order or in the terms and conditions of the gambling account.

Players must receive a decision concerning the suspension within reasonable period of time. During the suspension period, it must not be possible for players to terminate their gambling account. When a decision in the matter has been taken, players must receive this in writing by letter or e-mail. If the suspension leads to the confiscation of winnings, etc., the decision must be substantiated and the matter must be documented.

## 10.5 Land-based betting activities

Land-based betting can be offered via a store, betting shop or a land-based casino. The provision must take place at the premises and cannot take place outside the premises.

According to the Danish Gambling Authority’s practice, stores cover kiosks, supermarkets and petrol stations. The Danish Gambling Authority assess that restaurants, cafes, bars, bowling alleys

or pizzerias do not fall under a natural understanding of what is considered a store and therefore, it is not allowed to offer betting at such premises.

The individual stores must by function, design and signposting etc. appear and operate as independent, functionally and physically separate units that can be closed from the common area. This means that the area used by customers for payment etc. must be placed within the demarcation of the individual store. There cannot be direct, free access from one store's sales area to another store's sales area, and the goods sold in one store cannot be brought to and paid in another store.

## 11 Annual fee

The licensee is required to pay an annual fee to the Danish Gambling Authority for each licence to provide betting or online casino services.

### Calculation and payment of annual fee

The annual fee is calculated on the basis of the gross gambling revenue of a calendar year (gambling revenue less winnings). The fee is regulated on an annual basis and appears from [spillemyndigheden.dk/en](http://spillemyndigheden.dk/en).

You must pay the fee no later than one month after the licence enters into force. This date is stated in the licence.

The size of the fee will be adjusted on an annual basis.

For the first year of the licence, the Danish Gambling Authority will set the annual fee. The fee will be set based on the gross gambling revenue stated by the licensee in the budget that was enclosed with the application.

In the following years, the fee will be calculated on the basis of the preceding year's actual gross gambling revenue. If you have not provided gambling services for an entire calendar year but only for, say, six months, the gross gambling revenue will be multiplied by two to make up the annual fee.

### Regulation of the annual fee

The Danish Gambling Authority will regulate the annual fee in the following situations:

- If the realised/actual gross gambling revenue exceeds the basis on which the fee was calculated, an amount corresponding to the difference between the fee paid and the actual fee due will be charged. This amount must be paid no later than one month after this fee has been charged.
- If the realised/actual gross gambling revenue for a calendar year is lower than the basis on which the fee was calculated, an amount corresponding to the difference between the fee paid and the actual fee due will be refunded. Any such refunds cannot be paid out until after the end of the calendar year.

Regulation of the fee is not possible in cases where the licensee ceases the provision of gambling before the expiry of the licence.

The Danish Gambling Authority is responsible for the calculation, charging, regulation and refund of the fee using information on the gross gambling revenue and tax returns reported by the licensee to SKAT (the Danish Tax and Customs Administration).

## 12 Lapse of licence

A licence to provide games will lapse when any of the following conditions are met:

- The licensee advises the Danish Gambling Authority that the licensee no longer wishes to provide gambling services.
- The licensee does not commence the provision of gambling services after 12 months at the latest.
- The licensee does not provide gambling services for a period of 6 consecutive months, except in cases where the provision of gambling services is seasonal.
- The licensee passes away.
- The licensee or licensee's representative no longer meets one the conditions set out in section 6.1.
- The Bankruptcy Court, upon request from the Commerce and Companies Agency (Erhvervsstyrelsen), has ordered that the licensee be compulsorily dissolved.

Irrespective of whether the Bankruptcy Court has ordered that the licensee be compulsorily dissolved,

- the estate of the deceased licensee;
- a spouse retaining undivided possession of the estate;
- a licensee that has filed for a suspension of payments;
- a licensee's estate in bankruptcy; or
- a guardian of a licensee

may continue to provide gambling services with a view to winding-up and realisation, if it is notified to the Gambling Authority within 14 days after:

- the event of death;
- filing for suspension of payments;
- the issue of a bankruptcy order; or
- the establishment of the guardianship.

The access to continue providing gambling services only applies for six months after the event which caused the lapse of the licence.

## 13 Withdrawal of license

The Danish Gambling Authority may withdraw the licence if the licensee or the licensee's representative:

- Is in gross or repeated violation of the Gambling Act, its associated Executive Orders or the terms of the licence,
- Has been convicted of a criminal offence that may involve a risk that access to working with gambling activities will be misused,
- Can no longer show that it is likely that the gambling activities will be operated in an appropriate financial and professional manner,
- Is in gross or repeated violation of the duty to pay outstanding taxes or have/has not provided security for such taxes, see the Gaming Duties Act and the Act on the Collection of Taxes and Duties etc.
- Has failed to pay outstanding fees as set out in section 42 of the Gambling Act;
- Has unpaid, outstanding debt to public authorities in excess of DKK 100;
- Has not applied for registration of the company with the customs and tax administration within four weeks after the licence was granted;
- Provides or organises games that cause significant disturbance of public order.

## 14 Appeals on decisions made by the Danish Gambling Authority

The licensee can file an appeal about decisions made by the Danish Gambling Authority with the Danish National Tax Tribunal or the courts.

### **Appeals about decisions made by the Danish Gambling Authority**

The licensee can appeal any decision made by the Gambling Authority.

#### **Requirements for the appeal**

In order to handle the appeal, the following requirements must be met:

- The appeal must be in writing.
- The reasons for the appeal must be stated.
- All the points where the licensee disagrees with the decision must be specified.
- The licensee must attach a copy of the decision in question.
- Copies of all relevant documents supporting the case must be attached.

If these requirements have not been met, the licensee will be contacted and asked to correct the omissions within a specific deadline.

If the requirements are still not met after the expiry of the deadline, your appeal may be rejected.

The appeal must reach the National Tax Tribunal no later than three months after the licensee has received the decision from the Danish Gambling Authority.



### **Appeals to be sent to the Tax Appeals Agency (Skatteankestyrelsen)**

Appeals can be filed online via the Tax Appeals Agency's appeals portal.

Appeals may also be sent by post to:

Skatteankestyrelsen  
Ved Vesterport 6, 6. sal  
1612 København V

On receipt of the appeal, the Tax Appeals Agency will decide whether the appeal will be handled, at the National Tax Tribunal or the Tax Appeals Agency.

### **What does the appeal cost?**

On filing an appeal, the licensee must pay an appeal fee of DKK 1100 to the Tax Appeals Agency bank account: Registration number 0216, account number 4069029361.

On payment, the name and reference number from the decision receipt must be stated.

It is not possible to pay the fee via the Tax Appeal Agency appeals portal.

There is no charge for decisions concerning freedom of information.

### **When the appeal decision has been made**

Decisions of the National Tax Tribunal and Tax Appeals Agency are final and cannot be appealed to other bodies within the administrative system.

The matter may still be brought before the courts of law.

### **Appeals to court**

Any appeal must be received by the court three months at the latest after the decision has been made by the Gambling Authority. The three-month time limit is reckoned from the day the decision is issued and not from the day the decision is received.

If the case is not brought before the courts before the three-month time limit, the decision will be final and it will not be possible for the court to handle an appeal. In exceptional circumstances, a court may however decide to handle the case even though the three-month limit has passed.

The licensee may complain about decisions made by the Danish Gambling Authority directly to the courts. It is not a requirement that an appeal must first be filed to the National Tax Tribunal.

The licensee may also appeal decisions made by the National Tax Tribunal (Landsskatteretten) or Tax Appeals Agency (Skatteankestyrelsen).

### Suspensive effects of the appeal

When filing an appeal against a decision made by the Danish Gambling Authority to the National Tax Tribunal or bringing the case before the courts, the licensee must be aware that the appeal does not always have a suspensive effect

If the complaint does have a suspensive effect, the licensee does not have to comply with the decision until the appeal case has been decided by the National Tax Tribunal or the courts.

If the appeal does not have a suspensive effect, the licensee has to comply with the decision even though there is disagreement and an appeal has been filed about the decision.

Filing an appeal with the National Tax Tribunal or bringing a case before the courts has a suspensive effect if the decision concerns:

| Decision  | Reason for the decision   |
|---|---|
| Withdrawal of a licence   | <p>The licensee or the representative:</p> <ul style="list-style-type: none"> <li>• Is guilty of gross or repeated violation of the Gambling Act, of provisions set down in the Act, or of the terms of the licence,</li> <li>• Has been convicted of a criminal offence that leads to the potential risk that access to working with gambling activities may be abused, or</li> <li>• No longer fulfils the conditions about being able to operate gambling activities in an appropriate financial and professional manner.</li> </ul> |
| Withdrawal of the approval of a representative  | <ul style="list-style-type: none"> <li>• The representative has been convicted of a criminal offence that leads to the potential risk that access to working with gambling activities may be abused</li> <li>• The representative is no longer established or resident in Denmark</li> </ul>  |
| Decision about members of the board or executive board being required to resign   | The member has been convicted of a criminal offence that leads to the potential risk that access to working with gambling activities may be abused.   |
| The National Tax Tribunal or the courts may decide not to allow the appeal to have a suspensive effect on the decisions referred to above |   |

In other situations, an appeal does not have a suspensive effect. In some situations, however, the National Tax Tribunal or the courts may allow the appeal to have a suspensive effect in special circumstances.