



Online Gambling Licence Licensing Requirements

To uphold the integrity of its regulatory framework, the Isle of Man Gambling Supervision Commission (GSC) requires all licence applicants to establish a genuine operational presence on the Island. This includes specific mandates for server hosting, banking arrangements, and corporate substance.

Physical and Operational Presence

The GSC requires that all applicants demonstrate a genuine and substantial presence on the Isle of Man. This begins with incorporating a Manx company and appointing at least two directors who are natural persons and residents of the Island. In addition, the applicant must appoint a Designated Official (DO) who resides on the Isle of Man.

If the DO is not resident, the applicant must also appoint an Operations Manager (OM) who is based locally.

The GSC explicitly reserves the right to reject applications that appear to be setting up a “brass plate” operation—meaning a nominal presence with no real activity or substance.

The licence must not be used solely for reputational or commercial leverage while the actual operations are conducted elsewhere.

These requirements are in place to protect the credibility of the Isle of Man’s regulatory regime and to ensure that the Island benefits economically through employment, infrastructure development, and the use of local services.

Server Location Requirements

All licence holders are required to host their player registration systems and gameplay services on servers that are physically located within the Isle of Man. This requirement applies to all OGRA licence types, with the exception of software-only suppliers, where no player interaction or gameplay occurs on the Island.

For operators holding a network services licence, the core infrastructure—such as player wallet systems, game aggregation platforms, and account management tools—must also be hosted on servers within the jurisdiction.

This requirement ensures that the GSC maintains full jurisdictional oversight over critical systems. It also enables real-time supervision, technical audits, and compliance monitoring, reinforcing the Island’s reputation as a secure and well-regulated jurisdiction.

Banking and Player Fund Protection

Operators must maintain segregated player fund accounts in a bank that is located in the Isle of Man. These accounts must be kept separate from the operator’s operational funds to ensure that player balances are fully protected in the event of insolvency.

While exceptions to this requirement may be granted, they are only considered when the operator obtains prior written approval from the GSC and can demonstrate that equivalent or superior protections are in place.

This measure is designed to uphold the GSC’s core regulatory principle of ensuring that players receive their true winnings. It also provides financial transparency and auditability for all player funds held by the operator.

Virtual Currencies and Emerging Technologies


The GSC permits the use of virtual currencies and blockchain-based technologies under specific models, provided that operators meet strict regulatory and anti-money laundering (AML) standards.

The GSC recognises several operational models involving virtual assets. Each model carries distinct AML/CFT risks and must be assessed accordingly. In all circumstances there can be no instance of one type of digital currency deposited, and a different digital currency withdrawn. Although tokens can be exchanged on site to allow players to play in the same denomination, any tokens would need to be exchanged back to their original deposited form before withdrawal, e.g. BTC-in = BTC-out

Model 1: Crypto-to-Fiat Conversion Before Play

In this model, the operator uses an exchange as an interface between players who deposit digital currencies and its platform. The player deposits with the exchange and the exchange passes the fiat equivalent to the operator for gambling.

The GSC is willing to licence this model provided the exchange that is used is subject to FATF-compliant, mandatory reporting requirements for suspicion of money laundering and terrorist financing in a jurisdiction with an effective AML/CFT framework.



Model 2: Peer-to-Peer Crypto Gaming

Players wager directly against each other using cryptocurrency. The operator acts as a facilitator and does not take a stake in the outcome.

This model is permitted but requires robust transaction monitoring.

Model 3: Crypto-In / Crypto-Out Against the House

Players deposit and withdraw in cryptocurrency and play against the house.

This model is permitted but subject to enhanced AML/CFT controls and source-of-funds checks.

Model 4: Tokenised In-Game Economies

Games use tokenised virtual goods or currencies that may have real-world value.

This model is permitted, provided the operator can demonstrate effective controls over token issuance, trading, and redemption.

Model 5: Blockchain-Based Game Logic

Games built on blockchain infrastructure, with smart contracts determining outcomes.

This model is permitted but must be auditable and transparent to the GSC.

Prohibited or Restricted Models

Crypto-In / Fiat-Out models, where players deposit in cryptocurrency and withdraw in fiat, are not permitted.

Any model that **obscures the source of funds**, lacks transparency, or prevents effective AML/CFT oversight will be rejected.

Regulatory Expectations

- All virtual asset models must be pre-approved by the GSC
 - Operators must demonstrate that their systems are secure, auditable, and compliant
 - The GSC may impose licence conditions specific to the use of virtual currencies or blockchain technologies
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AML/CFT Requirements

Operators using virtual assets must implement:

- Enhanced due diligence (EDD) for crypto users.
- Blockchain analytics tools to trace source of funds and detect suspicious activity.
- Transaction monitoring systems capable of identifying red flags such as:
 - Use of privacy coins or mixers
 - High-risk jurisdictions
 - Rapid movement of funds across wallets ("hops")

Operators must also maintain a risk-based approach and document their controls in an AML/CFT policy tailored to virtual asset use.

October 2025

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