GAMBLING (CIVIL PENALTIES) REGULATIONS 2026

Index

Regulation **Page**

1 Title 3
2 Commencement 3
3 Interpretation 3
4 Maximum amount of civil penalty 4
5 Penalty calculation factors 4
6 Process for imposing a civil penalty 5
7 Revocation 6

Statutory Document No. 2026/0149

Gambling (Anti-Money Laundering and Countering the Financing of Terrorism) Act 2018

GAMBLING (CIVIL PENALTIES) REGULATIONS 2026

Approved by Tynwald:
Coming into operation in accordance with regulation 2

The Treasury and the Commission, after consultation with persons that the Treasury considered appropriate[1], make the following Regulations under section 22(6A) and (7) of the Gambling (Anti-Money Laundering and Countering the Financing of Terrorism) Act 2018.

1 Title

These Regulations are the Gambling (Civil Penalties) Regulations 2026.

2 Commencement

If approved by Tynwald, these Regulations come into operation the day after they are approved.

3 Interpretation

(1) In these regulations, **"individual"** means a controller, key person or senior manager of an operator.

(2) For the purpose of regulations 4 and 5 —

(a) **"AML contravention"** means a failure, in any respect, to comply with AML/CFT legislation; and

(b) **"information contravention"** means in purported compliance with AML/CFT legislation, any false, inaccurate or misleading information which has been furnished to the Commission;

and elsewhere in these Regulations, these terms are collectively referred to as a **"contravention"**.

[1] In accordance with section 22(6B) of the Gambling (Anti-Money Laundering and Countering the Financing of Terrorism) Act 2018, the Treasury must consult such persons as it considered appropriate.

4 Maximum amount of civil penalty

(1) In the case of an operator, the maximum cumulative amount of civil penalty that may be imposed by the Commission as the result of an AML contravention is whichever of the following is the greater —

(a) £1 million; or

(b) a sum not exceeding twice the amount of benefit derived from the contravention, where that can be reasonably established.

(2) In the case of an individual, the maximum cumulative amount of civil penalty that may be imposed by the Commission as a result of an AML contravention is £50,000.

(3) In the case of either an operator or an individual, the maximum amount of civil penalty that may be imposed by the Commission as a result of a single information contravention is £10,000.

5 Penalty calculation factors

(1) In determining the amount of civil penalty to impose in respect of each contravention on an operator, the Commission must have regard to the following factors —

(a) the operator's prior compliance history with the Commission;

(b) the risk of money laundering, terrorist financing or proliferation financing resulting from the contravention;

(c) whether the contravention resulted in harm;

(d) the reputational risk posed to the Island as a result of the contravention;

(e) whether the operator voluntarily reported the contravention;

(f) the cooperation of the operator with the Commission in relation to their investigation of the contravention;

(g) the intent of the operator in relation to the contravention;

(h) any remedial action taken by the operator since the contravention;

(i) the operator's compliance with the requirements of the Gambling (Anti-Money Laundering and Countering the Financing of Terrorism) Code 2019[2];

(j) the adequacy of the operator's anti-money laundering, counter terrorist financing and counter terrorist financing controls, including whether the operator —

(i) provided appropriate resources for these controls; and

(ii) employed staff with relevant qualifications or experience to oversee these controls;

[2] SD 2019/0219.

(k) the adequacy of the operator's governance in relation to their anti-money laundering, counter terrorist financing and counter terrorist financing controls;

(l) whether the operator gained, financially or otherwise from the contravention;

(m) whether the operator knowingly or recklessly supplied any false, misleading or inaccurate information to the Commission.

(2) In determining the amount of civil penalty to impose in respect of each contravention by an individual, the Commission must have regard to the following factors —

(a) whether the contravention occurred as a result of the individual's —

(i) consent;

(ii) connivance; or

(iii) negligence;

(b) the individual's seniority and the responsibilities of their role in ensuring the operator's compliance with AML/CFT legislation;

(c) the extent to which the individual's actions caused directly or indirectly, the contravention;

(d) any actions, as well as their timeliness, taken by the individual once they became aware of the contravention;

(e) the individual's and operator's prior history of regulatory compliance;

(f) whether the individual raised concerns regarding the contravention in a timely and appropriate manner, and what happened as a consequence of raising those concerns

(g) whether the individual knowingly or recklessly supplied any false, misleading or inaccurate information to the Commission.

(3) Where more than one AML contravention has been identified, a single penalty amount may be determined that reflects all the identified AML contraventions, provided that this cumulative total does not exceed the stated cumulative maximum in —

(a) regulation 4(1), in the case of an AML contravention by an operator; or

(b) regulation 4(2), in the case of an AML contravention by an individual.

6 Process for imposing a civil penalty

Where the Commission determines to impose a civil penalty on an operator or individual ("the recipient"), the Commission must, as soon as reasonably practicable, give the recipient written notice of —

(a) the decision to impose the civil penalty;

(b) the reasons for the decision to impose the civil penalty;

(c) the amount of civil penalty to be paid;

(d) in the case of a single civil penalty that covers more than a single contravention, a breakdown of the amount of civil penalty attributable to each contravention;

(e) the date that the civil penalty must be paid in full by;

(f) where the Commission has made a decision to issue a public statement in respect of the decision to impose a civil penalty, a copy of any public statement along with the reasons for its issuance;

(g) any right of appeal that the recipient may have in relation to the decision to impose the civil penalty, as well as the time in which any such appeal must be brought;

(h) the fact that any civil penalty or public statement may not be imposed until —

(i) the time within which an appeal may be brought has lapsed; or

(ii) the conclusion of any appeal brought.

7 Revocation

The Gambling (Anti-Money Laundering and Countering the Financing of Terrorism) Civil Penalties Order 2018[3] is revoked.

MADE 05 NOVEMBER 2026

MICHAEL CROWE, MHK
Minister for the Treasury

[3] SD 2018/0135.

MADE 13 NOVEMBER 2026

KEVIN WILLSON
Commissioner of the Isle of Man Gambling Supervision Commission

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations are made under section 22(6A) and (7) of the Gambling (Anti-Money Laundering and Countering the Financing of Terrorism) Act 2018. They set out the framework governing the imposition of civil penalties by the Gambling Supervision Commission ("the Commission") in respect of contraventions of AML/CFT legislation.

Regulation 4 specifies the maximum civil penalty that the Commission may impose. For operators, the maximum cumulative penalty is the greater of £1 million or twice the amount of any benefit reasonably derived from the contravention. For individuals, the maximum cumulative penalty is £50,000.

Regulation 5 sets out the factors that the Commission must consider when determining whether to impose a civil penalty and, if so, the amount of that penalty. Separate factors apply to operators and individuals, reflecting their differing roles, responsibilities and potential levels of culpability. In relation to individuals, the Regulations require the Commission to consider whether the contravention occurred with that individual's consent, connivance or negligence, as well as other factors.

Regulation 6 sets out the process the Commission must follow when exercising its power to impose a civil penalty. This includes the requirement to give written notice of the decision, the reasons for it, the amount of the penalty, and any associated public statement. It also confirms that a civil penalty or public statement may not take effect until the period for bringing an appeal has expired, or any appeal brought has been concluded, in line with the appeal provisions in Part 4 of the Gambling (Amendment) Act 2006.