

## British Gambling Commission updates Licence Conditions and Codes of Practice

On 28 July 2016, the British Gambling Commission (the "**Commission**") published a revised Licence Conditions and Codes of Practice (the "**LCCP**"). The newly published version incorporates changes made to the LCCP following two consultations on matters concerning the responsible placement of digital adverts and the requirement for the non-remote lottery sector to assess money laundering risk.

These amendments to the LCCP will come into force on 31 October 2016 and the newly published version will replace the current LCCP published in February 2015.

The principal changes are set out in the table below for your reference. Please be advised that amendments may not apply to all licence holders.

Topic	Summary of amendment	Licence condition (LC) / Social code (SC) number
Cash and cash equivalents	LC 5.1.1(1) extends the definition of a "cash equivalent" to include digital currencies, applying the same audit and AML procedures to digital currencies as they apply to cash.	LC 5.1.1(1)
Payment method services	Licensees <b>must</b> now only accept payment methods if the provider of those payment services is a 'payment service provider' as defined within regulation 2 of the Payment Services Regulations 2009. Previously, the requirement said Licensees "should", as opposed to "must". The amendment removes any ambiguity about the absolute nature of the requirement.	LC 5.1.2
Anti-Money Laundering	Licensees must: <ul style="list-style-type: none"> <li>Conduct an anti-money laundering risk assessment and review as appropriate</li> <li>Implement policies, procedures and controls having regard to the risk assessment, reviewing and revising as necessary</li> </ul> Licensees with remote gambling equipment located outside of Great Britain must also: <ul style="list-style-type: none"> <li>Comply with Parts 2 and 3 of the Money Laundering Regulations 2007 (or equivalent) insofar as they relate to casinos, thereby removing any questions around territorial application of British gambling regulation</li> </ul>	LC 12
Reporting key events and other reportable events	Licensees are required to notify the Commission of criminal investigations where the licensee is involved and its measures to keep crime out of gambling may have failed.	LC 15.2.1
Responsible placement digital adverts	Licensees must ensure digital advertisements are not placed on websites providing unauthorised access to copyright content (includes a responsibility for third parties with whom they contract).	LC 16

Topic	Summary of amendment	Licence condition (LC) / Social code (SC) number
Betting integrity	Bets placed by customers where a breach of any rules about irregular and/or suspicious betting is identified should be void.	SC 4.2.8
Gambling staff and irregular betting	Policies should include reporting requirements for employees on suspicious betting and a prohibition on employees' placing wagers based on information related to suspicious betting.	SC 7.1.3

