



BERMUDA

BETTING REGULATIONS 2021

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The Minister responsible for gaming, in exercise of the power conferred by section 96 of the Betting Act 2021, makes the following Regulations:

Citation

- 1 These Regulations may be cited as the Betting Regulations 2021.

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Interpretation

2 In these Regulations—

“Act” means the Betting Act 2021;

“Casino Regulations” means the Gaming (Casino) Regulations 2018;

“dormant”, in relation to a patron account, has the meaning given in regulation 13;

“minor” means a person under 18 years of age.

Event permits - private events

3 The Commission may grant the holder of a bookmaker’s licence an event permit in accordance with section 21 of the Act if—

(a) the permit relates to a private function from which—

(i) members of the public; and

(ii) minors;

will be excluded;

(b) the event premises consists of or is contained within the premises on which the function will be held;

(c) the permit specifies a limit on the amount of any individual bet that is no more than \$500.

Acceptance of bets

4 (1) A betting operator shall not accept a bet, unless it is placed—

(a) with cash;

(b) by a registered patron using a customer account; or

(c) by such other payment method as the Commission may by written direction allow.

(2) The Commission may by written direction, permit the use of credit cards, cheques, or similar methods of payment.

(3) A betting operator shall not knowingly accept a bet upon an event whose outcome has already been determined and is knowable by either the betting operator or the patron at the time the bet is sought to be placed.

(4) A betting operator shall not accept a bet, including a parlay wager—

(a) on the outcome of any political event in Bermuda; or

(b) on any other outcome or event that the Commission has prohibited by written direction.

(5) A betting operator shall not hold a patron’s money on the understanding that the betting operator will accept the money as a wager only upon the occurrence of a specified

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future contingency, unless a betting ticket documenting the bet and the contingency was issued immediately when the betting operator received the money.

- (6) A betting operator shall not accept a bet from—
- (a) a minor;
 - (b) an excluded person; or
 - (c) a person whom the betting operator reasonably believes is placing a bet on behalf of another person.

(7) A betting operator shall not accept a bet unless the details of the bet are posted by electronic or manual means and are updated simultaneously with actual changes to the details.

- (8) A betting operator shall not accept a bet on an event, unless—
- (a) the outcome of the event can be verified;
 - (b) the outcome can be generated by a reliable and independent process;
 - (c) the outcome is not affected by any wager placed; and
 - (d) the event is conducted in conformity with any applicable laws.

Betting tickets

5 (1) Immediately upon accepting a bet, the betting operator shall create a betting ticket on which the terms of the bet are written.

- (2) A betting ticket shall bear—
- (a) the name and address of the betting operator;
 - (b) the event number and the date and description of the event;
 - (c) a unique number by which the ticket can be identified in the betting operator's records;
 - (d) the location, date and time of issue;
 - (e) the amount of the bet; and
 - (f) the payout odds.

(3) A betting ticket may be provided to the patron by electronic means, provided that it is in a format that does not allow for any alteration or amendment of the information contained on the ticket.

- (4) In this regulation—

“accepting a bet” includes registration of a bet placed remotely from a customer account;

“event number” means a set of alpha/numeric characters that identify specific odds for a specific bet in relation to the relevant event.

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Parlay wagers

6 (1) A betting operator who offers parlay wagers shall fully, accurately and unambiguously disclose on all parlay wager forms—

- (a) the amounts to be paid to winners or the method by which such amounts are to be determined and, if payouts are limited to an aggregate amount under paragraph (2), the aggregate amount;
- (b) the effect of ties;
- (c) any minimum and maximum betting limits;
- (d) the procedure for claiming winnings, including but not limited to the documentation patrons must present to claim winnings, any time limits for claiming winnings, whether winnings may be claimed and paid by mail and, if so, the procedure that applies;
- (e) the effect on the wager if an event that is bet on is not played on the date specified, or if other events occur that will cause the selections to be invalid;
- (f) the requirement that a parlay wager must consist of at least three selections that have not become invalid under applicable house rules or the wager will be void and the money wagered will be refunded;
- (g) the rights, if any, reserved by the betting operator, including but not limited to reservation of the right to refuse any wager or delete or limit any selection prior to the acceptance of a wager, or to withhold payouts of specified amounts until the outcome of each proposition offered by the parlay wager has been determined;
- (h) the requirement that the point spreads printed on the parlay wager form when the wager is accepted will be used to determine the outcome of the wagers; and
- (i) that the house betting rules apply to parlay wagers unless otherwise stated on the parlay wager form.

(2) The betting operator may limit the aggregate amount to be paid to winners on a parlay wager in proportion to the amounts won, provided that the aggregate limit is not less than the amount disclosed on the parlay wager form (the “base amount”) plus twice the amount wagered on the parlay at all betting premises to which the aggregate limit applies.

(3) When the betting operator knows or ought reasonably to know that actual payouts on a parlay wager will be limited by an aggregate amount established under paragraph (2), the betting operator shall cease accepting wagers and making payouts on the parlay wager.

(4) After the outcome of the final game, match or event covered by the parlay wager has been determined, the betting operator shall pay each winner at least that proportion of the payout amount stated on the parlay wager form that the aggregate limit bears to total payouts, including payouts made prior to suspension of payouts, that would otherwise have been made but for the limit.

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(5) When the betting operator ceases accepting wagers and making payouts on a parlay wager form under paragraph (3), the betting operator may accept wagers on the aspects of the parlay that have yet to be determined, provided that the parlay wager form, patron receipts, and related documentation are distinguishable from the original parlay so as to constitute a different parlay.

(6) If the betting operator pays the winner of a parlay wager more than 10% of the base amount established under paragraph (2) before the outcome of every proposition offered by the parlay has been determined, the betting operator shall pay every winner of a wager on that parlay the proper payout amount stated on the parlay wager form in full without regard to any aggregate limit established under paragraph (2).

Unilateral rescission of wagers

7 A betting operator shall not unilaterally rescind any bet without the prior written consent of the Commission.

Report of suspicious wagers

- 8 (1) If a betting operator forms the opinion that—
- (a) a bet is a suspicious wager; or
 - (b) an event is a suspicious event,

it shall promptly report the bet or the event to the Financial Intelligence Agency and to the Commission, together with the reasons for the opinion.

(2) The report to the Commission shall be in such form as the Commission may require.

(3) Each person involved in the formation of the opinion or the reporting of it shall keep the fact of the report confidential.

(4) The betting operator may inform a patron of the report if it is refusing to pay the patron a winning bet on the instruction of the Commission.

(5) In this regulation—

“suspicious event” means an event—

- (a) in relation to which the betting operator accepted or offered to accept bets; and
- (b) which the betting operator knows or suspects has been or will be subject to interference or attempted interference;

“suspicious wager” means a bet to which any of the following apply—

- (a) it is above \$5,000 (as a single wager or as an aggregate over a 24-hour period);
- (b) the betting operator reasonably believes it may be a violation of any provision of law;

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- (c) the betting operator reasonably believes it is not the sort of bet which that patron would normally be expected to place, and the betting operator knows of no reasonable explanation for the wager after considering the known facts; or
- (d) the bet relates to an event that has attracted unusual betting activity, such that the integrity of the event is called into question.

Other obligations in relation to suspicious activity

9 (1) The procedures mentioned in section 28(3) of the Act shall apply in particular to—

- (a) how, for the purposes of registration of a patron, the betting operator establishes the patron's identity and other patron details;
- (b) how the betting operator identifies unusual bets, unusual patterns of bets, or unusual behaviour by patrons that might indicate that money laundering or terrorist financing is being undertaken;
- (c) notifying the Financial Intelligence Agency in appropriate cases where—
 - (i) the betting operator is unable to establish the patron's identity or other patron details to its satisfaction; or
 - (ii) behaviour mentioned in paragraph (b) has been identified; and
- (d) ensuring that staff members receive appropriate training in the procedures and in the law relating to money laundering and terrorist financing.

(2) The betting operator shall maintain documentation of the procedures and make the documentation available to an inspector on request.

Layoff wagers

10 (1) A betting operator may, in its discretion, accept a layoff wager from another betting operator.

(2) A betting operator may place a layoff wager with another betting operator.

(3) A betting operator placing a layoff wager shall disclose its identity to the person accepting the wager.

(4) In this regulation, "layoff wager" means a bet placed by a betting operator with an approved betting business for the purpose of mitigating the risks associated with bets by patrons.

Registered patrons

11 (1) For the purposes of section 37(3) of the Act, the prescribed details of a registered patron are—

- (a) the patron's full name;
- (b) any other identifier such as a nickname or alias;

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- (c) date of birth;
- (d) nationality;
- (e) residential address in Bermuda;
- (f) email address and telephone number.

(2) The betting operator shall at intervals of not more than 12 months request a registered patron to update any of the patron details that have changed.

(3) For the purposes of section 37(5) of the Act, a betting operator shall not register a person as a registered patron unless the person is ordinarily resident in Bermuda.

Operation of customer account

12 (1) For section 39 of the Act, the customer account of a registered patron shall consist of two sub-accounts—

- (a) a betting account; and
- (b) a winnings account.

(2) The two sub-accounts shall operate as follows—

- (a) the registered patron may make deposits to the betting account only, and any deposits shall be in cash;
- (b) the balance of the betting account shall not exceed \$1,000;
- (c) the registered patron shall not draw on the betting account except to place a bet with the betting operator;
- (d) the betting operator shall pay any winnings from such a bet into the winnings account as soon as practicable;
- (e) the registered patron shall not draw on the betting account for a bet whose winnings, if the bet were successful, would result in a balance in the winnings account that exceeds \$5,000;
- (f) the registered patron may draw on the winnings account only—
 - (i) in person;
 - (ii) in cash; and
 - (iii) in amounts of no more than \$1,500 per day;
- (g) if the winnings resulting from a particular bet are not drawn from the winnings account by the patron within 21 days of the winnings being paid into the account, the account becomes dormant and no bets may be drawn on the betting account until the winnings have been drawn.

(3) A bet drawn from a customer account may be placed by the registered patron—

- (a) in person on the betting premises;

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- (b) by telephone to a staff member of the betting operator who is authorised to accept such bets; or
- (c) remotely, by means of relevant equipment approved by the Commission under section 35(4) of the Act.

(4) The betting operator shall not accept a bet drawn from a customer account unless it is satisfied that the person placing the bet is the registered patron; and shall institute a security verification process for confirmation of the identity of persons placing telephone bets.

(5) The betting operator shall provide printed or electronic receipts to the holder of a customer account of the following—

- (a) cash deposits to the customer account, at the time of deposit;
- (b) winnings deposited to the customer account, at the time of deposit;
- (c) winnings withdrawn from the customer account, at the time of withdrawal, including a statement of the remaining balance in the account and the proportion of the balance that represents the winnings.

Dormant accounts

13 (1) A customer account is “dormant” if—

- (a) regulation 12(2)(g) applies; or
- (b) it has had no patron initiated activity for period of 12 months.

(2) Upon an account becoming dormant, the betting operator shall seek to establish whether the patron wishes to continue the account and shall continue to do so at regular intervals thereafter.

(3) If the betting operator has not been able to contact the patron within one month after the account became dormant, and the account has \$20 or less in funds, the betting operator may close the account.

(4) If the account has \$20 or more in funds, and the betting operator has not been able to contact the patron within 12 months after the account became dormant, the betting operator shall close the account.

(5) A betting operator shall notify the Commission 14 days prior to closing any customer account, and shall take such steps as the Commission directs, including transferring any funds in the customer account to the Commission or to such other account as the Commission directs.

Records relating to registered patrons and customer accounts

14 (1) A betting operator shall keep, for each registered patron—

- (a) a copy of the photographic ID relied on for the registration;
- (b) copies of any other documents relied on to establish the patron details for the registration;

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- (c) records of—
 - (i) the date and time of the registration;
 - (ii) if the patron has been removed from the register, the date and time of removal and the reasons for removal;
 - (iii) the date and time of the establishment of any customer account and, if the account has closed, of the closure;
 - (iv) the patron's significant bets; and
 - (v) all transactions relating to any customer account, including the details of any bets made by the patron through the account, and a copy of the receipts and electronic notifications required to be provided to the registered patron under regulation 12(5).

(2) The betting operator shall keep the documents and records mentioned in paragraph (1) for five years after the removal of the registered patron from the register.

(3) The documents and records mentioned in this regulation shall be made available to an inspector on request.

Exclusion orders

15 Part 12 of the Casino Regulations (exclusion orders) applies in relation to a betting operator as if—

- (a) a reference to section 112 of the Gaming Act 2014 were a reference to section 59 of the Betting Act 2021 (self-exclusion orders);
- (b) a reference to section 113 of the Gaming Act 2014 were a reference to section 60 of the Betting Act 2021 (compulsory exclusion orders);
- (c) a reference to section 114(3) of the Gaming Act 2014 were a reference to section 61(3) of the Betting Act 2021 (minimum period of exclusion);
- (d) a reference to a casino were a reference to betting premises;
- (e) a reference to a casino operator were a reference to a betting operator;
- (f) a reference to a member of the casino staff were a reference to a staff member of the betting operator;
- (g) regulation 200(1) were omitted;
- (h) in regulation 200(3), the words up to and including “under section 113 of the Act” were replaced by “The betting operator shall document the procedure in place for making compulsory exclusion orders under section 60 of the Betting Act 2021”;
- (i) in regulation 200(4), the words “without the need for the person to enter a gaming area” were omitted; and
- (j) in regulation 200(6)(b) the words “any patron account or credit line” were replaced by “any customer account”.

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Reconsideration of inspector's decision

16 For the purposes of section 68 of the Act, regulation 239 of the Gaming Regulations applies in relation to an application for review of the inspector's decision by the Commission as if—

- (a) the reference to a casino operator were a reference to a betting operator; and
- (b) paragraph (7) were omitted.

Major change in situation of betting operator

17 The following are additional "major changes" for the purposes section 73 of the Act—

- (a) if the betting operator or any of his associates or is investigated, arrested or charged with a criminal offence;
- (b) a significant decline in the financial circumstances of the betting operator such that financial viability of the betting operation is at risk;
- (c) if any of the betting operator's bank accounts are moved to another local deposit-taking institution;
- (d) the introduction of a new betting product.

Disciplinary procedures

18 Part 19 of the Casino Regulations applies in relation to a betting operator as if—

- (a) a reference to a regulated person were a reference to a betting operator;
- (b) Chapter 1 were omitted.

Evidential provisions

19 Regulation 281 of the Casino Regulations applies in relation to a betting operator as if—

- (a) a reference to a casino licence were a reference to the betting licence;
- (b) a reference to the casino premises were a reference to the betting premises; and
- (c) paragraphs (1)(d), (e) and (f) were omitted.

Commencement

20 These Regulations come into effect on 1 August 2021.

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Made this 6th day of July 2021

Premier

[Operative Date: 01 August 2021]