



**Isle of Man**  
**Government**  
*Reiltys Ellan Vannin*

**AML FORUM**

**21<sup>st</sup> Meeting**  
19 July 2024

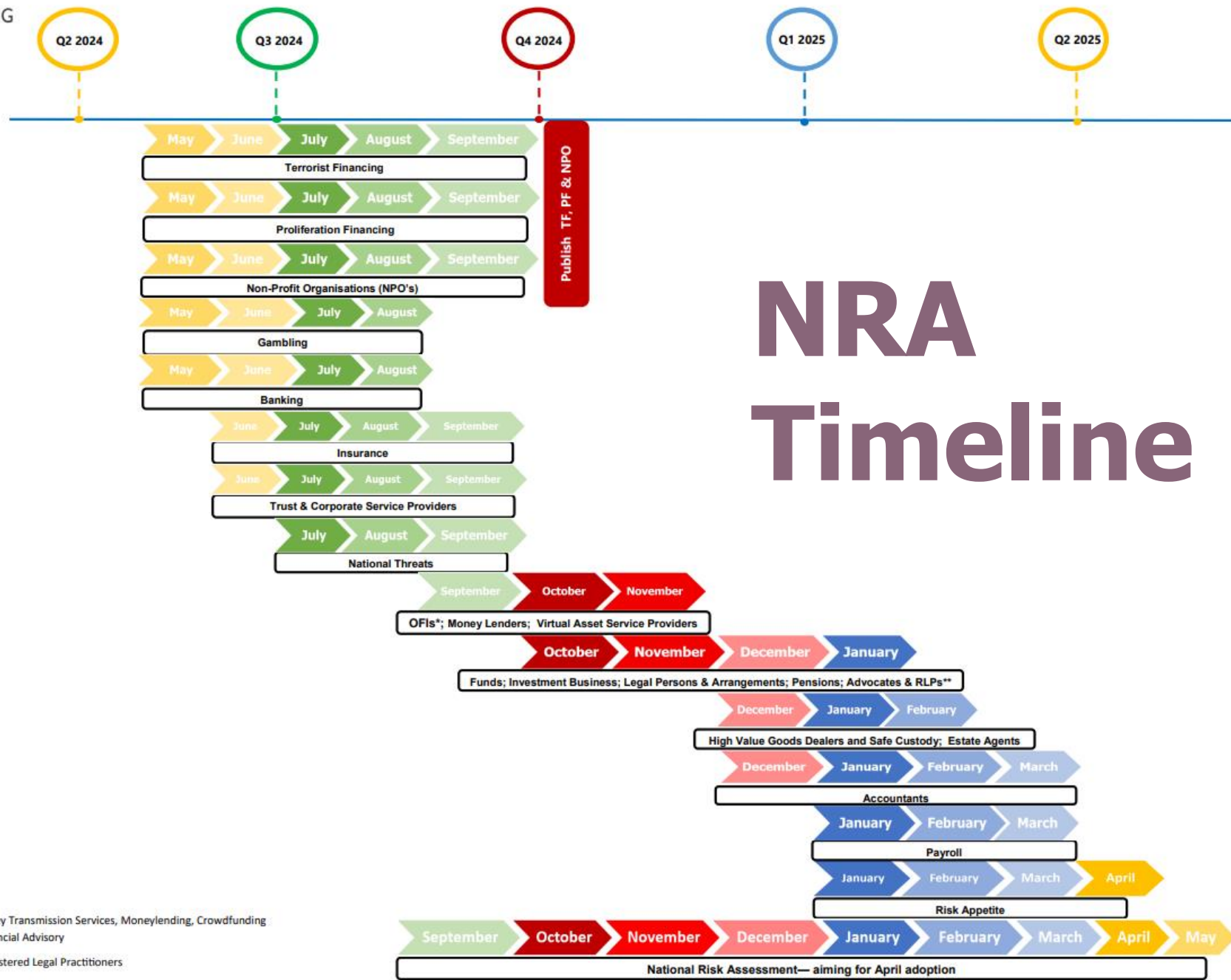
# Welcome

<b>Introduction, GSC Updates</b>	Updates on the GSC, NRA
<b>GSC AML Outreach</b>	Summary of the GSC's AML Outreach plan / updates.
<b>Sanctions</b>	Sanctions regimes, update on new legislation & website. How to make sanctions reports.
<b>Pre-Inspection Best Practices</b>	Inspection best practices and industry feedback
<b>SARs</b>	SARs Statistics and best-practices.
<b>Workshop</b>	Interactive workshop on SARs.

19<sup>th</sup> July 2024

# GSC Updates



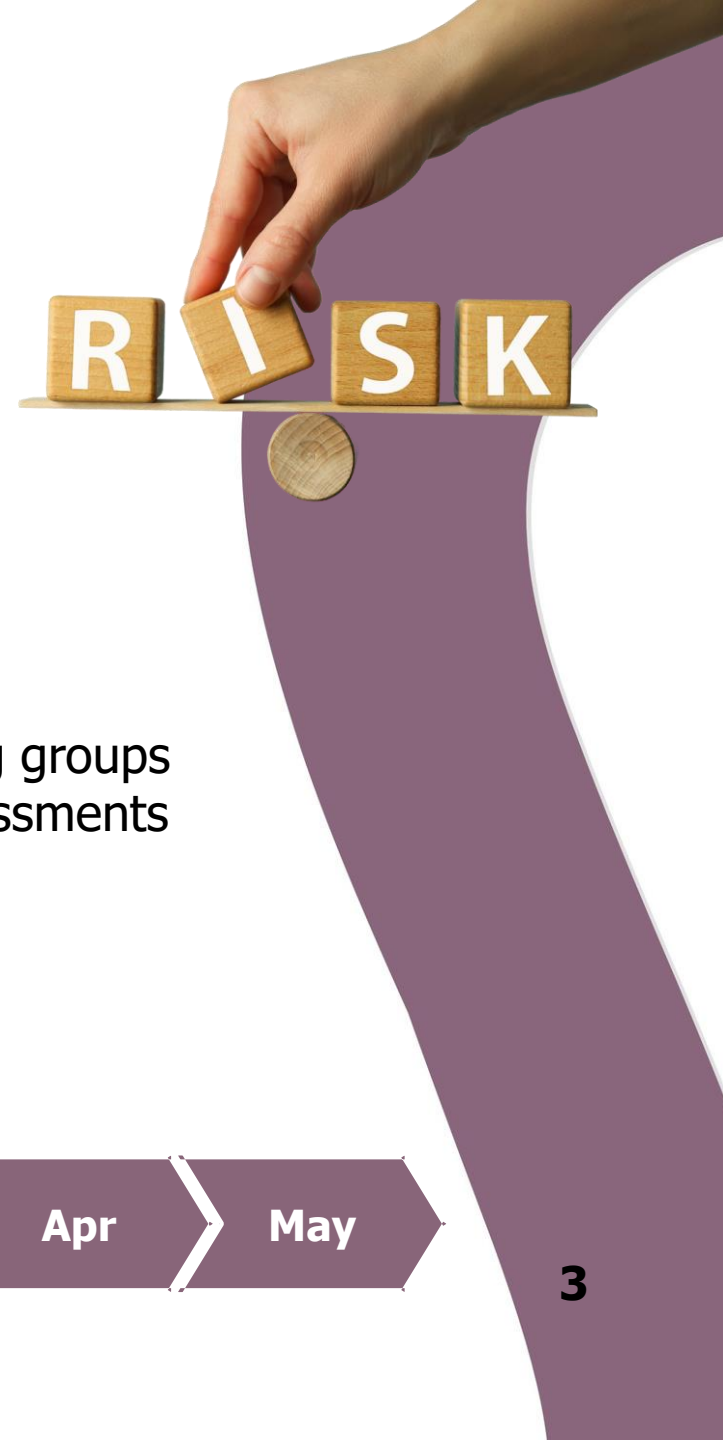


# NRA Timeline

\*Money Transmission Services, Moneylending, Crowdfunding & Financial Advisory

\*\*Registered Legal Practitioners

# National Risk Assessment



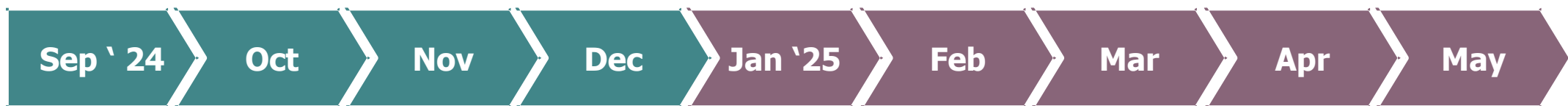
## NRA Updates

The current NRA was last updated in 2020 and prior to that in 2015. Current NRA can be found on the IOM Government website at the below link.

## NRA Working Group

Terrestrial and online working groups established. TF and ML assessments underway.

## NRA Timeline




# Advisory Group



Wednesday, 24 July

## MONEYVAL: The Results

A briefing on the outcome of the assessment of Jersey's ability to combat financial crime, and the resulting actions

 By **Government of Jersey** · 693 followers

Lots of repeat customers

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# Advisory Group



## Updated Jurisdictional Lists

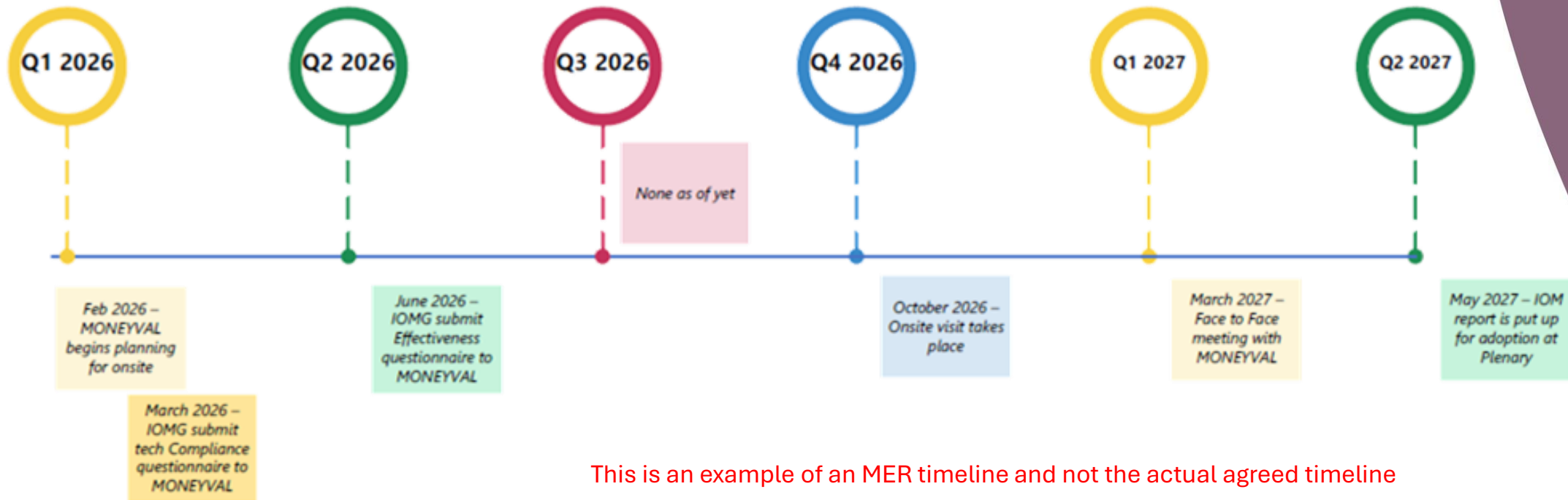
**June 2024 Update: Monaco and Venezuela are now subject to an increased monitoring by the FATF and as such, has been added to the list B (i).**

**Jurisdictions that have improved their AML/CFT/CPF regimes and met commitments in their action plans to address strategic deficiencies, therefore have been removed from the List B part (i) as of June 2024 include Jamaica and Turkey.**

**Jurisdictions where there has been a decrease in the risk of ML and/or TF and therefore removed from the List B part (ii) as of June 2024: Sao Tome and Principe**

**Jurisdictions where there has been an increase in the risk of TF and therefore added to the List B part (ii) as of June 2024: Djibouti**

# Mutual Evaluation



This is an example of an MER timeline and not the actual agreed timeline





**Isle of Man**  
**Government**  
*Reiltys Ellan Vannin*

# Outreach

**21<sup>st</sup> Meeting**  
19 July 2024

# Outreach



**What?**



**Why?**



**How?**



# Previous AML Forums

## **Active and interactive.**

- Over the previous few years, we covered a wide variety of topics but with strong focus on BRAs, TRAs, CRAs, inspections and SARs;
- We want to track our progress on these topics;
- Please provide honest feedback.

**slido**

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**Have you made any changes to your policies/procedures in relation to suspicion activity reporting (excluding annual reviews)?**

① Start presenting to display the poll results on this slide.

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**If yes, is it in part because of a previous AML forum/GSC outreach?**

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**Have you made changes to  
your BRA/TRA/CRA processes  
(excluding annual reviews)?**

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**In your opinion does your BRA  
contain risk factors not  
relevant to your business?**

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**Does your BRA include consideration of other countries' national risk assessments, especially those countries which are your main target market?**

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**Did you find the previous AML Forum topics to be helpful?**

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**How clear is our guidance in  
relation to the inspection  
process?**

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**How well do you believe that you understand the inspection process (pre-visit docs required, process, outcomes, Etc...)?**

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**For those who said it could be better, how could it be improved?**

① Start presenting to display the poll results on this slide.



# Updated Guidance

## Recently Updated Guidance:

- AML/CFT Guidance for Virtual Assets/Goods;
- AML/CFT Guidance for Gambling Operators;
- AML/CFT Guidance Software Supply (SSL) guidance.

## Feedback on Guidance:

- Let us know what you think about the changes.

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**Following the changes made to  
the GSC guidance documents,  
are they clear/concise?**

① Start presenting to display the poll results on this slide.

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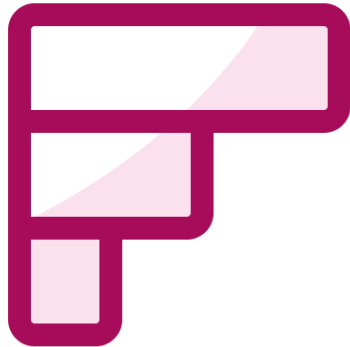


**Do you feel the information in our guidance is sufficient to help you understand our legislation/requirements?**

① Start presenting to display the poll results on this slide.

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**Out of those who have said it could be improved/insufficient, Which guidance documents could benefit MOST from further revision?**

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**Out of those who have said it could be improved/insufficient, what licence permissions do you have?**

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**Out of those who have said it could be improved/insufficient, what would you like to see improved?**

① Start presenting to display the poll results on this slide.

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**Have you made internal changes to your policies/procedures following the revisions to the GSC guidance documents?**

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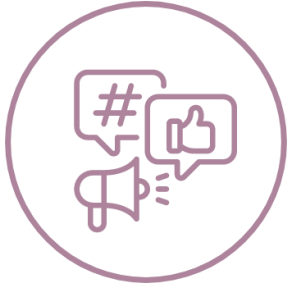
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**What, if anything, could we do  
to improve our guidance again  
in future?**

① Start presenting to display the poll results on this slide.



# Outreach

## Outreach Effectiveness

- We aim to be as effective as we can;
- Ensure your feedback is honest and as detailed as possible.

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## Outreach - General Feedback

① Start presenting to display the poll results on this slide.



# Contact

**Also feel free to email us at:**

[gscamlinspections@gov.im](mailto:gscamlinspections@gov.im)

**Or contact us via our personals:**

**Alex:**

[Alexander.Sapunov@gov.im](mailto:Alexander.Sapunov@gov.im)

**Charis:**

[Charis.Bennett@gov.im](mailto:Charis.Bennett@gov.im)



COUNTERING  
FINANCIAL  
CRIME

# SANCTIONS

LUCIE KENNEDY, CUSTOMS AND IMMIGRATION



# INTRODUCTION

- Customs & Immigration responsibilities
- Sanctions legislation
- Sanctions regimes
- Types of Sanctions
- Financial sanctions/asset freeze
- Designated person/UK Sanctions List
- Proliferation and Proliferation Financing
- How to find further information

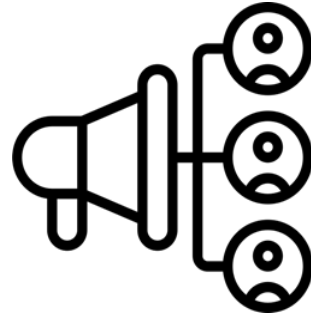
# CUSTOMS & IMMIGRATION ROLE



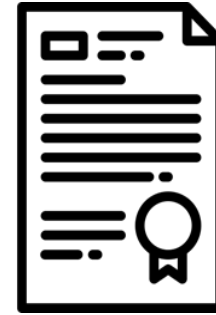
Legislation



Guidance



Outreach

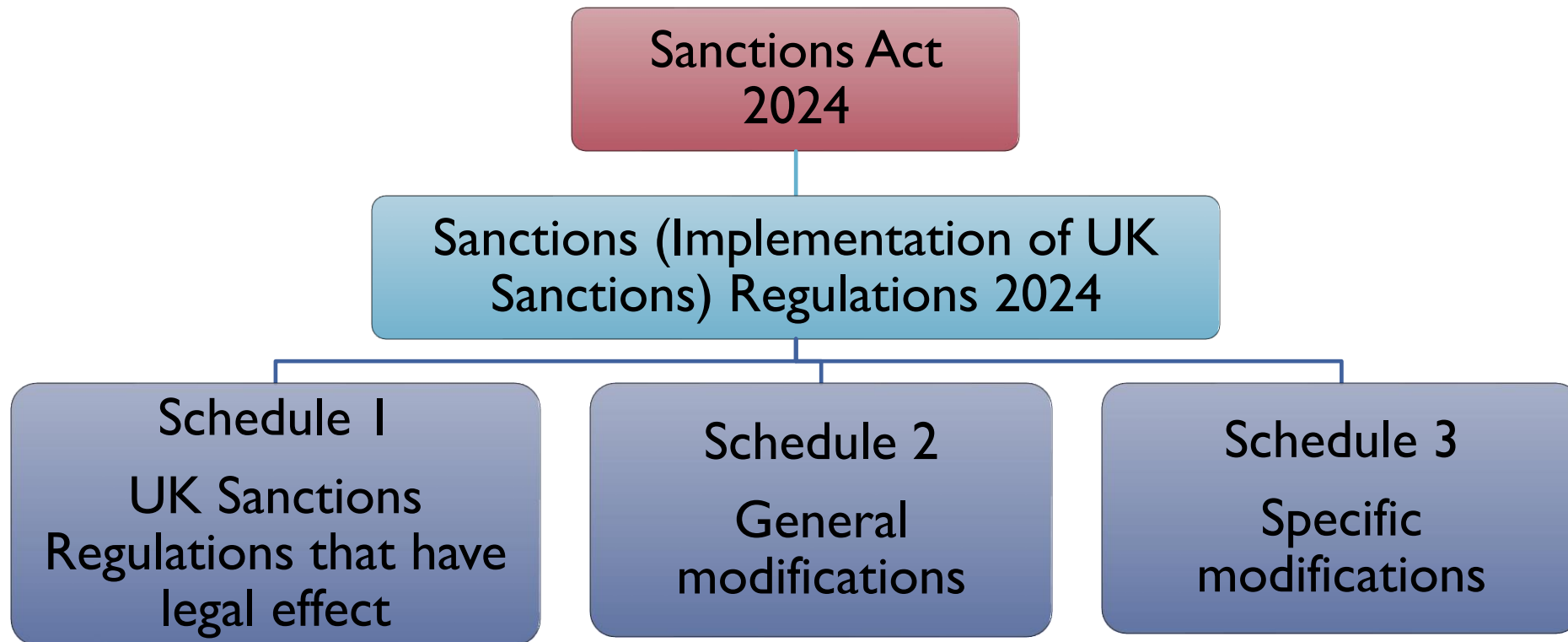


Licences



Enforcement

# SANCTIONS LEGISLATION



# SANCTIONS – COMMON PHRASES

Sanctions  
regime

Designated  
Person

Asset  
freeze

UK  
Sanctions  
List

# SANCTIONS REGIME



Geographic



Global Human Rights



Chemical Weapons



Cyber

Thematic

# TYPES OF SANCTIONS



Financial



Trade



Transport



Travel

# FINANCIAL SANCTIONS

Where a person or entity is subject to Financial Sanctions

**You must  
not**

- deal with funds or economic resources that belong to them, or are held or controlled by them
- make funds or economic resources available to them directly or indirectly
- make funds or economic resources available for the benefit of that person directly or indirectly
- do anything to get around financial sanctions, or help anyone else to get around financial sanctions - directly or indirectly.

‘Economic Resources’ can mean anything with a potential value, not just cash or investments.

# DESIGNATED PERSON



Individual



Entity



Ship



# UK SANCTIONS LIST

Contains the names of all individuals, entities and ships designated by the UN or the UK

## Includes

- Names and aliases
- Date of Birth
- Nationality
- Passport or other identification numbers
- Address

Ensure your screening software includes the UK Sanctions List

# DESIGNATED PERSON – OWNERSHIP AND CONTROL

## Asset freezes apply to entities “owned or controlled”

- An entity owned or controlled by a designated person (DP) may not appear on the UK Sanctions List itself, but is subject to an asset freeze

## What does “owned” mean?

- DP holds (directly or indirectly) more than 50% of the shares or voting rights in an entity
- DP has the right (directly or indirectly) to appoint or remove a majority of the board of directors of the entity

## What does “controlled” mean?

- it is reasonable to expect that DP would be able to ensure the affairs of the entity are conducted in accordance with their own wishes

## ACTION TO TAKE IF YOU HAVE A SANCTIONS MATCH

### Do

- Freeze the funds or other assets immediately
- Verify the customer is the designated person
- Report the freeze to FIU

### Don't

- Deal with the funds (use, move, transfer, allow access, alter)
- Unless you have a licence or exemption

# PROLIFERATION AND PROLIFERATION FINANCING

## What is proliferation?

Development and stockpiling of chemical, biological, radiological or nuclear weapons (WMD's)

## What is proliferation financing (PF)?

Funding or financial services (including procurement) to support development and stockpiling of WMD's

## Which sanctions regimes relate to PF?

Democratic People's Republic of Korea (DPRK)

Iran (nuclear)

Chemical weapons

## Why are these regimes important?

Forms part of UN obligations (and FATF requirements)

Prevent and disrupt PF

# PROLIFERATION AND PROLIFERATION FINANCING

Processes to identify, assess, monitor, manage and mitigate sanctions breaches.

## Goods

- who is your supplier/customer
- origin or destination
- what type of goods
- how transported

## Customer due diligence

- Ensure sanctions screening includes PF sanctions regimes
- How regularly is this being done – is it sufficient for your business risk?

## Review your sanctions procedures

- What to do if you have sanctions match
- How to freeze an account
- How to make a report to FIU

Ensure appropriate staff receive relevant training

# PF TYPOLOGIES

## Players

- Transaction involving a person or entity in DPRK or Iran
- Customer activity does not match their profile

## Other business threats

- Cybercrime, targeting virtual assets and online gambling industry
- Do you use freelancers? DPRK IT workers – risk of data theft, sanctions evasion
- UN Panel of Experts report 7 March 2024

# HOW TO FIND FURTHER INFORMATION

- Sanctions and Export Control website
  - RSS feed
  - General guidance
  - How to make reports
  - Proliferation financing guidance
- UK Sanctions List
- UN Panel of Experts
- Isle of Man legislation website

# ANY QUESTIONS?

- Contact details:

email: [sanctions@gov.im](mailto:sanctions@gov.im)

Phone: (01624) 648109





# GSC

ISLE OF MAN

**We'll be right back...**

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[www.isleofmangsc.com](http://www.isleofmangsc.com)



Iste of Man Gambling Supervision Commission

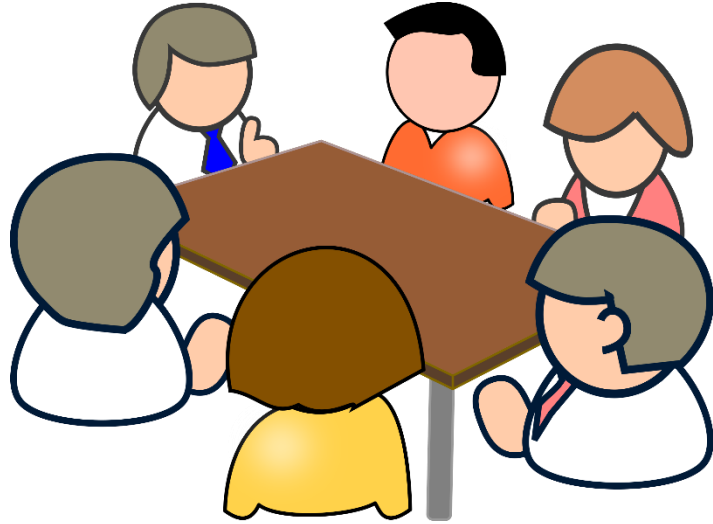




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# Best Practices and Industry Feedback

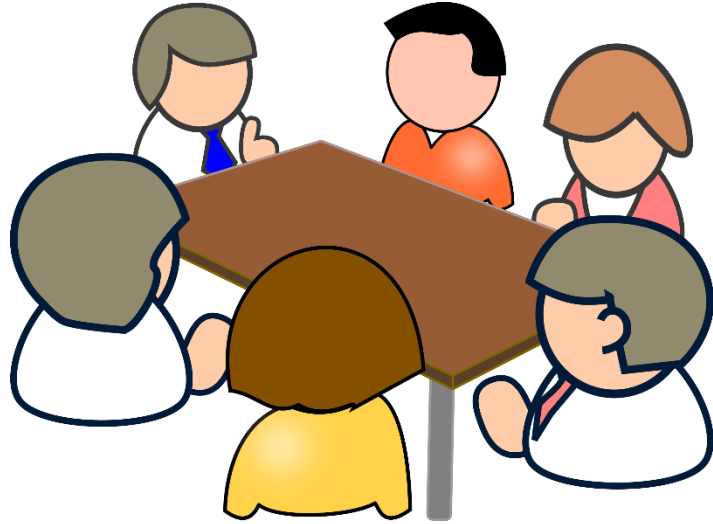
**AML/CFT Inspections Team**  
**Tommy Corlett**



Can we have some guidance on GSC's processes. What happens following the submission of a self-assessment? There was a number submitted last year for which we have never heard anything back – is this the norm?



Onsite inspection report is when the AML Inspections Team will provide feedback on AML self-assessments.



What the GSC sees as appropriate PEP and Sanction screening frequencies and ongoing monitoring best practices.



The AML/CFT Code requires ongoing monitoring to be risk-based. The frequency of these checks should be increased for higher risk customers.

# Good



PEP and Sanction screening is clearly risk based in policies and procedures.



Evidence of the ongoing PEP and Sanction screening is recorded on the customer account



Individuals completing the monitoring has a good understanding of AML/CFT, the Operators BRA, any relevant typologies and red flags.

# Bad



No evidence of ongoing PEP and Sanction screening.



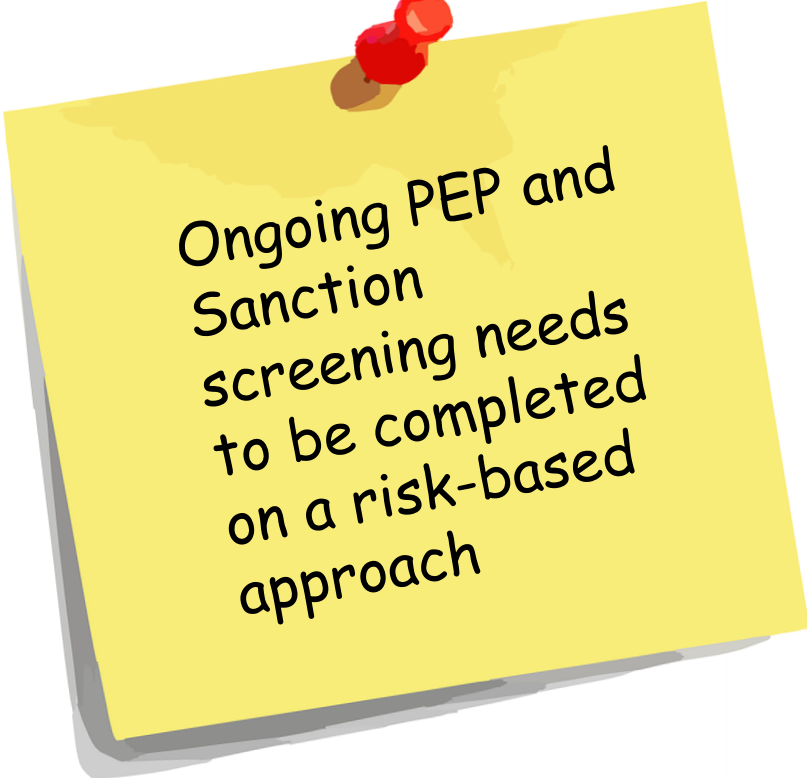
Lack of senior management approval on PEP hits.



No consideration of terminating a customer account in the event that PEP and Sanction screening requirements has not been met



AML/CFT self-assessments will be reviewed at point of arranging onsite inspection



Ongoing PEP and Sanction screening needs to be completed on a risk-based approach



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# Suspicious and Unusual Activity Reporting

**AML/CFT Inspections Team**  
**Stuart McLean**

# What is a SAR?

**A Suspicious Activity Report, is a piece of information which alerts law enforcement that a certain client/customer activity is in some way suspicious and might indicate money laundering, terrorist financing, and proliferation financing.**

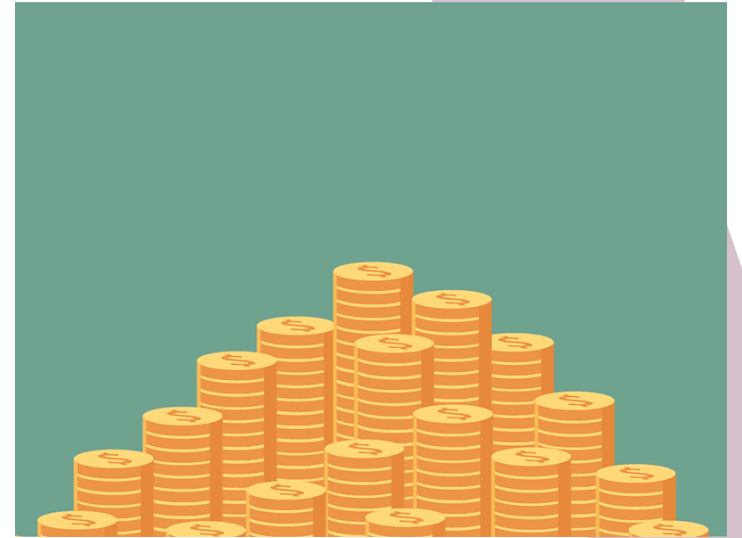




# What is considered unusual activity?

**Abnormal betting activity exhibited by player which is deemed as a potential indicator of suspicious activity.**

**Abnormal betting activity may include the size of a player's wager or increased betting volume on a particular event or wager type.**



MONDAY  
march, 11 2015

# NEWS

No 34747/53

## Two men jailed for 'James Bond-style' plot to smuggle £16 million of cocaine into UK

🕒 Friday 5 December 2014 at 6:07pm



# Typologies - 2

## Open-source data:

- Around 36.2 million people in the UK have active credit cards
- There are 53.2 million credit card accounts as of January 2024
- On average, people in the UK have 1 or 2 credit cards.
- In the UK, an average shopper has between 2-3 debit cards
- The average American adult as holding between 3 and 4 credit cards.

E-Gaming companies are seeing individuals who are using various payment gateways to register multiple 'valid' cards with some reports totalling over 20 cards linked to one individual account. This is well above the consideration of 'normal' credit card ownership. The E-Gaming account could be used to collect funds from various illegal sources, or to launder criminal property from multiple stolen identities or cards.

## Warning Indicators

- Unusual numbers of cards or payment types being used against one account;
- Accounts being accessed from different geo-locations for different payment types;
- Chargebacks against multiple cards.



# Typologies - 3

The practice of chip dumping is against the rules of any E-Gambling site, however it continues to be detected on a reasonably regular basis as individuals attempt to use it as a method to launder funds either internally or across borders.

It consists of individuals already known to each other, or a single individual or organisation using stolen identities, setting up accounts on an Isle of Man based E-Gambling site. These accounts are then used to purposefully lose chips between each other so one account amasses winnings. This winning account then cashes out and takes the funds.

Should these accounts be in different jurisdictions, it's an effective way of transferring funds across borders outside of standard currency controls. If they are within the same jurisdiction the practice can be used for storing or converting criminal property.

## Warning Indicators

- Players 'always playing' together and one person always winning.
- IP address checks show players at the same address or using the same Internet Service Provider.
- Chat board monitoring by the e-gaming company picking up key words and evidence of groups conspiring.
- Immediate cash out of winnings, with little 'cash in'.



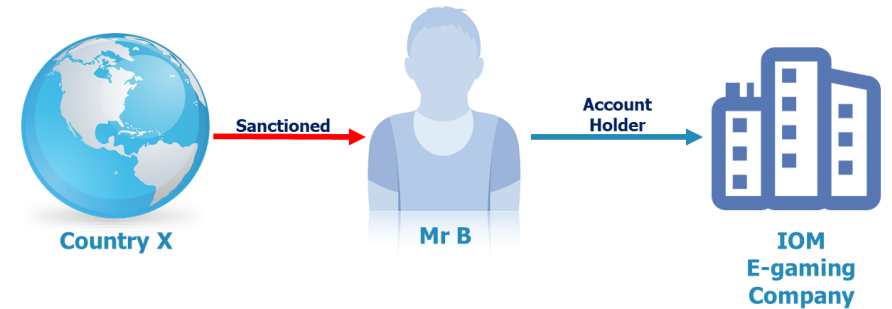
# Typologies - 4

Mr B holds an account with an Isle of Man online gambling operator. The operator is alerted that Mr B had been sanctioned by an international jurisdiction.

The operator conducts searches on Mr B to identify whether he had been sanctioned by any other country. Searches confirm that Mr B is not sanctioned by any other country.

The operator review Mr B's account transactions and no gambling activity has taken place since the sanction implementation, however they still decide to make a report to the FIU under Section 24 of the FIU Act.

**Whilst this example is not a sanctions breach, as Mr B was not sanctioned in the UK/IOM, information of this type is still valuable to the FIU as it may be of interest to the relevant international jurisdiction.**



# Typologies - 5

A Gaming company developed concerns in relation to an account held by a customer following identification that the account was repeatedly being accessed in a different jurisdiction to that in which the holder was believed to reside (jurisdiction X). Following applied enhanced due diligence measures, the customer advised that he had entered jurisdiction X on a tourist visa and was working and living in a factory to “escape the visa”. He further advised that he could not provide proof of income, as he was paid solely in cash. A copy of the account holder’s passport confirmed that he had entered jurisdiction X on a tourist visa, which had since expired. The gaming company reported their concerns to the FIU under the Proceeds of Crime Act.

This is good example of where gaming account information may highlight wider concerns relating to an account holder. From the received information it would appear the subject is living and working illegally in jurisdiction X. Additionally, the above scenario raises human trafficking and modern slavery concerns, particularly as the subject appears to be living and working in an industrial premises.



Ensuring s  
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IOM Code  
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and

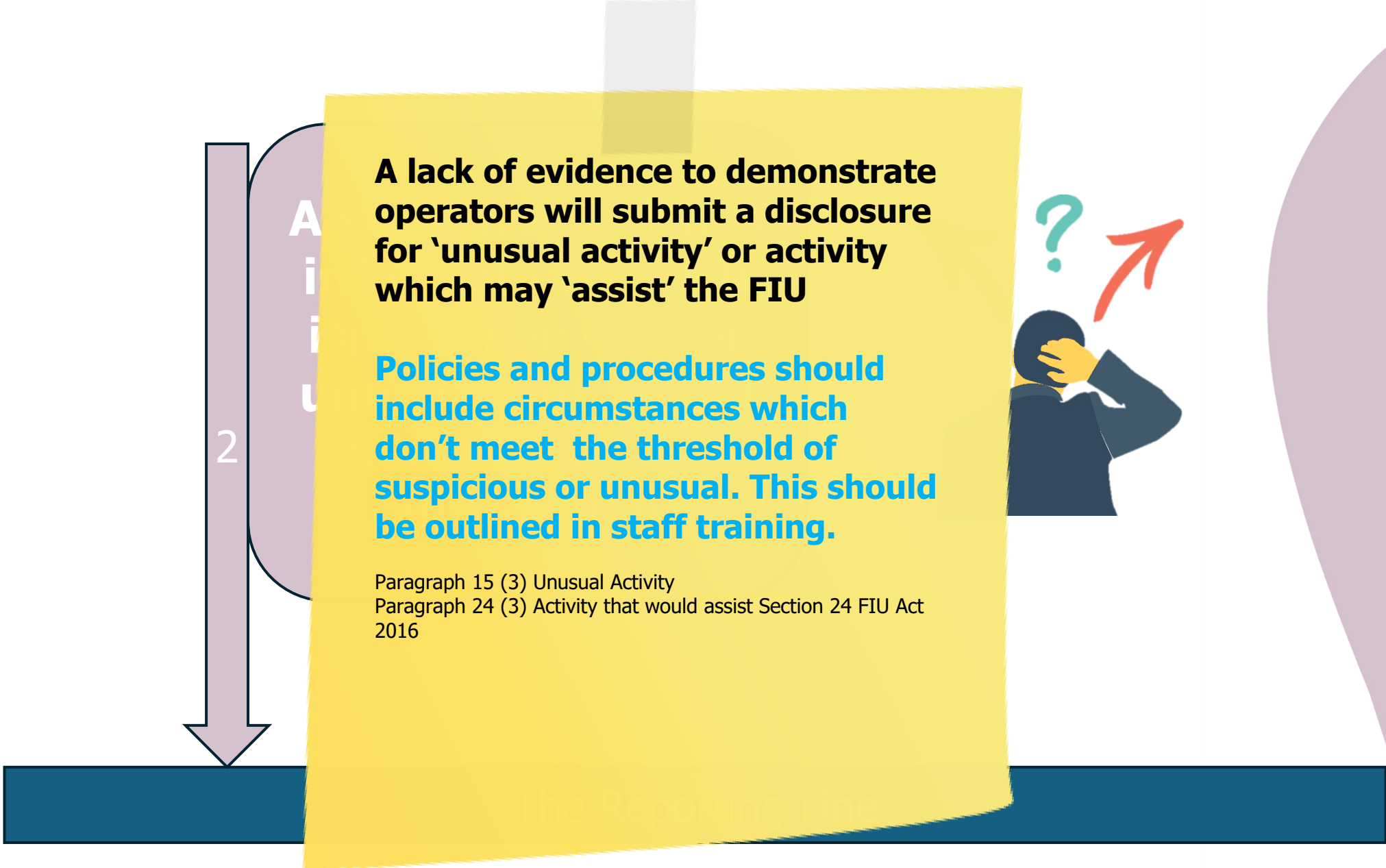
1

**A failure to demonstrate training is IOM code specific and makes its staff aware of its own policies and procedures (SARS)**

**There's benefit to computer based learning programmes but often this is not bespoke to operators internal policies and procedures. A mixture of f2f and computer based would be beneficial. All policies should be readily accessible**

Paragraph 27(2)(a)-(f) legislation and operator's own procedures





**A lack of evidence to demonstrate operators will submit a disclosure for 'unusual activity' or activity which may 'assist' the FIU**

**Policies and procedures should include circumstances which don't meet the threshold of suspicious or unusual. This should be outlined in staff training.**

Paragraph 15 (3) Unusual Activity  
Paragraph 24 (3) Activity that would assist Section 24 FIU Act 2016



**The reporting mechanism for a disclosure is not clear, lacking contact details for MLRO/DMLRO and can be inconsistent across multiple documents**

**Ensure the process is simple and easily understood by the newest member of staff to the most experienced. Request feedback following internal disclosure**

Paragraph 4(b) ensure that there is a clear reporting chain to the MLRO

**A failure to demonstrate a disclosure will be considered if CDD/EDD requirements are not met**

**Ensure a decision is recorded to demonstrate it was considered – this could be done by utilising the notes on a customer's account or maintain a separate register**

*Where the requirements of the paragraph are not met, the procedures and controls must provide that—*

*(a) the ongoing customer relationship or transaction must proceed no further;*

*(b) the operator must consider terminate any ongoing customer relationship; and*

***(c) the operator must consider making an internal disclosure.***

Paragraph 10 (5) New customer

Paragraph 11 (3) CDD verification

Paragraph 12 (6) Ongoing customer CDD

Paragraph 13 (7) PEP

Paragraph 14 (4) EDD

The Report

***Internal  
disclosure  
submitted***



**A lack of consideration for who will review an internal disclosure or submit an external disclosure in the MLRO's absence.**

**The appoint of a DMLRO is recommended but if no DMLRO, measures should be in place to ensure SARs are reviewed by an appropriate staff member who has access to Themis. Staff must know who to report to.**

Paragraph 21(3) may appoint DMLRO

has appeared  
RO



- AS
- S
- A
- PR

**POCA and ATCA require SARs to be submitted 'as soon as is practicable'. This will vary, depending upon the circumstances, but in most cases time is of the essence and there should be a valid reason for any delay. It is particularly important that the FIU receives information in relation to terrorism without delay and this should be afforded the utmost priority.**

**Ensure workloads are manageable and staff are aware of their obligations to report disclosures to the MLRO**

SAR Guidance – FIU Isle of Man June 2024

'as soon  
e'

## Limited access to Themis

**Any individual who is required to review internal disclosures must have access to Themis and frequently review for alert – this should be accessed daily**

Paragraph 4(3) An operator must register on the designated reporting platform as provided by the Financial Intelligence Unit. [Themis]

6

**A failure to provide all disclosure registers pre-inspection and ensure they are maintained**

**Registers must be provided to the Inspectorate with the self-assessment in accordance with Supervision Procedures. A failure to provide is a contravention of Section 10(2) of the Gambling (Anti-Money Laundering and Countering the Financing of Terrorism) Act 2018 (“the Act”) and must be maintained**

Paragraph 19 [register of disclosures] and 20 [register of money laundering and financing of terrorism enquires]

The Report

**Ensuring sufficient time, resources and access to conduct the role of MLRO with consideration regarding dual roles as Director and MLRO.**

**MLRO's should have access to the board to raise issues or concerns. The Board should equally have an understanding of duties being discharged by the MLRO so it can sure the MLRO is adequately resourced.**

**For MLROs performing dual roles, they should be clear from any conflict roles involving the commercial aspects of the business.**

Paragraph 21(2)(c) have sufficient time and resources to properly discharge the responsibilities of the position.

7

# Key Takeaways



- ✓ **Ensure staff are given training which is bespoke to the reporting procedures of the operator and IOM Code - with a clear reporting line.**
- ✓ **Ensure staff have read, understood and have immediate access to policies and procedures – consideration to translate the document for those who can't read English**
- ✓ **Consideration should be given to whether the information is unusual, suspicious or could assist the FIU – Think of the bigger picture**
- ✓ **Operators must evidence an internal disclosure was considered (when CDD/EDD is not provided) – a recorded rationale (this includes the reasons for not submitting)**
- ✓ **The MLRO and DMLRO must have access to Themis and should regularly log in to ensure they can report external disclosures when required and review any alerts. All SARs must be submitted as soon as practicable**
- ✓ **Maintain a strong compliance culture. Continually review the current reporting processes - are they fit for purpose, has the MLRO/DMLRO received no internal disclosures, sudden decrease of disclosures etc. Any issues relating to time, access, or resources by the MLRO should be identified at the earliest opportunity by the MLRO and Board members to ensure they are adequately resourced to discharge the functions of the role.**

# Punitive measures

## [Failure to disclose]

A person is guilty of an offence under Proceeds of Crime Act 2008 if they fail to make a disclosure:

- Summary conviction, to custody for term not exceeding 6 months and/or fine not exceeding 6 months
- Conviction on information (more serious) custody not exceeding 5 years and/or fine not exceeding £5,000

## [Contravention of Code]

A person who contravenes the Gambling (AML/CFT) Code 2019 could face:

- Summary conviction, custody not exceeding 12 months and/or fine not exceeding £10,000
- Conviction on information, custody not exceeding 2 years and/or fine

## [Tipping Off]

A person is guilty of an offence under Proceeds of Crime Act 2008 s145 they 'tip off':

- Summary conviction custody up to 3 months and/or fine not exceeding £5,000
- Conviction on information (more serious) custody not exceeding 2 years and/or fine up to £5,000

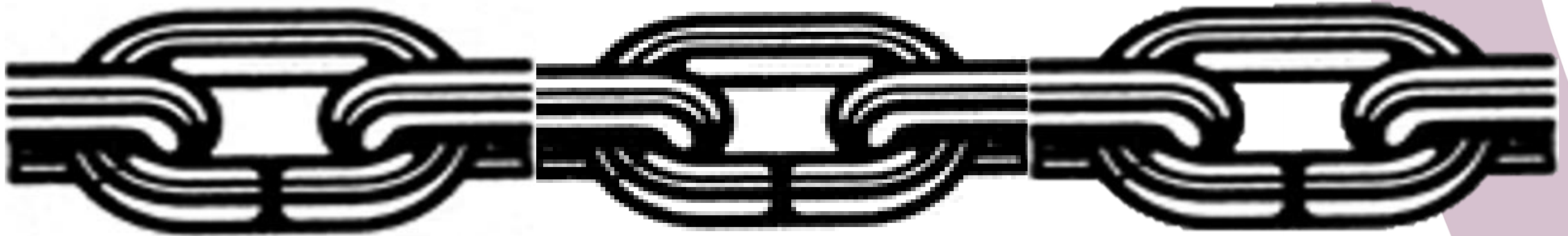
## [Prohibition order]

The Commission may impose a 'Prohibition of not fit and proper' under Gambling (AML/CFT) Act 2018:

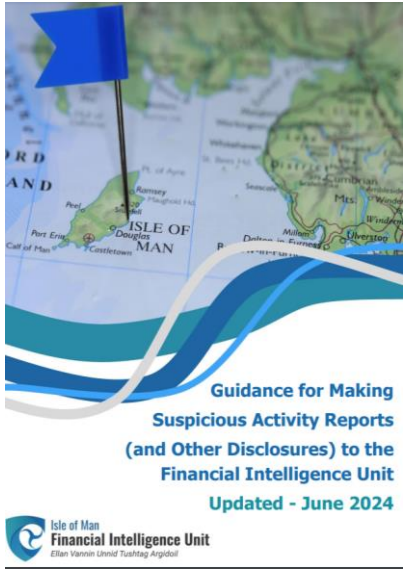
- prevent an individual from performing in key functions including MLRO



# **Your disclosure could be the missing link**







# Guidance for making SARs to FIU (June 2024)

<https://www.fiu.im/media/1228/sar-guidance-updated-june-2024.pdf>



# Good Practice for SARs and Consent to FIU (June 2024)

<https://www.fiu.im/media/1229/sar-good-practice-updated-june-2024.pdf>



<https://www.fiu>



Julia Minay  
**Officer**



Tommy Corlett  
**Senior Inspector**



Paul Skinner  
**Senior Inspector**



Stuart McLean  
**Inspector**



Stephen Corlett  
**Inspector**



Jonathan Sutherland  
**Inspector**



Matthew Cregeen  
**Inspector**



Chirlene Van Loggerenberg  
**Inspector**



Hannah McCune  
**Inspector**



**Isle of Man**  
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*Reiltys Ellan Vannin*

# **SAR Statistics**

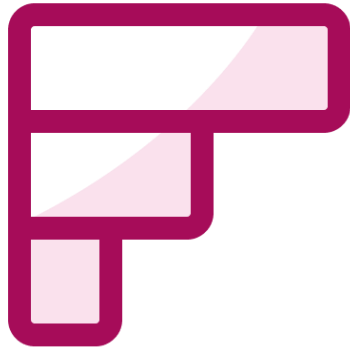
**AML/CFT Inspections Team**  
**Hannah McCune**

**Which sector reported the most disclosures in 22/23 on the Isle of Man?**



**slido**

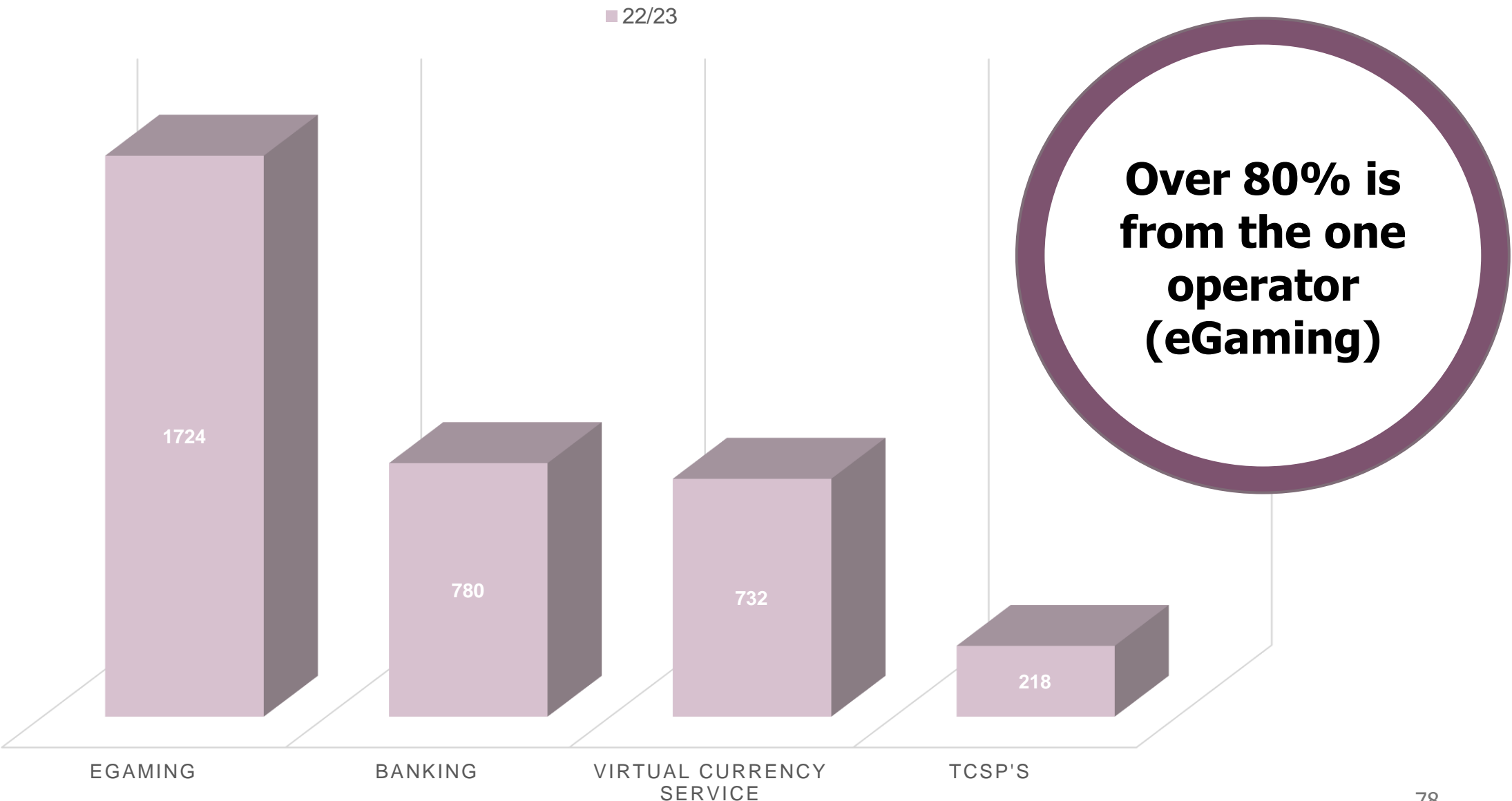
Please download and install the  
Slido app on all computers you use



**Which sector reported the  
most disclosures in 22/23 on  
the Isle of Man?**

① Start presenting to display the poll results on this slide.

# DISCLOSURES BY REPORTING SECTOR IOM 22/23



**slido**

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**What percentage of customers were reported as suspicious to the MLRO in the Q1 2024 Return statistics?**

① Start presenting to display the poll results on this slide.



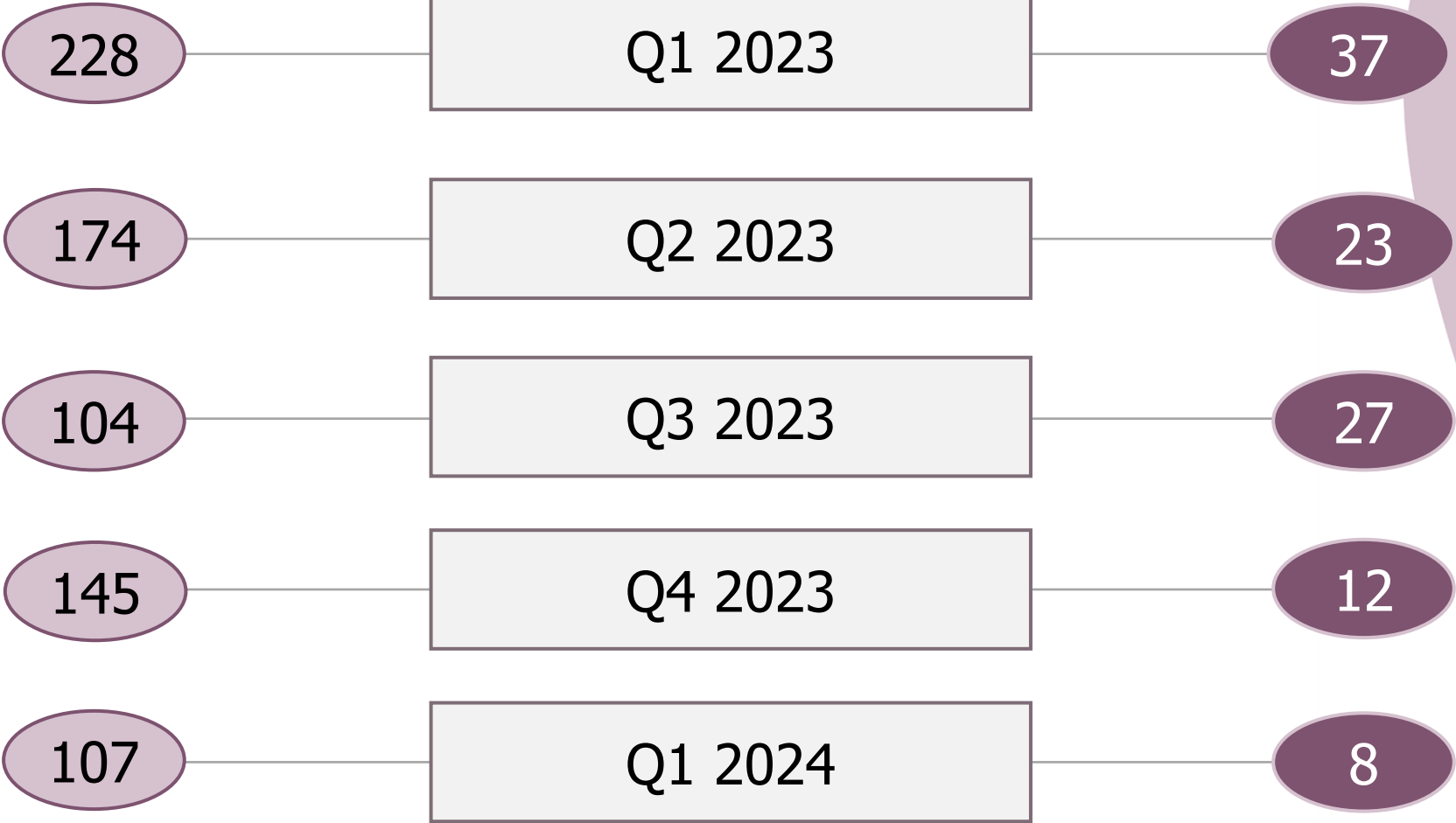
**0.005%**



# SUSPICIOUS ACTIVITY REPORTS ONLINE

INTERNAL

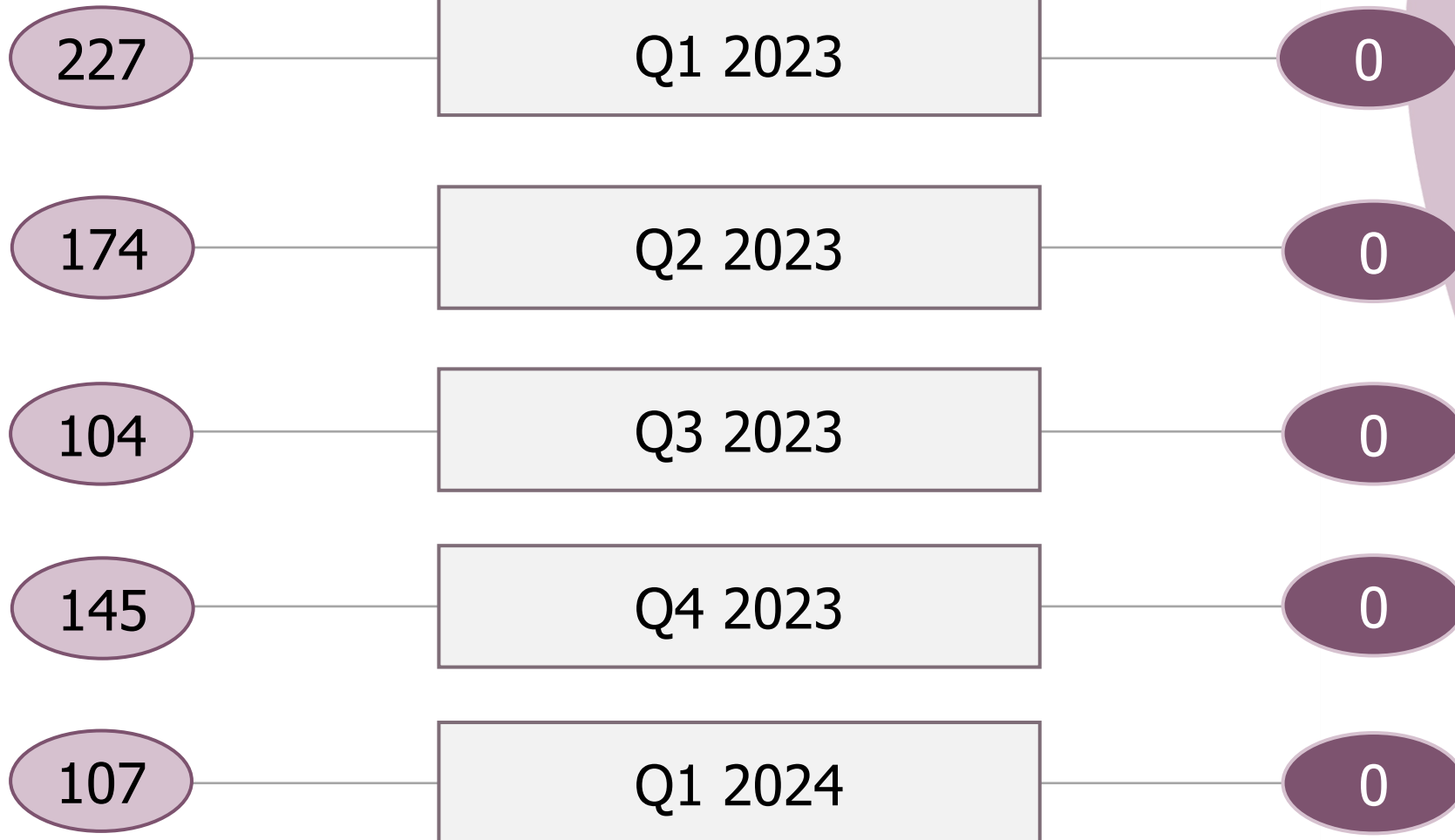
EXTERNAL



# INTERNAL SUSPICIOUS ACTIVITY REPORTS ONLINE

B2C

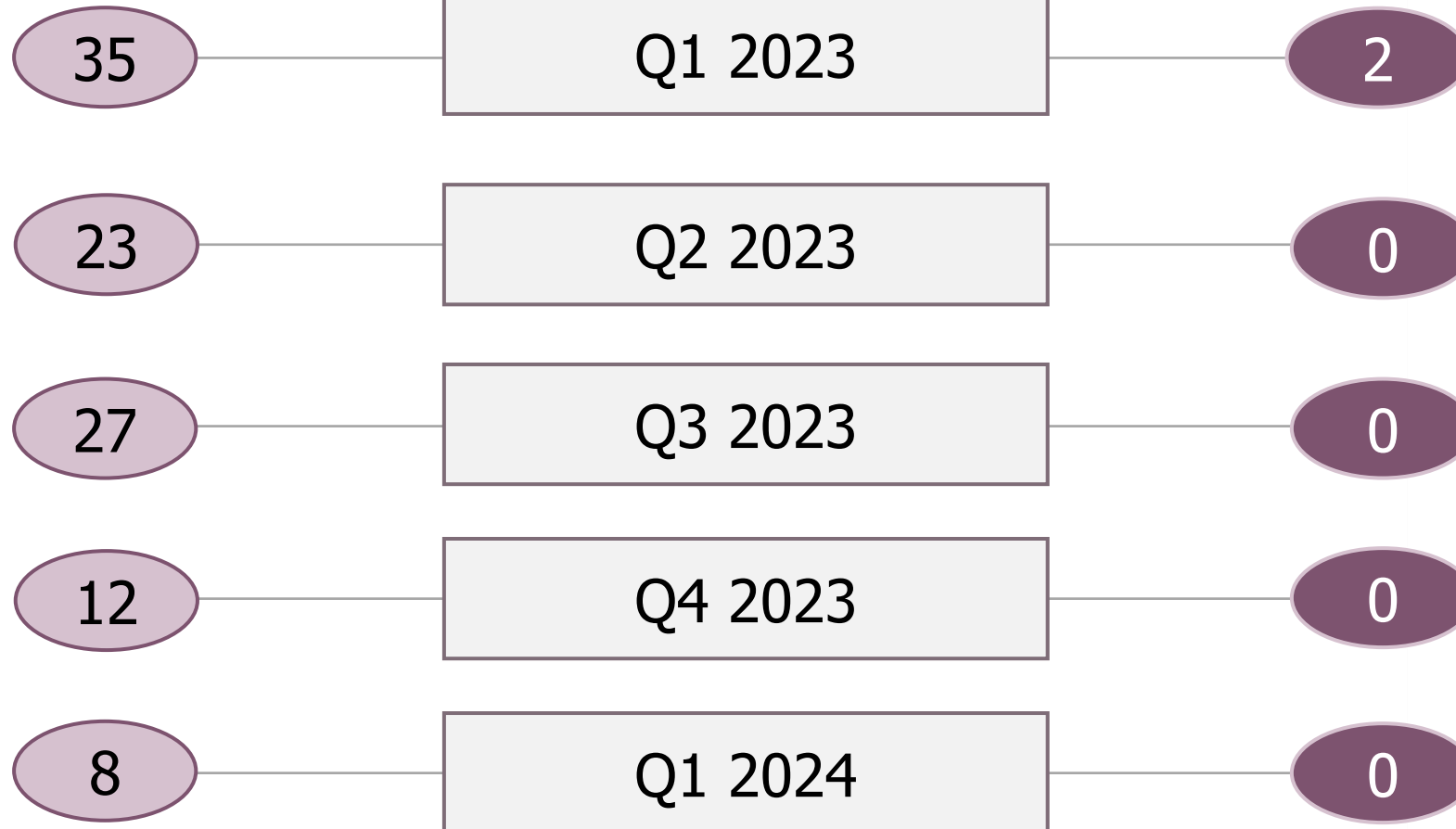
B2B



# EXTERNAL SUSPICIOUS ACTIVITY REPORTS ONLINE

B2C

B2B

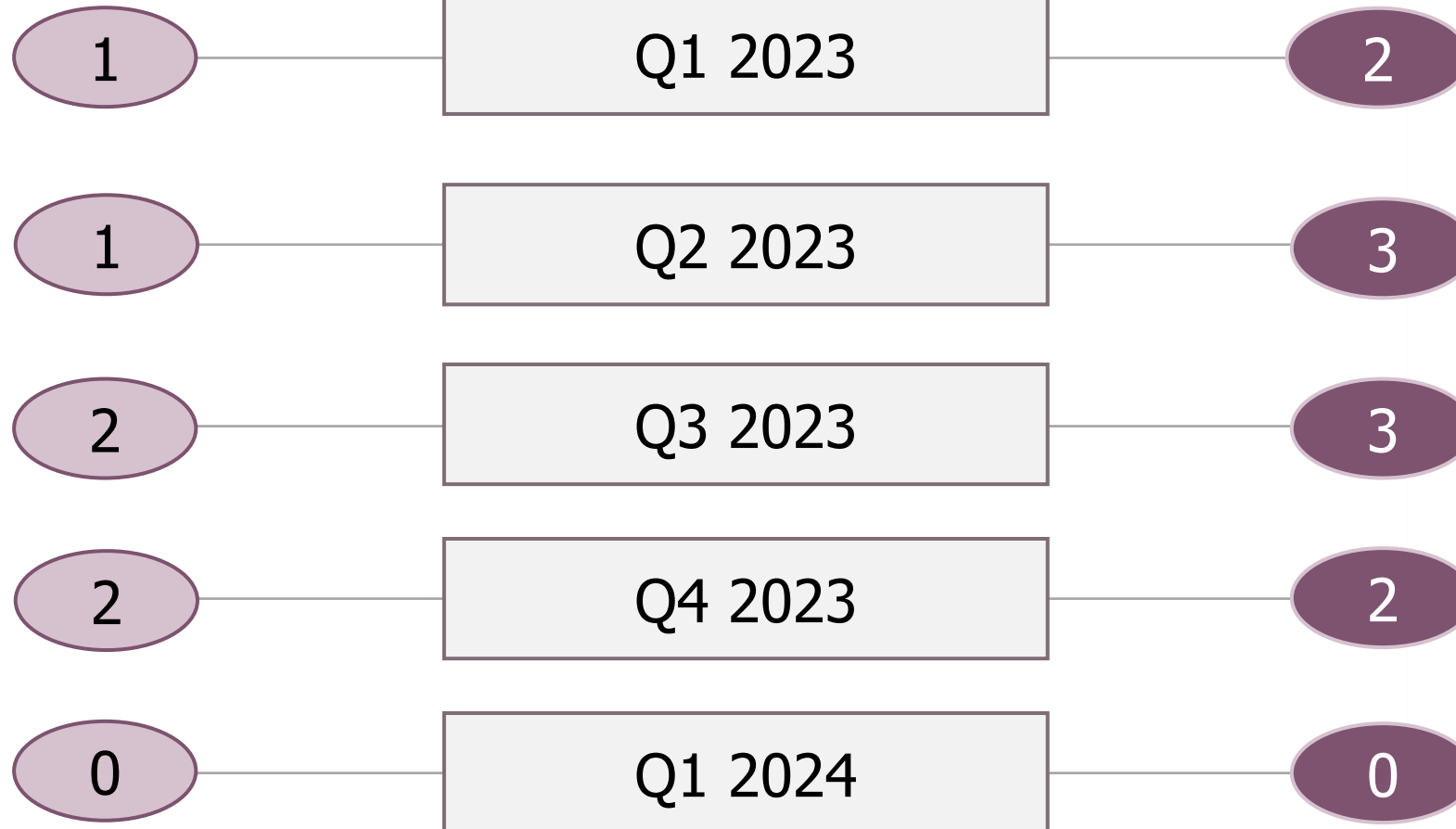


# SUSPICIOUS ACTIVITY REPORTS

## TERRESTRIAL

INTERNAL

EXTERNAL



# PROPORTIONATE REPORTING

432,739

Customers

113

High Risk

0

Internal  
SARs

0

External  
SARs

108,454

Customers

11

High Risk

0

Internal  
SARs

0

External  
SARs

743,067

Customers

8

High Risk

0

Internal  
SARs

0

External  
SARs

192,652

Customers

2

High Risk

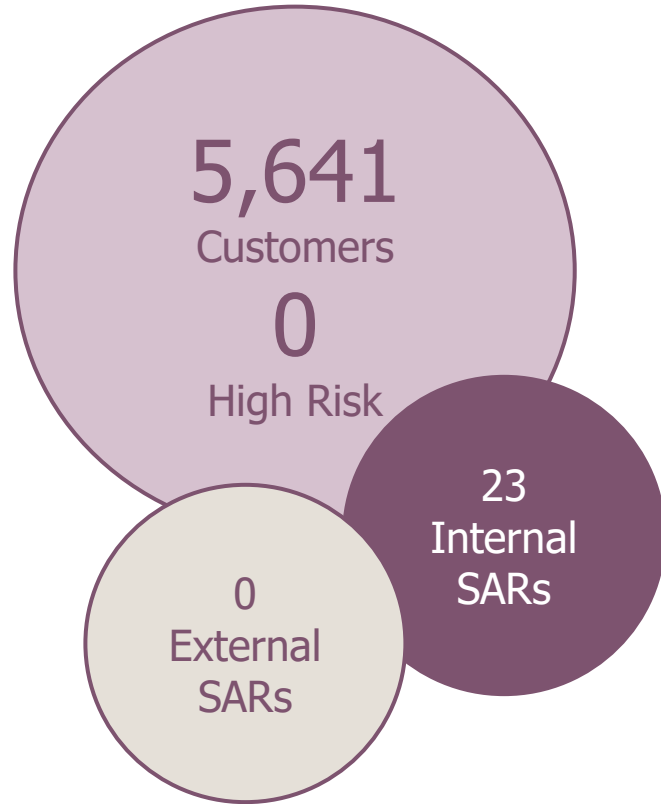
0

Internal  
SARs

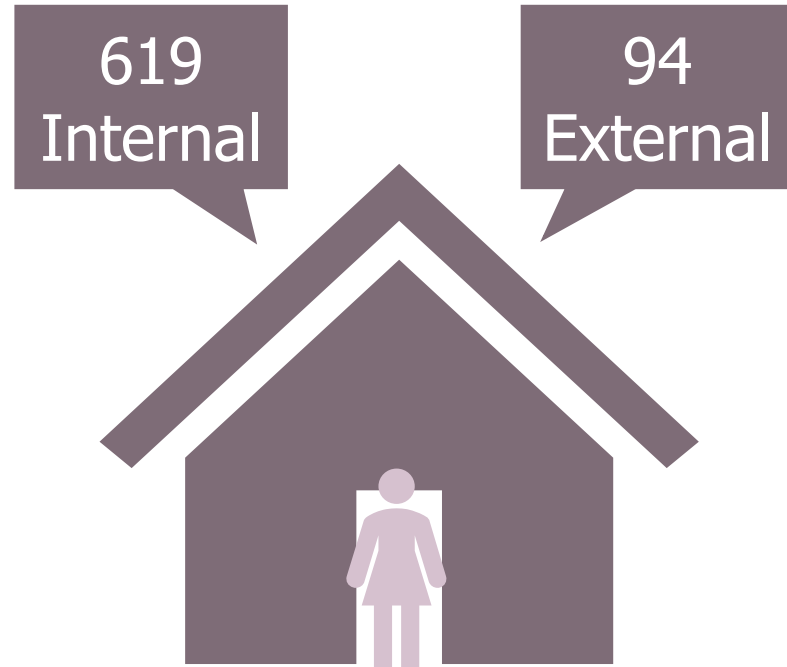
0

External  
SARs

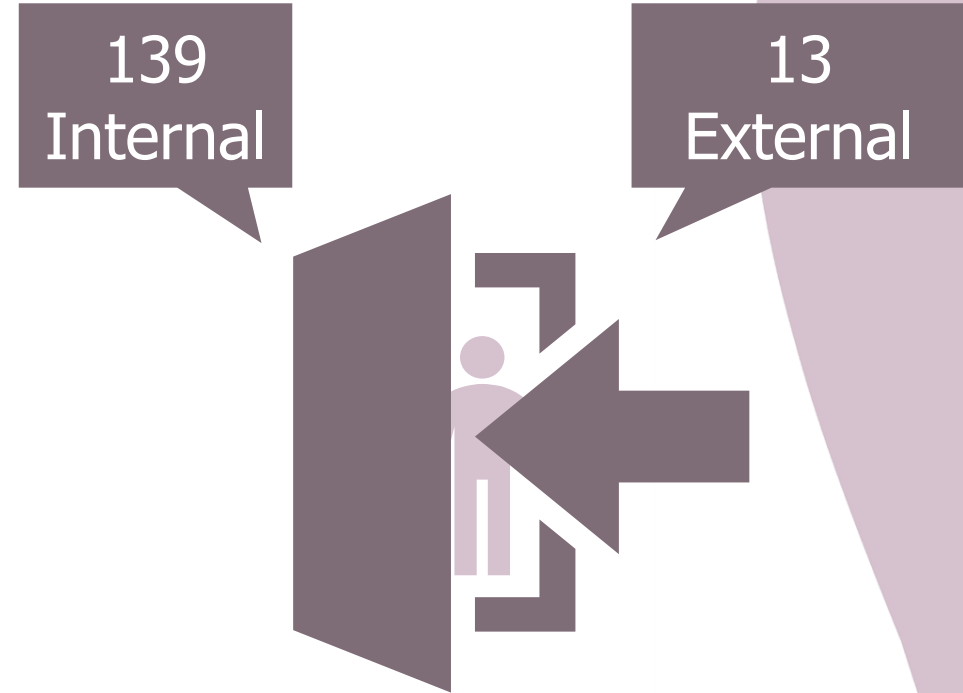
# PROPORTIONATE REPORTING



# MONEY LAUNDERING REPORTING OFFICER



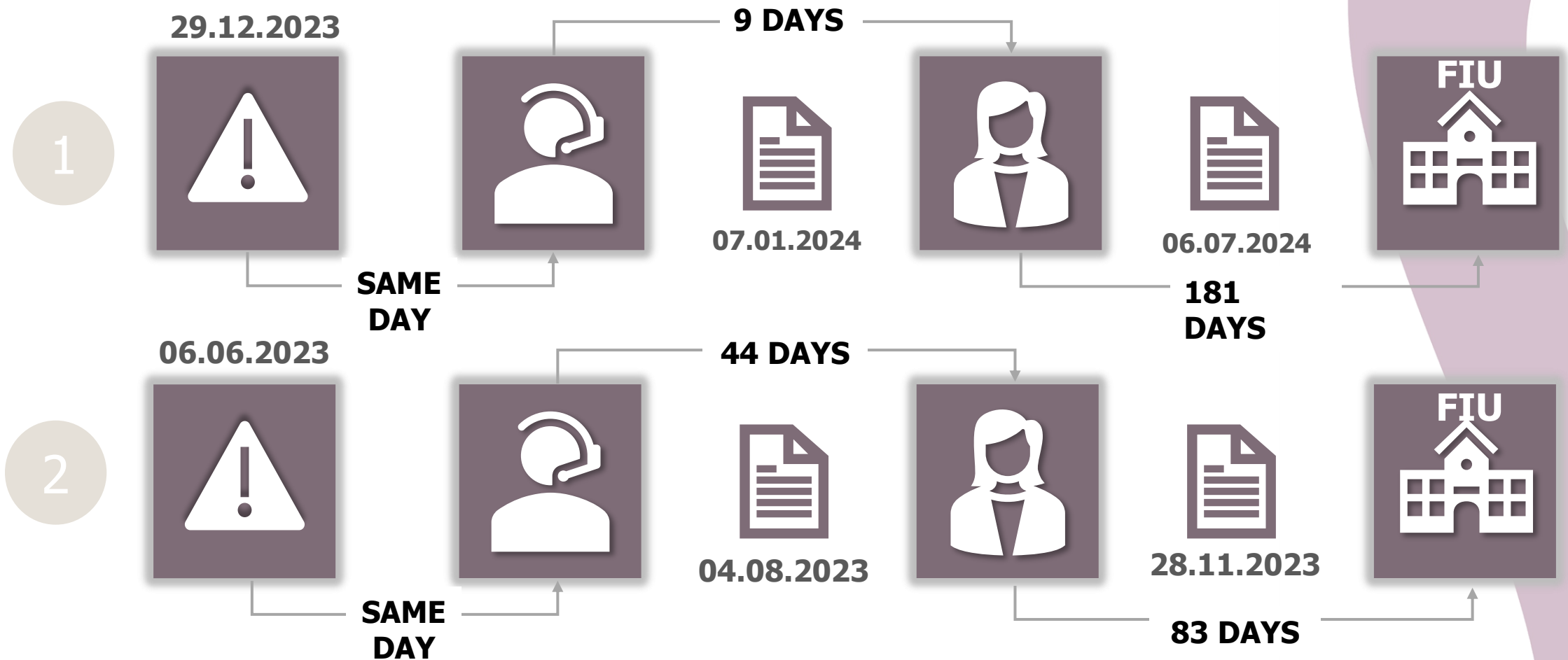
IN-HOUSE



OUTSOURCED

# REPORTING TIMELINES

## “AS SOON AS PRACTICABLE”





# HOW TO IMPROVE?



Conduct ongoing monitoring on your customers



Ensure your policies and procedures include a tailored approach to your business on how to report.



Ensure staff are appropriately trained to detect unusual and suspicious activity.



Monitor and test compliance with AML/CFT legislation



Encourage staff to report their suspicions

# Workshop



Please access Slido on your device using code:

**GSCAML**



**slido**

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**Customer A, is resident in Thailand and is considered Medium risk by the operator, IsleofBets. Customer A bets on sports book using multiple payment methods. The customer has reached qualifying threshold in 30 days. The customer services agent is new, with no training and has no access to any policies and procedures.**

**How long should the customer services agent allow for CDD?**

**Answer:**

**c) 7 days to provide CDD**

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**Whilst awaiting for CDD the customer services agent should:**

**Answer:**

**b) Allow the customer to play but not withdraw or deposit**

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Customer A, fails to response to the requests being made for CDD within 7 days, what next steps should be taken by the agent?

**Answer:**

**c) The agent should consider submitting an internal disclosure, recording their decision and thereafter consider terminating the relationship.**

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Customer B, is resident in Senegal and is considered High Risk based on country of residence. Customer B has been with IsleofBets for 9months. EDD was collected at the beginning of the customer relationship which identified the customer as a kitchen porter. Customer B spends on average €20 a month on casino RNG. Over the past 4 weeks, Customer B has spent on average €200 per week and is making withdrawals of €50 a week. The agent has reviewed the account and submitted an internal disclosure to the MLRO

The MLRO should:

**Answer:**

**b) Consider this behaviour as suspicious as the betting patterns and spend of the customer is not commensurate to his occupation and knowledge of customer. Further EDD should be requested, unless it tips off the customer and an internal disclosure**

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**Customer C, is resident in Belarus and is risk rated as high by IsleofBets. He has been a customer with IsleofBets for 6months playing P2P Poker. Following daily screening its discovered that customer C is sanctioned due to his links with Russia and the ongoing conflict in Ukraine. The agent submits an internal disclosure.**

**The MLRO should:**

**Answer:**

**a) Suspend the account from depositing and withdrawing and immediately notify the FIU by submitting a sanctions disclosure.**

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JJ is an MLRO, AML/CFT Compliance Officer and On-Island Director for IsleofBets. JJ is also an MLRO for 2 other operators. JJ has access to most of the systems and has a small team of 2 compliance staff, both have only started the role in the past month. IsleofBets has shown a speedy growth since its inception in 2022, with a customer base of 200,000. JJ's other entities SunnyDay Ltd and CasinoOfMann have approx. 10,000 customers each.

In a recent board meeting at IsleofBets, the board of directors have made the decision it wants to increase its risk appetite by tackling some African markets including South Africa, Nigeria and Kenya and introduce cryptocurrency.

As a director and MLRO, JJ should: (select one or more)

**Answer:**

**b) Consider all his positions whether he has time to perform all the roles proficiently**

**c) Raise to the board that he has concerns he will not have the time, access and sufficient resources to carry out the role and manage the risk**



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GamesofMann is a B2B Software supplier that wishes to take on a new business client from Qatar, Customer D. As part of the onboarding process for new clients, GameofMann conduct third party checks of its clients by obtaining EDD of everyone in the group. An open source check of the UBO discovers he is also the owner of 'SupaDrones' a drone seller. A further search identifies the drones have modifications which include night vision, thermal sense detectors and have the facility to collect and drop items. These drones are sold across the Middle East and said to be used by search and rescue teams.

Based on the information provided:

**Answer:**

**b) An internal disclosure to the MLRO, the MLRO should consider escalating the risk of the customer as high and should complete an external disclosure to FIU, as it may be linked to proliferation financing**

# Thank You...



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[www.isleofmangsc.com](http://www.isleofmangsc.com)



Isle of Man Gambling Supervision  
Commission

