



**General Compliance
Supervision Inspection Procedures**
Online Gambling Operators
Version 1 : February 2025

**These procedures are effective from the
1 February 2025**

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1. Version Control

Version	Date Published	Comments
1	February 2025	General Compliance - Supervision Procedures

2. Introduction

The Gambling Supervision Commission (GSC) is the regulator that supervises the gambling sectors' compliance with Isle of Man gambling and Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) legislation and regulations made under the Online Gambling Regulation Act 2001 (OGRA), associated guidance and licence conditions.

This document describes only the actions that the GSC uses during its routine supervision. As AML/CFT or compliance issues emerge or as particular findings dictate, the GSC may formulate responses that fall outside of this guidance.

3. The Risk-Based Approach

The Financial Action Task Force (FATF) Recommendations require countries to adopt a risk-based approach and by adopting a risk-based approach to supervision the GSC can effectively and efficiently allocate resources.

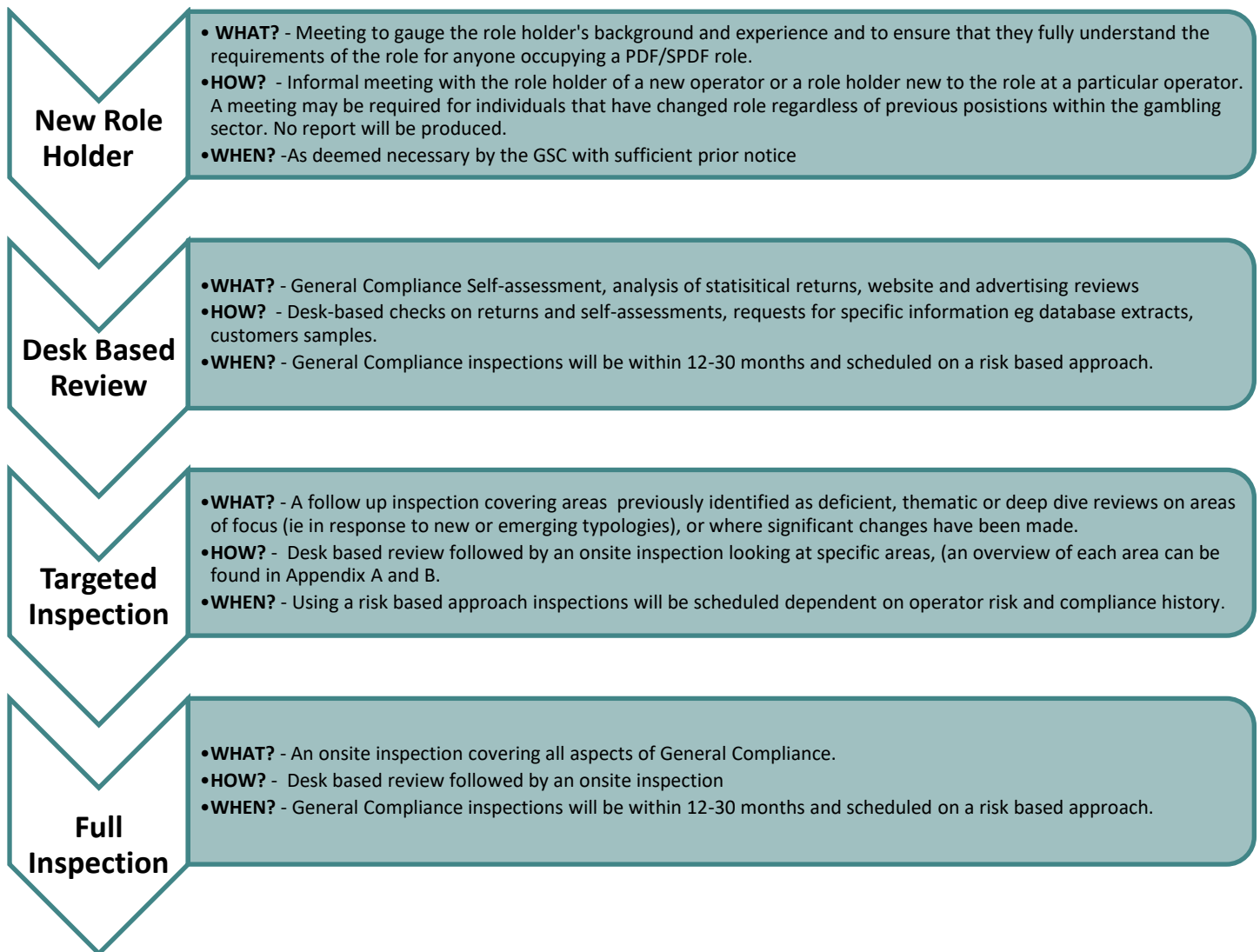
The GSC assesses the risks posed by online gambling operators based on the factors below and determines the intensity, frequency and scope of supervision based on that assessment and ongoing compliance performance. The GSC assesses the general compliance risk separately to AML risk and factors includes financial, fairness and fitness and proprietary risks.

4. Oversight Methods

The GSC supervises compliance through a combination of self-assessments and on-site reviews. Desk-based reviews of self-assessments and any documents provided allow the GSC to assess an operator's policy and process. On-site activities include inspections completed on an operators' premises, customer sampling and face-to-face meetings.

On-site inspections may be undertaken as a standalone inspection or combined AML/CFT and General Compliance inspections depending on the risk assessment of the operator, the time since the latest AML/CFT or General Compliance inspection, the next scheduled inspections, and the availability of the GSC's Officers.

Types of Supervision:



5. Inspection Process

Supervisory inspections will usually be made up of three parts:

- a self-assessment that will be subject to a desk-based review for which the GSC will request information upfront about processes and systems along with a database sample;
- an onsite inspection where checks may be carried out on how those processes and systems are operated. Funded test accounts may be required and demonstrations will be sought to ensure that the systems are functioning as they should; and
- a further period in which the inspection report is drafted and any queries resolved.

5.1 Pre-inspection

Wherever possible, the GSC Inspectors will contact operators at least one month prior to arrange a mutually agreeable time to schedule the inspection. Various documents and information will be required ahead of the on-site inspection.

Supplying the requested pre-inspection information on time allows the GSC to perform any desk-based elements ahead of the inspection. If this information is late and the GSC is unable to complete these checks then it is possible the inspection will be delayed or the OM will be asked to perform the extract during the inspection itself.

The law expects that licensees are both willing and able to be compliant with legislation, a licensee that is late supplying information may be asked to formally explain the underlying reasons why it cannot supply information on time. It is important that if the inability to supply arises from uncertainty over what the GSC requires, the GSC must be contacted immediately.

A list of General Compliance documents and information that could be provided in support of a self-assessment is provided at Appendix A. This list is not exhaustive and operators can utilise other means to demonstrate compliance, however, in most cases the list outlines the GSC's minimum expectations for demonstration compliance in that area.

A list of the information to be included in database samples/extracts is provided at Appendix B.

IMPORTANT: Please note that additional documentation or information may be requested (particularly those operators providing bespoke rather than retail products and services).

5.2 Self-assessment

As part of the inspection process operators will be issued with a General Compliance self-assessment template to complete prior to the inspection. The self-assessment process can be used as a stand-alone method of supervision where operator risk is deemed very low and will not always form part of an inspection. The template is split into supervisory areas, outlines what the GSC's requirement is, the source of that requirement, (legislation, guidance or licence condition), and operator self-assessment in that area. Templates for self-assessments are provided at licensing and should be completed and returned well in advance of any scheduled inspections. When completing a self-assessment and reference is being made to a document, appropriate citation of the section and or page of the document should be made in the self-assessment.

Information and evidence provided as part of self-assessments will be scrutinised and actions raised, with given timeframes to be completed, where any deficiencies are found. Any areas marked as partially met or not met should be accompanied by remediation plans for ensuring that area is brought into compliance. The self-assessment will also be used to inform the supervisory inspection where technical process will be checked in practice. For operators who have completed a self-assessment, subsequent assessments will consist of an update to the information provided.

GEN1						
REGISTRATION AND ACCOUNTS						
1.1 Customer registration						
OPERATOR TO COMPLETE						
REF	APPLIES TO	CATEGORY	REQUIREMENT	DOCUMENT REFERENCE(S)	SELF-ASSESSMENT	COMMENTS
1.1.1	Operators that register customers	Legal	Registration and Accounts Regulation 2008 (as amended) Regulation 3 (2) No Participant may be registered except on an application for registration in such form, and containing such particulars, as may be approved by the Commissioners. ... (4) Before an applicant for registration is registered he or she must provide details of his or her age, identity and place of residence.	A1, section 1.1.1	Partially met	Met a, not met b and c

Some criteria is not relevant for all operators e.g. those who do not register players directly, this will be

An outline of the requirement and its basis ie legislation, regulation, policy, licence condition.

Reference to the document and specific document section, provided to support technical compliance with the requirement. All documents to be listed on the Document Index tab.

Self-assessment of how you meet the requirement. Met, Partially Met, Not Met or Not Applicable.

Explanation of how the requirement is met, partially met, not met or not applicable. Include as much information as possible as to how the area is met, if partially met or not met include remediation plans. If not applicable explain why it does not apply.

Grey area for GSC use only, no text is required in this area.

GEN supervisory area.

5.3 On-site

At least one Director and the Designated Official or Operators Manager should be present at the inspection. If for any reason this is not possible, please contact the GSC at the earliest opportunity so that alternative arrangements can be made.

Funded test accounts may be requested for the inspection and will be used to sample the customer journey whilst on-site. The account should not be named or set up in a way that would alert customer services that the account is a test account or being utilised by the GSC.

The GSC's Officers will require a private room or convenient area to operate. During the inspection the Officers will ask questions and request demonstrations of an operator's systems.

A list of example on-site type checks can be found at Appendix C.

5.4 Post-inspection

For General Supervision inspections a draft inspection report will be sent out shortly after the on-site inspection. The report will set out:

- the topics covered;
- the extent of the assessment (i.e. self-assessment, on-site practical tests)
- contraventions; and
- actions required to remediate.

Operators will be invited to comment on the factual accuracy of the report in order for the GSC to take any comments into consideration before issuing a final report.

The report findings plus completion of any actions arising from the inspection will be taken into account in the GSC's risk based approach to supervision (please see Section 2 of this document for further detail).

Appendix A: General Compliance Self-assessment Documents

1. PROCEDURES

Procedure	General Compliance Inspection	Thematic/Follow-Up ¹ (by General Compliance topic)									
		Registration and Accounts	Under Age Play	Responsible Gambling	Customer Support	Business Continuity	Data and Security	Financials	Marketing and Advertising	Reputation	General Compliance Culture
New Customer Procedure	X	X	X								
Business Continuity Plan	X					X					
Responsible Gambling Policy/Procedure	X			X							
IT Security Policy	X						X				
Anti-Bribery and Corruption Policy	X									X	X
Whistleblowing Policy/Procedure	X									X	X
Complaint Handling Policy/Procedure	X				X						
Third Party Due Diligence Policy	X									X	X

¹ Ahead of a thematic or follow up inspection, the GSC will advise which General Compliance topics are to be covered in the inspection. Please provide all documentation and information required for the applicable topics.

2. OTHER INFORMATION / DOCUMENTATION

Procedure	General Compliance Inspection	Thematic/Follow-Up ² (by General Compliance topic)									
		Registration and Accounts	Under Age Play	Responsible Gambling	Customer Support	Business Continuity	Data and Security	Financials ³	Marketing and Advertising	Reputation	General Compliance Culture
Website screenshots	X	X	X	X	X		X		X		
Details of any verification methods	X	X	X	X							
Report outlining number of self-excluded or self-limited players	X			X							
Training records	X			X			X				
Copy of current Terms & Conditions	X				X						
Copy of complaint register	X				X						
SLA with hosting providers	X					X	X				
Copy of registration with Information Commissioner	X						X				
Transaction audits and reports	X						X				
Updated funding agreements	X							X			
Marketing guidance/agreements	X								X	X	X
A list of the compliance resource	X										X
Copy of your player database, or an extract of 1000 players if your database is greater than 1000 players. (to include the information listed at Appendix C)	X	X	X	X							

² Ahead of a thematic or follow up inspection, the GSC will advise which General Compliance topics are to be covered in the inspection. Please provide all documentation and information required for the applicable topics.

³ Financial analysis will predominantly be carried out based on quarterly returns and annual accounts submitted during the period

Appendix B: Database Sampling

Database Extract:

User ID (not real name)
Email Address
Full name
Residential address
Date of birth
Place of birth & Nationality (if recorded)
Account status (e.g. active, inactive, prospective)
CDD status (e.g. electronically verified, CDD documents held, unverified)
Account balance (confirming the currency)
Date of registration
Date of first deposit
Total Deposits
Total Withdrawals
Net Deposits (Deposits minus Withdrawals)
Total P&L
Number of deposit methods used

For the 10 customers with the highest volume of losses:

Back-office information	Transactional data	Responsible Gambling Data	Correspondence
Customer ID & Name	Transactions - detailed	Relevant risk assessment	Responsible Gambling interactions
Registered date	Total Withdrawals	Elective Controls Used	
Last log in	Transaction monitoring	Best endeavours evidenced	
Account & CDD status	Total Deposits		
Risk Rating	SOF / SOW		
Notes box	Total losses, time		
Address, Country			
DOB			

Appendix C: Example on-site checks

During an on-site inspection operators may be required to:

Run reports to highlight customers that have exceeded the qualifying payment threshold.
Run reports to highlight customers that have lost significant sums.
Run reports to highlight customers that deposit significant sums.
Provide the CDD files of a business participant, preferably one that includes a complex structure.
Open test accounts.
Supply the identification details of a selection of players showing their risk assessment history, their identification details and their compliance history.
Demonstrate the transaction monitoring system/process.
Demonstrate no play is possible on a limited account
Demonstrate self-exclusion of an account
The GSC Officers may wish to speak to members of staff on the day to assess their understanding of internal policies and training requirements in relation to compliance.