



## Directive 06.2020

### Class A Bookmakers

#### Authorized agents

#### **Agreement between Class A Licenced Bookmaker and Authorised Agent**

Directive No. 06.2020 is drafted based on the provisions of article 38 of the Betting Law of 2019 37(I)/2019, as amended or replaced, (hereinafter referred to as the “Law”), which relate to the agreement between the Class A licenced bookmaker and authorised agent and define that the authorised agent submits to the National Betting Authority (hereinafter referred to as the "Authority") a written agreement between himself and the Class A licenced bookmaker, which explicitly states that the agent will provide betting services, on behalf of and in the name of the Class A licenced bookmaker. The Authority may specify and publish on its website the minimum mandatory provisions of the agreement between the authorized agent and the Class A licensed bookmaker.

Therefore, the agreement between the Class A licenced bookmaker and the authorised agent must comply with the relevant provisions of the Law, and must include the following information:

1. Postal address for communication within the Republic of Cyprus, to which notifications will be sent,
2. The identity and place of residence in the case of a natural person or the registration number and address of registered office in the case of a company,
3. Updated Certificate from the Registrar of Companies for the shareholders, in the case of a company, which must be included as annex to the agreement. If the “beneficial owner (as interpreted in the Law)” is another person, this must be stated in the agreement,
4. Provision that the contracting parties have not been convicted by a competent court for a “relevant offence (as interpreted in the Law)”,
5. Provision that the authorised agent has completed the eighteenth (18<sup>th</sup>) year of age (in the case of a natural person),



6. Provision that the licence of any contracting party cannot be transferred or assigned in whole or in part in any manner to any other person,
7. Provision that any contracting party is obliged to obtain the prior approval of the Authority before carrying out any change or taking any action concerning the following [points(a) – (d) only apply in the case that the contracting party is a company]:
  - a) acquisition of significant interest from a person who does not hold a significant interest therein,
  - b) the holder of significant interest ceases to hold such an interest in any of the contracting parties,
  - c) change in the Board of Directors or management officers or a transfer/change/pledge/encumbrance/mortgage relating to the share capital of either contracting party,
  - d) change in the beneficial owner of any of the parties and/or any amendment to the Founder's Agreement and/or the Articles of Association of the company,
  - e) any amendment to any agreement between a Class A bookmaker and the authorized agent, under which the authorized agent receives a percentage of the income or profit from the betting services provided thereby,
  - f) adoption of a decision or resolution or notice or filing an application before a court or adoption of any other action which may lead to the dissolution or liquidation of either party or to bankruptcy,
  - g) change or alteration of the information or data submitted to the Authority for the purpose of issuing or renewing the licence,



8. Provision for the obligation to immediately inform the Authority as soon as any of the contracting parties becomes aware that:
- a) the other contracting party has been convicted of any “relevant offence (as interpreted in the Law)”,
  - b) any holder of significant interest or officer or shareholder or “beneficial owner (as interpreted in the Law) of the other contracting party, in the case of a legal entity, has been convicted for any “relevant offence (as interpreted in the Law)”,
  - c) the other contracting party is under liquidation or has committed an act of bankruptcy or has become bankrupt,
  - d) the licence of the other contracting party has been obtained by fraudulent actions or false representations or fraud,
  - e) the real conditions that form the basis for the issuance of the licence of the other contracting party, which constitute a condition for its issuance, have changed significantly,
  - f) the other contracting party does not apply the procedures for the prevention of money laundering, according to the Prevention and Suppression of Money Laundering and Terrorist Financing Law, which are specified in relevant Directives of the Authority,
  - g) the other contracting party provides credit to a player, or player account, or acts as a representative of a person who provides such credit, or acts in a manner that facilitates the provision of credit to a player, or to a player account,
  - h) the other contracting party fails to comply with any terms of his licence or any other obligation after the expiration of six (6) months of the period of suspension of its licence, in accordance with article 25 of the Law,



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- i) a Class A bookmaker fails to comply with the provisions of article 71 of the Law and any relevant directives issued by the Authority,
  - j) the other contracting party or the natural persons who are responsible for the application of the provisions of the Law on premises, pursuant to paragraph (2) of article 40 of the Law, provide credit facilities to the player or in any way, directly or indirectly, provide similar facilities,
9. Provision that the licence of an authorised agent shall cease to be in force:
- a) automatically, in the case of revocation of the Class A licenced bookmaker of the person for whom and on whose behalf the authorized agent is carrying out the bet,
  - b) automatically, in the case of suspension for any reason and the duration of the suspension of the licence of the Class A licenced bookmaker, for whom and on whose behalf the authorized agent is carrying out the bet, and
  - c) upon written notice to the Authority, through which the Class A licenced bookmaker or its authorised agent terminates the agreement between them,
10. Provision that the agreement will be governed by and in accordance with current Legislations of the Republic of Cyprus, the regulations and Directives of the Authority, which will automatically apply when interpreting and executing the agreement, providing that any dispute concerning the interpretation of the agreement will be resolved by the Cyprus Courts.
11. In the case that the agreement includes a term regarding the issuance of a premises licence, it then must contain the following provisions:
- a) that the person in whose name the licence was issued, will appoint one or more natural person(s), as responsible person(s) for implementing the provisions of the Law inside the premises and inform the Authority accordingly,



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- b) that the only activity carried out at the licenced premises is the provision of betting services by a Class A licensed bookmakers or authorised agent, and that only authorised activities will be carried out there in accordance with the Class A bookmaker's licence and any other type of authorised betting or authorised game of chance, in accordance with the provisions of any other legislation,
- c) that the responsible person or persons who are appointed have not been convicted for a "relevant offence", according to paragraph (2) of article 40 of the Law and have completed their eighteenth (18<sup>th</sup>) year of age,
- d) that the premises meet the terms and conditions laid down in the Law and the Regulations,
- e) that the premises licence holder and any other employee of the premises meet the conditions laid down in the Law, the regulations and Directives issued by the Authority,
- f) that the premises licence holder has an obligation to display and maintain, in a prominent position inside the licenced premises, the premises licence, a sign in Greek, Turkish and English indicating that minors are prohibited from entering the licences premises,
- g) that the premises licence holder has an obligation to display and maintain, in a prominent position premises inside the licenced premises, the terms and regulations under which betting services are provided in Greek, Turkish and English, and in a manner determined by the Authority,
- h) that the premises licence holder or the person in charge for the premises have an obligation to allow members of the Cyprus Police and/or representatives of the Authority and/or other persons who are duly authorized by the Minister of Finance or persons who are authorized



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under any other law, to freely enter the licenced premises in order to check on the proper and strict application of the terms under which the licence has been issued, the provisions of the Law and the Regulations, as well as the Directives issued by the Authority.

12. This Directive repeals Directive 12/2016.

Ioanna Fiakkou  
Chairwoman

*\*In case of discrepancy between English and Greek version, the Greek version supersedes.*

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