

Fantasy Sports - Process and Costs

Through its ruling No. SGT/001 of 2017 issued on 27th January, 2017 the Malta Gaming Authority (MGA) has decreed that **Fantasy Sport** be considered a “controlled skill game” and thus requiring a licence in terms of Regulations 8 of the Skill Games Regulations (SL 438.11)

In terms of the Skill Games Regulations, the MGA is empowered to regulate the sector in terms of a number of public policy objectives listed down in Regulation 3, including:

- Consumer protection
- Fairness of the game, and
- Prevention of criminality



A controlled skill games license may be a licence to provide:

- A service for the purpose of engaging with players, or
- A license to provide a supply, that is, in a business-to business capacity

Operational Requirements

The following are the requirements expected from any licensed operator:

1. Anti-Money Laundering processes
2. Protection of player funds
3. Self-exclusion facility
4. Information security processes
5. Prevention of Collusion & Fraud
6. Data redundancy policies
7. Fair and Transparent gaming rules
8. Player classification.

Legal Requirements:

A Malta Fantasy Games License operator must satisfy the below criteria as a minimum:

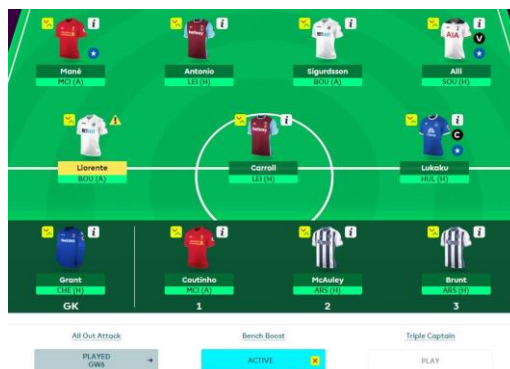
- Be a body corporate
- Established in Malta or in the EU/EEA
- Provide for a Key Official, and MLRO and Information security officer who are readily available to the MGA (preferably resident in Malta)
- Provides for the proper segregation of operational and player funds
- Provide access to the MGA for all regulatory data.

Gaming Tax

The License holders are subject to a 5% gaming tax computed over the “ real” gaming revenue (meaning total fees collected from players less totals paid out to players). The maximum payable in any calendar year is €466,000. This tax is payable monthly by the 20th of the following month.

Reporting Requirements

1. The following are the reporting requirements to the MGA by a Fantasy Sports license holder:
2. Monthly tax report – accompanied with payment
3. Monthly players liability report – accompanied with bank statements
4. Annual audited financial statements
5. Interim, unaudited, financial statements every 6 months.
6. Any material change to system documentation
7. Any material changes to company structure example:
8. Any shareholding over 10%
9. Changes to key management or personnel
10. Sale of Business
11. Changes to technical set up
12. Material ongoing legal litigation
13. Amendments to the corporate documentation
14. Changes to official registered or operational offices.



Fantasy Sport Fee Structure

Fee type	€	Notes
Application Fee	2,300	Payable upon application
5 Years Renewal Fee	2,300	Payable on request to renew
License Fee	8,500	Annually in advance
Systems Review	2,500	In advance on engagement of reviewer
Compliance Review	3,500	In advance on engagement of reviewer
Approval of share transfer	1,500	In advance on request for approval
Approval to transfer license	1,500	In advance on request for approval
Approval of new game	1,000	In advance on request for approval
Approval of material supplier	70	In advance on request for approval

George Farrugia – Director – 5th September, 2019

Updated 31st August ,2019