

## Information on Unlawful Internet Gambling Enforcement Act (UIGEA)/Regulation GG

In 2006, Congress passed the Unlawful Internet Gambling Enforcement Act, which prohibited anyone in the business of betting or wagering from knowingly accepting payments that result from unlawful Internet gambling. The statute required the regulatory agencies to identify which payment systems could be used to facilitate prohibited transactions, and require participants in those systems to have policies and procedures to identify and block prohibited transactions, or prevent or prohibit them. As a result, the Federal Reserve put Regulation GG into place with a mandatory compliance date of December 1, 2009.

Under Regulation GG, financial institutions and other businesses that play a role in certain payment systems are required to identify commercial customers that may be providing Internet gambling and have policies and procedures in place that are reasonably designed to identify and block proceeds from unlawful Internet gambling transactions, or prevent or prohibit the unlawful transactions. The act generally defines “unlawful Internet gambling” as placing, receiving, or otherwise knowingly transmitting a bet or wager by any means which involves the use, at least in part, of the Internet where such bet or wager is unlawful under any applicable federal or state law in the state or tribal lands in which the bet or wager is initiated, received, or otherwise made. Such transactions are termed “restricted transactions.” The regulation applies only to commercial accounts and not consumer accounts.

It is the policy of Premier Bank to comply with the requirements of Regulation GG and to have policies and procedures in place that are reasonably designed to identify and block, or otherwise prevent or prohibit, restricted commercial transactions involving unlawful Internet gambling. As a commercial account holder you will be asked at the time of account opening whether or not you participate in any Internet gambling. By maintaining a commercial account with Premier Bank, you agree to notify us if your account is ever used for Internet gambling of any kind, even if you believe the activity to be legal.

For more information, visit the *Electronic Code of Federal Regulations* Web site, **Unlawful Internet Gambling Enforcement Act** page.

([http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&tpl=/ecfrbrowse/Title12/12cfr233\\_main\\_02.tpl](http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&tpl=/ecfrbrowse/Title12/12cfr233_main_02.tpl))