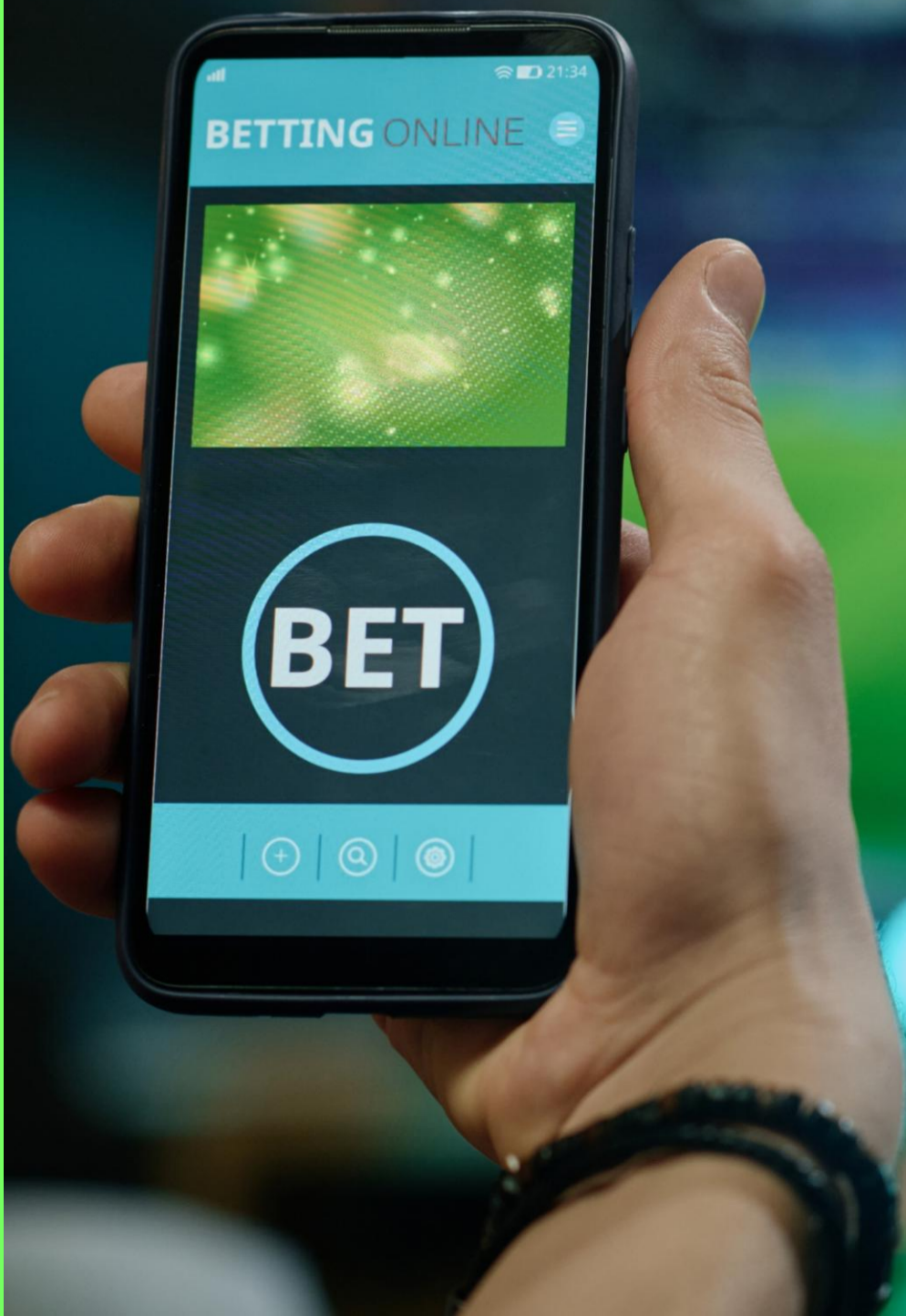


# New compliance rules for financial institutions regarding sports betting transactions in Brazil



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Our specialized team has analyzed the recent regulatory rule issued by the Brazilian Secretariat for Prizes and Betting (*Secretaria de Prêmios e Apostas* – “SPA”) (SPA Ordinance No. 566, from March 20, 2025), which establishes procedures for compliance with Article 21 of Law No. 14,790/23 (the “Fixed-Odds Betting Law”). The rule outlines requirements, deadlines, and reporting protocols concerning payment transactions intended to fund fixed-odds wagers placed with unlicensed sports betting operators (“**Unauthorized Gambling Platforms**”).

Article 21 of the Fixed-Odds Betting Law prohibits **payment scheme arrangers, financial institutions, and payment institutions** from processing or facilitating transactions aimed at placing bets through unauthorized gambling platforms.

The rule provides regulatory guidance on the following key areas:



Onboarding and account maintenance controls for clients identified as unauthorized gambling operators;



Transaction monitoring and blocking mechanisms for payments intended to fund fixed-odds betting with unlicensed operators;



Implementation of internal compliance procedures to detect red flags suggesting the operation of unauthorized platforms, the involvement of intermediaries, or other atypical activity;



Mandatory reporting to the SPA within 24 (twenty-four) hours of identifying such indicators.



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Non-compliance with the rule may result in administrative enforcement proceedings and sanctions under the Fixed-Odds Betting Law, including warnings, monetary fines, and temporary suspension of operations.

As this is a recently issued rule, institutions should assess how to best supplement its current compliance controls, considering the potential risks arising from insufficient monitoring or failure to block suspicious transactions, as well as legal concerns related to banking secrecy, as protected under Complementary Law No. 105/01.



For further information, please contact our team dedicated to this matter.



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