

SANCTIONS AND REQUIREMENTS FOR REGULATED ENTITIES – YEAR 2025

GOBIERNO DE ESPAÑA
MINISTERIO DE ECONOMÍA, COMERCIO Y EMPRESA

SANCTIONS AND ADMINISTRATIVE MEASURES IMPOSED FOR FAILURE TO COMPLY WITH AML/CFT OBLIGATIONS – 2025

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SANCTIONS AND ADMINISTRATIVE MEASURES IMPOSED FOR FAILURE TO COMPLY WITH AML/CFT OBLIGATIONS

1. List of sanctions

Sanctions imposed during 2025

Pursuant to Article 57 of Law 10/2010 of 28 April, 51 final administrative sanctions were imposed in 2025, of which 45 were subject to a private reprimand and 6 to a public reprimand. All sanctions imposed during 2025 stem from serious infringements. The list of breaches relating to the aforementioned Law, together with the amount of the fine imposed on each regulated entity, is as follows:

- **Failure to comply with formal identification obligations, in accordance with Article 3** (52.1.a):
    - Penalty imposed on an online gambling operator consisting of a fine of €60,000.
    - Penalty imposed on a payment institution consisting of a fine of 153,645.08 €.
    - Penalty imposed on a credit institution consisting of a fine of 12,274,340 €.
    - Penalty imposed on a casino in the form of a fine of €275,976.
    - Penalty imposed on an entity carrying out professional currency exchange activities, consisting of a fine of 183,500 €.
    - Penalty imposed on an entity carrying out professional currency exchange activities, consisting of a fine of 109,400 €.

- **Failure to comply with the obligations regarding the identification and reporting of the beneficial owner, in accordance with Articles 4, 4a and 4b** (52.1.b):
    - Penalty imposed on a payment institution consisting of a fine of €153,645.08 €.
    - Penalty imposed on an insurance company consisting of a fine of 60,000 €.
    - Penalty imposed on an entity professionally engaged in currency exchange activities, consisting of a fine of 109,400 €.

- **Failure to comply with the obligation to obtain information on the purpose and nature of the business relationship, in accordance with Article 5** (52.1.c):
    - Penalty imposed on an online gambling operator consisting of a fine of €60,000.
    - Penalty imposed on a payment institution consisting of a fine of 153,645.08 €.
    - Penalty imposed on a credit institution consisting of a fine of €247,460.
    - Penalty imposed on an insurance company in the form of a fine of 60,000 €.

- **Failure to comply with the obligation to apply ongoing monitoring measures to the business relationship, in accordance with Article 6** (52.1.d):
    - Penalty imposed on an online gambling operator consisting of a fine of €110,600.
    - Penalty imposed on a payment institution consisting of a fine of €153,645.08 €.
    - Penalty imposed on a credit institution consisting of a fine of €247,460.
    - Penalty imposed on a credit institution consisting of a fine of 12,274,340 €.
    - Penalty imposed on an insurance company in the form of a fine of 646,449 €.
    - Penalty imposed on a casino consisting of a fine of €275,976 and **a public reprimand**.

- **Failure to comply with the obligation to apply enhanced customer due diligence measures, in accordance with Articles 11 to 16** (52.1.f):
    - Penalty imposed on a payment institution consisting of a fine of 153,645.08 €.
    - Penalty imposed on a credit institution consisting of a fine of €60,000.
    - Penalty imposed on an insurance undertaking consisting of a fine of 646,449 €.
    - Penalty imposed on an insurance company consisting of a fine of 324,385.58 €.
    - Sanction against an entity professionally engaged in currency exchange activities, consisting of a fine of €183,500 and **a public reprimand**.
    - Sanction imposed on an entity carrying out professional currency exchange activities, consisting of a fine of €183,500 and **a public reprimand**.
    - Penalty imposed on an entity carrying out professional currency exchange activities, consisting of a fine of €183,500.

- **Failure to comply with the obligation to carry out a special review in accordance with Article 17**
  (52.1.g):
    - Sanction imposed on an online gambling operator consisting of a fine of €110,600.
    - Sanction imposed on a payment institution consisting of a fine of €153,645.08
      €.
    - Penalty imposed on a credit institution in the form of a fine of €12,274,340 €.
    - Penalty imposed on an insurance company in the form of a fine of 353,224 €.
    - Penalty imposed on a casino consisting of a fine of €275,976 and **a public reprimand**.
    - Penalty imposed on an entity carrying out professional currency exchange activities, consisting of a fine of 109,400 €.

- Sanction against an entity professionally engaged in currency exchange activities, consisting of a fine of 183,500 € and **a public reprimand**.

- **Failure to comply with the obligation to report suspicious activity, in accordance with Article 18** (52.1.h):
    - Sanction imposed on an insurance company consisting of a fine of €939,673 €.
    - Sanction imposed on a casino consisting of a fine of €131,992.

- **Failure to comply with the obligation to cooperate laid down in Article 21 following a written request from one of the support bodies of the COPBLAC** (52.1.k): sanction against a casino consisting of a fine of €131,992.

- **Failure to comply with the obligation to approve in writing and implement adequate internal control policies and procedures, in accordance with Articles 26 and 26 bis, including the written approval and implementation of a customer admission policy** (Article 52.1.m):
    - Penalty imposed on an online gambling operator consisting of a fine of €110,600.
    - Sanction imposed on a payment institution consisting of a fine of €60,000.
    - A penalty imposed on a credit institution in the form of a fine of €60,000.
    - Penalty imposed on a credit institution in the form of a fine of 12,274,340 €.
    - Penalty imposed on an insurance company in the form of a fine of 353,224 €.
    - Penalty imposed on a casino in the form of a fine of €275,976.
    - Penalty imposed on an insurance company consisting of a fine of 324,385.58 €.
    - Penalty imposed on an entity carrying out professional currency exchange activities, consisting of a fine of 183,500 €.
    - Penalty imposed on an entity carrying out professional currency exchange activities, consisting of a fine of €183,500 and **a public reprimand**.
    - Sanction against an entity carrying out professional currency exchange activities, consisting of a fine of €183,500.

- **Failure to comply with the obligation to establish adequate internal control bodies, including, where applicable, technical units, operating in accordance with the provisions of Article 26 ter** (52.1.ñ):
    - Sanction imposed on an online gambling operator consisting of a fine of 60,000
      €.
    - Penalty imposed on a credit institution in the form of a fine of €60,000.

- **Failure to comply with the obligation to adopt and keep available to the Commission's Executive Service an appropriate and up-to-date manual on Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT), in accordance with Article 26.5 (52.1.p):** a penalty imposed on an entity professionally engaged in currency exchange activities consisting of a fine of €109,400.

- **Failure to comply with the obligation to undergo an external audit, in accordance with Article 28**
  (52.1.q): a penalty imposed on an online gambling operator consisting of a fine of €60,000.

- **Failure to comply with the obligation to report the opening, amendment or closure of current accounts, savings accounts, deposits, payment accounts and safe-deposit box rental contracts, as well as to report and keep up to date the details of the parties involved, in accordance with Article 43** (52.1.v): penalty imposed on a credit institution consisting of a fine of €6,167,170.

Penalties not yet finalised through administrative proceedings

In addition, during 2025, penalties for serious infringements (specifically, 6 penalties) accompanied by the corresponding private reprimands (6) were imposed on various regulated entities, totalling €661,741.22; these are not yet final under administrative proceedings, pending the resolution of the appeals lodged against them.

2. Analysis of sanctioned breaches during the period

From the information set out in the previous section, we can see, firstly, that the highest number of breaches was detected among entities professionally engaged in currency exchange activities (12) and credit institutions (10), although breaches have also been detected in insurance companies (9), the payment institutions sector (7), online gambling operators (7), and casinos (6).

On this point, it should be noted that the distribution of breaches is not due to poorer performance by certain sectors, but is linked to greater scrutiny by the supervisors, given the risk classification assigned to the various sectors.

Secondly, it is worth noting that the most frequent type of non-compliance relates to the lack of adequate policies and procedures (10), followed by the failure to carry out a special review (7), the failure to apply enhanced due diligence measures (7), the failure to apply ongoing monitoring measures to the

business relationship (6), failure to comply with formal identification obligations (6), and failure to comply with the obligation to obtain information on the purpose and nature of the business relationship (4).

In any case, the determination of the amount is not solely indicative of the severity of the sanction, as the financial capacity of the regulated entity is also taken into account, resulting in varying figures.

In light of the above, a summary is provided of the most significant incidents that have given rise to sanctions during the period.

Due diligence obligations

With regard to the **due diligence obligations** set out in Law 10/2010 of 28 April, during the period in question, sanctions have been imposed for breaches of obligations relating to **formal identification**, **identification and information regarding the beneficial owner**, **the purpose and nature of the business relationship, the ongoing monitoring of the business relationship, and enhanced due diligence measures (MDDR).**

With regard to **formal identification obligations**, notable issues included the lack of an adequate procedure for verifying the customer's identity, as well as the type of documentation that should be required; the lack of identification documents; the existence of expired identification documents; out-of-date know-your-customer forms; the lack of information on the nature of customers' professional or business activities; the lack of a client onboarding policy, as well as the absence of a risk-based classification of clients.

With regard to the **obligations concerning the identification and reporting of the beneficial owner**, it is worth noting the failure to identify and report the beneficial owner, the failure to request the *trust* deed where necessary, as well as the failure to provide documentation on the beneficial ownership of the funds.

With regard to breaches relating to the **purpose and nature of the business relationship,** the non-compliance stems from a failure to verify the nature of clients' professional or business activities, as well as a failure to provide proof of business activity or justification of the source of funds, and a failure to declare economic activity.

As for the **ongoing monitoring of the business relationship**, the breaches stem from a failure to continuously monitor certain transactions comprising one or more operations in which some form of connection might exist, and from a failure to update information relating to customers, in particular the verification of economic activities.

Finally, with regard to breaches relating to the **failure to apply** enhanced due diligence measures **(MDDR),** these have been caused by a failure to apply, or the inadequate application of, enhanced due diligence measures to high-risk customers, to whom, in some cases, the same measures were applied as to medium- or low-risk customers, due, in

part, to a customer segmentation model that did not comply with regulatory requirements. Also noteworthy is the failure to apply enhanced customer due diligence measures to certain customers, given the value and/or number of transactions carried out by them.

Reporting obligations

With regard to the **reporting obligations** set out in Law 10/2010 of 28 April, sanctions have been imposed for failure to comply with the obligations relating to **special scrutiny, reporting on the basis of suspicious circumstances, and the obligation to cooperate with the COPBLAC and its supporting bodies.**

With regard to non-compliance with the **special scrutiny** obligation, the main shortcomings relate to the failure to trigger alerts and, consequently, to carry out special scrutiny on certain transactions that presented a clear risk of Money Laundering and Terrorist Financing, as well as a lack of supporting documentation regarding the analysis phases, steps taken and sources of information consulted during the special scrutiny carried out. Deficiencies have also been detected in the Register of Special Reviews, relating to the failure to include special reviews corresponding to reports based on indications sent to the Executive Service of COPBLAC (hereinafter 'SEPBLAC').

With regard to the obligation to **report on the basis of indications**, the breaches have been caused by a failure to make such reports in the cases prescribed by law and by instances where, although a special examination was carried out, no report based on indications was submitted to SEPBLAC.

Finally, with regard to the **obligation to cooperate with the COPBLAC and its supporting bodies,** it should be noted that this sanction has been imposed due to a failure to comply with the requirements issued by the supervisor.

Internal control measures

With regard to the **internal control** measures provided for in Law 10/2010 of 28 April, sanctions were imposed in 2025 for failure to comply with the obligation to **approve in writing and implement adequate internal control policies and procedures,** the obligation to establish **adequate internal control bodies**, and for failure to comply **with** the obligation **to undergo an external expert review**.

With regard to infringements relating to **internal control policies and procedures**, the main breaches detected relate to shortcomings in the procedure for the internal reporting of suspicious transactions by

employees and managers, as well as significant deficiencies in the Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) Manual and in the customer onboarding policy. Deficiencies have also been detected in the customer risk classification models, as well as in the internal control measures applicable to agents, the alert system and the register of special reviews. It should also be noted that some breaches relating to internal control policies and procedures are due to shortcomings in the procedures established to identify customers subject to enhanced due diligence measures, and those who are public office holders.

With regard to the obligation to establish **appropriate internal control bodies,** it should be noted that the main non-compliance identified is the lack of an internal control body or technical prevention unit within the company.

Finally, with regard to the **obligation to commission an external expert review,** the failure to submit any external expert report to the inspectorate in the cases provided for by law is particularly noteworthy.

Furthermore, it should be noted that a penalty has also been imposed for non-compliance with the obligation set out in Article 43 of Law 10/2010 of 28 April, relating to the obligation to declare to the Commission's Executive Service the **opening, amendment or closure of current accounts**, savings accounts, deposits, payment accounts and safe-deposit box rental contracts, as well as to declare and keep the details of the parties involved up to date.

3. List of formal notices

During 2025, a total of 38 letters of formal notice were issued to various regulated entities; the content and type of entity are detailed below:

Requests relating to due diligence obligations

To ensure that the due diligence measures required by law are duly applied to all customers, both at the time of their admission and throughout the course of the business relationship, including those aimed at ascertaining the purpose and nature of the business relationship, with enhanced due diligence measures being applied where appropriate:

- 10 credit institutions
- 5 virtual currency exchange service providers
- 3 law firms
- 2 insurance companies

- 1 mutual insurance society
- 1 brokerage firm
- 1 jeweller's
- 1 payment institution
- 1 consultancy and audit firm
- 1 notary

Ensure compliance with the requirements set out in the authorisations for remote identification procedures:

- 2 virtual currency exchange service providers

Requirements relating to reporting obligations

Ensure that the system for generating, processing and recording alerts is effective:

- 6 credit institutions
- 2 virtual currency exchange service providers
- 1 jeweller
- 1 insurance company

Establish a procedure to regulate how information requests received from authorities are to be handled and ensure that the register is kept up to date:

- 1 virtual currency exchange service provider
- 1 credit institution
- 1 law firm

Ensure that any special audits and ad hoc communications carried out comply with the terms set out in the legal provisions in force:

- 6 credit institutions
- 4 virtual currency exchange service providers
- 1 payment institution
- 1 brokerage firm
- 1 law firm

Ensure compliance with the obligation to refrain from enforcement:

- 1 virtual currency exchange service provider

- 1 notary

Requirements relating to internal control measures

Incorporate into the customer admission policy relevant variables for assessing risk exposure and their periodic updating, as well as a list of all customers who may present a higher-than-average risk and the measures envisaged to mitigate it:

- 11 credit institutions
- 5 law firms
- 3 virtual currency exchange service providers
- 2 consultancy and audit firms
- 1 insurance company
- 1 payment institution

Update the catalogue of risk operations to reflect the reality of operations:

- 3 law firms
- 2 virtual currency exchange service providers
- 1 credit institution
- 1 jeweller

Establish a register of special reviews, clearly identifying each of the matters it covers:

- 1 virtual currency exchange service provider

Incorporate into the internal regulations governing the procedure for reporting on the basis of evidence the method for recording the grounds for the decision taken:

- 1 credit institution

Maintain a duly updated and approved AML/CFT Manual, and adopt measures to identify the internal rules and procedures in force:

- 2 virtual currency exchange service providers
- 2 credit institutions
- 1 insurance company
- 1 brokerage firm
- 1 law firm

Establish an appropriate internal control body and a technical prevention unit, as well as a system for the approval of internal rules:

- 2 credit institutions
- 1 law firm
- 1 virtual currency exchange service provider
- 1 consultancy and audit firm

Establish appropriate internal control procedures to enable the monitoring and storage of documentation and information relating to clients and the transactions they carry out:

- 3 law firms
- 2 credit institutions
- 1 virtual currency exchange service provider
- 1 consultancy and audit firm

Implement appropriate measures to rectify and improve the deficiencies identified in internal AML/CFT controls by the internal audit department:

- 6 credit institutions
- 3 law firms
- 3 virtual currency exchange service providers
- 1 insurance company
- 1 brokerage firm
- 1 jeweller
- 1 consultancy and audit firm

To have, in due time and form, a comprehensive annual report from an external expert and to adopt an action plan for the implementation of the proposed measures:

- 3 virtual currency exchange service providers
- 1 mutual insurance society
- 1 credit institution
- 1 law firm
- 1 consultancy and audit firm

To comply with obligations relating to staff training:

- 5 credit institutions

- 1 insurance company
- 1 payment institution
- 1 law firm
- 1 consultancy and audit firm
- 1 virtual currency exchange service provider

Prepare the ML/TF risk self-assessment report and review it periodically:

- 1 credit institution

Requirements relating to the implementation of international financial sanctions and countermeasures

Ensure compliance with regulations on international sanctions and financial countermeasures:

- 7 credit institutions
- 2 notaries
- 1 jeweller's
- 1 virtual currency exchange service provider