

## **| Monaco • Bill No. 1019 on the legal exception of gambling debts and amending Article 1804 of the Civil Code**

**Bill No. 1019 on the legal exception of gambling debts and amending Article 1804 of the Civil Code was received by the National Council on 10 August 2020.**

**Composed of a single article, the purpose of Bill n° 1019 is "to put an end to the gambling exception with regard to casinos, so that the Société des Bains de Mer can act in payment of the cheques that certain players hand over to it in payment for the purchase of casino chips".<sup>1</sup>**

### **Current legal situation**

According to Article 1804 of the Monegasque Civil Code, **"The law does not grant any action for a gambling debt or for the payment of a bet"**. This is known as the **"gambling exception"** (*exception de jeu*).

As a result, an action for repayment of a loan or advance granted to a player by a gambling house in the Principality to finance gambling ("*credit aimed at promoting gambling*") is inadmissible on the basis of Article 1804 of the Civil Code.<sup>2</sup>

By contrast, when the debt does not result from an advance solely intended to finance gambling, but from an unpaid acquisition of chips by an apparently solvent client, the action for payment of cheques issued by a player in exchange for chips does not correspond to the recovery of a gambling debt, and the player cannot invoke the gambling exception of Article 1804 of the Civil Code.<sup>3</sup>

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<sup>1</sup> Explanatory Memorandum to Bill No. 1019, 2020-9, 16 July 2020, p. 4.

<sup>2</sup> Tribunal de Première Instance (Court of First Instance), judgment of 18 September 2007, SAM SFE / C..

<sup>3</sup> Tribunal de Première Instance (Court of First Instance), judgment of 3 June 1993, SMAR / D.