



PHILIPPINE AMUSEMENT AND GAMING CORPORATION

GAMING SITE REGULATORY MANUAL

(Electronic Games)

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FOREWORD

PAGCOR's regulatory role is essential to the vision of the country taking a place among the world's top gaming jurisdictions. In principle, PAGCOR aims to:

- Ensure a level playing field among industry proponents;
- Maintain an orderly and predictable regulatory environment;
- Enforce license terms and conditions;
- Promote fairness and integrity in the conduct of games;
- Provide an underlying platform for responsible gambling;
- Disallow access to gaming venues by minors and financially vulnerable persons; and
- Prevent licensed gaming venues from being used for illegal activities.

Regulations and standards must be formulated in order to meet these objectives.

This Gaming Site Regulatory Manual (Electronic Games) shall form part of the Gaming License (GL) issued by PAGCOR to a qualified Operator which shall govern the establishment and operation of a gaming site.

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Regulation

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DEFINITION OF TERMS

“aisle” means a corridor, passage or other pedestrian thoroughfare within the gaming site premises.

“ancillary area” means any of the following areas within the gaming site premises:

- (a) aisles;
- (b) back-of-house facilities;
- (c) any reception or information counter;
- (d) any area designated for the serving or consumption of food and beverages;
- (e) any area designated for aesthetic or decorative displays;
- (h) staircases, staircase landings and escalators;
- (i) toilets; and,
- (j) such other area not intended to be used for the conduct or playing of games as PAGCOR may allow on the application of the Operator.

“approved game” means a game approved by PAGCOR for play in a gaming site.

“back-of-house facility” includes a facility commonly known as a cage or cashier’s booth, and such other facility ancillary to the conduct of games as PAGCOR may specify.

“betting credit” is the equivalent unit displayed on the electronic gaming terminal that corresponds to the player’s cumulative amount of money which is available for play or encashment.

“betting credit fund” means the available total credit amount of the gaming site for deposit to gaming terminals as availed by the players for game play. The prescribed initial amount of betting credit fund is deposited by the Operator to the Service Provider.

“cage” means an area within any gaming site premises at which cash are deposited, and financial transactions and the paperwork necessary to support the playing of games in the gaming site are carried out. It is also called a cashier’s booth.

“cash” means currency notes and coins which are legal tender and circulate as money in the Philippines.

“cash in” means a transaction involving the receipt of cash paid by a player to an Operator, and includes:

- (a) a deposit of cash to be credited into the player's account or terminal account with the Operator; and,
- (b) cash inserted into an electronic gaming terminal, i.e. electronic gaming machine.

“cash out” means a transaction involving the payout of cash by an Operator to a player, and includes:

- (a) cash paid upon a withdrawal made from the player's account or terminal account with the Operator;
- (b) cash paid by the Operator to redeem tickets issued by an electronic gaming terminal for the corresponding residual credit collected; and,
- (c) cash paid by the Operator as payment of cash winnings derived from a jackpot obtained on an electric gaming terminal;

“cash transaction report” pertains to a report of a significant cash transaction.

“contract” includes any kind of agreement or arrangement.

“coupon” means a form distributed that is redeemable for items of value used to wager on an approved game.

“disaster recovery plan” means written procedures, including assigned roles and responsibilities, designed to restore all or part of a gaming site's system capabilities in the event that the system is rendered unusable by a disaster.

“dispute” refers to a dispute between an Operator and a player of the gaming site as to alleged winnings, alleged losses or the manner in which a game is conducted.

“electronic games” means virtual games of chance, i.e. casino games, and mixed games of chance and skills.

“electronic gaming” means the conduct of electronic games and the taking of wagers through any computer or communication device connected to the Internet or the use of Internet-based technology and other communication devices that are necessary for gaming operations.

“electronic gaming system” means a computer system comprising of a combination of a central server, player terminals and all interface elements

that function collectively for the purpose of electronically simulating the operations of live casino games, among other games, including but not limited to the automated collection of bets and payout winnings.

“electronic in/ticket in/voucher in” shows the amount of money deposited through an electronic system or through use of ticket or voucher, which is converted to credits for play in electronic gaming terminal.

“electronic out/ticket out/voucher out” shows the amounts won by the player at the end of the game that were paid through an electronic system, or by a ticket printer or by a voucher.

“fees” means the fees payable to PAGCOR pursuant to the License.

“freeze top up” refers to the condition of denied Operator’s request for additional operational fund, e.g. betting credit fund, because of its failure to remit daily its Gross Hold to concerned Service Provider on prescribed remittance time.

“games of chance” means any type of game wherein the outcome is determined by statistical odds, including but not limited to, casino table games, slot machines, poker, dice games, wheel games among others.

“gaming area” means any area within the gaming site premises other than an ancillary area.

“gaming day/trading day” means a 24-hour period which constitutes a normal business day of a gaming site, being the same period by which the gaming site keeps its books and records for business, accounting and tax purposes. It is Operator-dependent but is generally from 6:00 a.m. of the current day until 6:00 a.m. of the following day.

“Gaming License” means the License, referred to as the document granting the Operator the privilege to establish, install, maintain and operate a gaming facility or gaming terminal/s (referred herein as “gaming site”) as approved by PAGCOR. This document contains the terms and conditions and other PAGCOR regulations related to the operation of the gaming site.

“game offering” is the suite of games offered through the electronic gaming terminals, i.e., InstaWin games.

“gaming paraphernalia” means apparatus, furnishing or accessories used in or necessary in the conduct of gaming operations.

“gaming site” means a duly authorized establishment or facility that offers to the public the appropriate access to the PAGCOR-approved gaming activities, i.e. electronic gaming and/or bingo gaming.

“Gaming Site Operational Rules and Guidelines” means the gaming site house rules and operating guidelines, mechanics of games and income determination

procedures to be formulated by the Operator (as the same may be amended or supplemented from time to time in consultation with PAGCOR).

“gaming site premises” means gaming site to be operated by the Operator under the License which all gaming activities shall take place. Gaming site premises shall be made up of gaming areas and ancillary areas.

“GLDD” refers to the Gaming Licensing and Development Department of PAGCOR.

“gross bets” means the total amount of bets placed for all the electronic games.

“gross gaming revenue (GGR)” means Gross Bets less the total amount of Payout.

“gross hold” is the total amount of cash deposits less total cash redemptions or encashments (cash equivalent paid out to redeem residual credits) made by the player.

“increment” means the part or percentage of bets placed in a progressive game that accumulates to the progressive jackpot.

“InstaWin” refers to one (1) of the gaming offerings currently operational at the gaming sites with Inter-active Entertainment Solutions Technologies, Inc. (IEST) as the Service Provider.

“jackpot prize” means the top prize won in an electronic game. It may be a fixed amount or a progressive jackpot. It is won when a designated pattern or combination is achieved. It may also be won as a random jackpot prize.

“License” means the Gaming License (GL) issued by PAGCOR in favor of the Operator to set-up and to operate a gaming site, as the same maybe amended, supplemented or modified from time to time in accordance with the terms of the License and the Gaming Site Regulatory Manual.

“modification”, in relation to any gaming machine or approved gaming equipment, means any change:

- (a) affecting the display or operation of the gaming terminal or approved gaming equipment; or
- (b) capable of affecting the outcome of the game played on that gaming terminal or with that approved gaming equipment.

“Operator” refers to individual, corporation or other private entity authorized by PAGCOR through issuance of a License to set-up and to operate a gaming site. The Operator is the one who establishes the gaming site and oversees/manages the daily operations of its gaming site, in accordance with PAGCOR policies and guidelines.

“Operator’s Share” is the amount which the Operator is entitled to, in consideration

of its operation of the gaming site.

“PAGCOR” means the Philippine Amusement and Gaming Corporation or its successor entity, whereby “successor entity” means any successor or assignee to or replacement of PAGCOR in its capacity as a Person entitled to regulate and license all gaming establishments in the territorial jurisdiction of the Republic of the Philippines.

“payout” means the total amount of winnings paid to a winning player for a winning bet or wager inclusive of the original amount wagered.

“pay table” means the approved schedule of prizes appearing in the electronic terminal screen to be won in the electronic game. When a prize is won, the player’s account or terminal account is automatically credited.

“Performance Cash Deposit” means the monetary requirement/ deposit paid by the Operator in advance as PAGCOR’s measure of security against the Operator’s non-compliance with its financial obligations relative to gaming site operation and penalties which may be imposed by PAGCOR.

“person” includes the State and its political subdivisions, other public entities, corporations, partnerships, associations, other juridical entities, individuals or groups of individuals.

“player” means any person who:

- (a) opens a player account or assigned a terminal account with an Operator; or,
- (b) is involved in a cash transaction with an Operator within its gaming site premises, whether or not that person participates in gaming at the gaming site.

“prize” means cash offered or striven for in electronic games.

“progressive jackpot prize” means the jackpot prize that increases by an amount each time the game is played without a winner. It is comprised of the seed amount (initial jackpot prize amount) and the accumulated increment. An increment is in the form of a specific amount or value equivalent to a certain percentage of bet or specific type of bet placed for the game or any of the linked games for a specified period of time of interval or a specified condition/s is/are met or until the progressive game is won.

“reckoning period” means the one (1) month period of operation of the gaming site, within which the aggregate PAGCOR Share shall be reckoned.

“recognized testing laboratory” means a testing laboratory acceptable to PAGCOR for the purposes of testing gaming equipment against the technical standards.

“resident” means a citizen of the Philippines or a permanent resident of the Philippines.

“Return To Player percentage” or **“RTP%”** means the theoretical return to a player of the value of all prizes awarded by a game (including any external prize) as a percentage of all bets made on that game over a large volume of game play.

“SEC” refers to the Securities and Exchange Commission.

“seed amount” means the initial jackpot amount of a progressive game.

“server” is a system comprised of software and suitable computer hardware that responds to requests across a computer network to provide, or help to provide, a network service.

“Service Provider” refers to the technology provider or project manager for gaming site operations, as provided for in its contract with PAGCOR. The Service Provider may provide cash management, marketing, and customer service support for the electronic gaming network.

“surveillance” means the capability to observe and record activities being conducted in a gaming site.

“surveillance system” means a system of video cameras, monitors, recorders, switches, selectors and other ancillary equipment used for gaming site surveillance.

“technical standards”, in relation to any gaming system, electronic machine or other gaming equipment of a particular class or description, means any technical standards issued by PAGCOR applicable to gaming system, electronic machines or gaming equipment of that class or description, updated from time to time or, if a modification to the technical standards has been allowed by PAGCOR, such technical standards as modified.

“ticket” means the print-out from the electronic gaming machine for encashment of residual credits collected or for insertion into electronic gaming machine to play.

“video recording” means any disc, magnetic tape or solid state recording device containing information by the use of which one or more series of visual images may be produced electronically and shown as a moving picture.

Regulation

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OPERATOR QUALIFICATIONS

Section 1. Who may apply as an Operator?

- (a) Only corporations duly registered with the SEC may apply as Operator of a gaming site, referred herein as Applicant.
- (b) Existing Operators operating under a Sole Proprietorship/Partnership will be given a period of six (6) months from the issuance of this Gaming Site Regulatory Manual to register an entity with the SEC, provided that such Sole Proprietor/Partner(s) should own at least two-thirds (2/3) of the outstanding capital stock in the case of a corporation, provided further that all requirements for Applicant-Corporations shall be complied with.
- (c) The Applicant must pass PAGCOR's standard probity check for Operator suitability and comply with the submission of documentary requirements.

Section 2. New Applicant

New Applicant refers to a corporation which intends to apply as Operator of a gaming site for the first time.

Section 3. Existing Operator

An existing Operator refers to a corporation which is already duly licensed by PAGCOR to operate a regulated gaming site or those which are sole proprietorships/partnerships already duly licensed by PAGCOR to operate a regulated gaming site but which are required to register as corporations with the SEC within six (6) months, as provided under Section 1 (b).

Section 4. Foreign nationals

- (a) A corporation with foreign nationals as shareholders may apply as Operator of a gaming site, provided foreign ownership complies with the Regular Foreign Negative List B of the Foreign Investments Acts of 1991 B69 (R.A. No. 7042, as amended by R.A. No. 8179).

Section 5. Change in composition of Board members

- (a) Any change in ownership of the corporation shall be reported to the GLDD upon occurrence of said change, provided, however, that for new Operators, the sale or transfer of any share or shares in the corporation shall not be allowed within a period of two (2) years from the commencement of the operation of the gaming site, unless with prior written approval from the GLDD and for serious and justifiable cause.
- (b) Any change in, or addition to, its Board of Directors (BOD) shall be reported to GLDD within five (5) working days from the occurrence of said change.
- (c) For documentary requirements to be submitted by the new partner or member of the BOD, refer to NEW BOD MEMBER column of the table in Section 6 below.

Section 6. Applicant documentary requirements

The following are the documentary requirements to be submitted by an applicant or existing Operator relative to its application for a license. Any misrepresentation or false information in the documentary requirements will result in the outright denial of the application. In case the license has been granted and the misrepresentation or false information is discovered, the license shall be revoked outright.

DOCUMENTARY REQUIREMENTS		NEW SITE		ANNUAL / RENEWAL	NEW BOD MEMBER
		FIRST TIME APPLICANT	EXISTING OPERATOR		
I. FOR CORPORATIONS					
A	Company profile	✓	----	----	----
B	SEC Registration	✓	----	----	----

C	Latest General Information Sheet (GIS) duly stamped received by SEC ➡ If a stockholder is also a corporation, a copy of the latest GIS of said corporation should likewise be submitted	✓	✓	✓	—
D	Articles of Incorporation, By-Laws duly stamped received by SEC: ➡ Articles of Incorporation must show that gaming is one of its primary purpose of business; if secondary purpose, a copy of the Board's Ratificatory Vote on the same should be submitted ➡ Foreign ownership, if any, must comply with the Regular Foreign Negative List B of the Foreign Investment Acts of 1991 B69 (R.A. No. 7042, as amended by R.A. No. 8179) If a stockholder is also a corporation, a copy of the SEC Registration, Articles of Incorporation ➡ Authorized Capital Stock of at least FIVE MILLION PESOS (PhP 5,000,000.00), with paid-up capital of at least THREE MILLION PESOS (PhP3,000,000.00)	✓	----	----	----
E	Original bank certification [must have a minimum of THREE MILLION PESOS (PhP 3,000,000.00) per game offering under the Applicant company's name]	✓	✓	----	----
F	Copy of ITR of the company (duly filed with the BIR) for the previous year – <i>for existing incorporated corporations</i>	✓	✓	✓	----
G	Written disclosure of the description of any of the following events that occurred during the past five (5) years up to the latest date that are material to an evaluation of the ability or integrity of any director of shareholder of the Applicant: 1. Any bankruptcy petition filed by or against any business of which such person was a director or shareholder either at the time of the bankruptcy or within two years prior to that time; 2. Any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses; 3. Being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending, or otherwise limiting his involvement in any type of business of gaming activities; and 4. Being found by a domestic or foreign court of competent jurisdiction (in a civil action),	✓	✓	✓	

	PAGCOR, or a domestic regulatory organization to have violated gaming law or regulation, and the judgment has not been reversed, suspended, or vacated.				
H	Written disclosure of relatives in PAGCOR or other government agencies up to the 4 th civil degree of consanguinity or affinity	✓	✓	✓	
I	Sworn undertaking that Applicant will abide by existing labor laws, including regularizing all contractual employees working for more than six (6) months and the payment of minimum wages and the benefits mandated under labor laws	✓	✓	✓	
J	Sworn certification that the gaming site has complied/will comply with the required Performance Cash Deposit and Initial Betting Fund	✓	✓	✓	
II. FOR EACH MEMBER OF THE BOARD OF DIRECTORS					
K	Duly accomplished and notarized Personal Disclosure Statement (PDS) with the following enclosures*: 1. For Filipino Citizens and Foreign Residents: Copy of ITR (duly filed with the BIR) for the previous year 2. For Non-Resident Foreigners: Copy of valid passport	✓	----	----	✓
L	Electronic submission of PDS	----	----	✓	----

- * 1) For first time Applicants and new members of the BOD, duly accomplished Personal Disclosure Statement (PDS) to be sent together with enclosures in a sealed brown envelope marked **“CONFIDENTIAL – PDS”** addressed to:

Senior Manager, RGU
Gaming Licensing and Development Department
3rd Floor PAGCOR House
1330 Roxas Boulevard, Ermita, Manila

- 2) For the annual electronic submission, the Operator shall accomplish its PDS online through the PAGCOR Responsible Gaming website. Deadline for online filing shall be May 31st of each year. Refer to PDS Application Guide of the Responsible Gaming Code of Practice. The Operator shall retain copy of the ITR filed with the BIR, Certificate of Non-filing of Annual ITR (if applicable) or valid passport for safe keeping, which may be requested by GLDD at anytime.

Section 7. Annual submission of documents

- (a) The Operator shall submit to GLDD the following documents **on or before May 31st of each year**:
1. Business Permit for the current year – nature of business must pertain to Gaming and Amusement

2. Updated General Information Sheet (GIS) duly received by SEC; if a stockholder is also a corporation, a copy of the latest GIS of said corporation should likewise be submitted
3. Company Income Tax Return (ITR) duly filed with the Bureau of Internal Revenue (BIR)
4. PDS which shall be accomplished and filed online; refer to Section 6 above for instructions.
5. Department of Labor and Employment Clearance (no unsettled or unsatisfied order on worker monetary benefits) from the Regional Office having jurisdiction over the Operator

(b) Late Submission and Non-Submission of Documents

1. Failure to submit the above documents, or other documents as may be prescribed by PAGCOR in the future, after the lapse of sixty (60)-day grace period shall result in the imposition of penalty and demerits, as prescribed in Regulation 24.
2. Failure to submit the valid Business Permit shall be ground for revocation of the License.
3. Failure to submit altogether the above documents upon expiration of the current License shall mean the non-renewal of the License of the gaming site.

(c) In connection with the annual submission of Business Permit as required in Item 1 - i under subsection (a) of this Section 7, if the submitted Business Permit has quarterly validity, it shall be the Operator's responsibility to secure and submit the updated Business Permit as soon as available.

(d) The Operator or member of the Board of Directors who did not file the ITR in accordance with the provisions of NIRC of 1997 and its amendments Title II Chapter IX, Sec. 51.A.2 (Individuals not required to file an ITR) shall file in its records a fully accomplished and notarized Certificate of Non-filing of **Annual Income Tax Return (GS Form No. 33)** together with other documents to support its claim in its electronic filing of the PDS.

 Regulation

 3

SITE LOCATION REQUIREMENTS

The gaming site being applied herein refers to gaming establishments other than PAGCOR-operated gaming sites and licensed casinos.

The gaming site must satisfy site location requirements prescribed herein:

Section 1. Local Government Unit (LGU) requirements

- (a) A Letter of No Objection (LONO) from the City/ Municipal Council, i.e., Council Resolution or Ordinance, stating its no objection to the establishment and operation of a gaming site situated within its locality, must be secured.
- (b) If the submitted LONO is dated prior to the date of site application, the Applicant must submit a certification from the office of City/Municipal Council duly signed by its authorized signatory confirming the continuing validity of the LONO.
- (c) Document/s issued by the Local Government Unit (LGU) as required in Item (a) above shall be duly certified by the authorized signatories of the Office of the City or Municipal Council.
- (d) Submission of LGU document/s as defined in Item (a) is not yet a requirement in site location screening, i.e. Part I of the **Application Form (GS Form No. 1A)**. Refer to Section 1 under Regulation 5.
- (e) Submission of required LGU documents is not a guarantee of approval of the application.
- (f) The LONO requirement shall not be applicable if the proposed gaming site is located in the same street address of an existing gaming site, provided said existing gaming site has a valid Business Permit from the LGU and currently operated by the Applicant.

- (g) The Applicant must ensure that the proposed gaming site is compliant with the LGU requirements and regulations on the establishment and conduct of gaming operations.

Section 2. Site location distance requirements

The gaming site must comply with the following distance requirements:

- (a) Not less than three hundred (300) meters from schools, places of worship, cockpits, horse-racing outlets, public markets, informal settlers, and resettlement areas, defined as follows:
 - 1. Schools are educational institutions duly registered with the Department of Education (DepEd) and Commission on Higher Education (CHED).
 - 2. Places of worship shall refer to stand-alone places of worship or churches.
 - 3. Cockpits shall refer to an enclosed establishment where cockfighting is conducted pursuant to applicable laws and regulations.
 - 4. Horse-racing outlets shall refer to race tracks constructed or conducting horse races with betting either on the results of the races or other forms of gaming derived therefrom, and either directly or by means of any mechanical, electrical, and/or computerized totalizator¹ pursuant to applicable laws and regulations.
 - 5. Public Markets shall refer to a market place dedicated to the service of the general public and is operated under government control and supervision as a public utility, whether it be owned by the government or any instrumentality thereof or by any private individual.
 - 6. Informal settlers shall refer to communities of individuals who own and occupy houses, structures, constructions and other encroachments on lands without the express consent of the landowner and who have no sufficient income for legitimate housing.
 - 7. Resettlement Areas shall refer to areas identified by the national agency or by the local government unit with respect to areas within

¹ Section 1, Republic Act No. 7978.

its jurisdiction, which shall be used for the relocation of the underprivileged and homeless.

- (b) Gaming sites must be one (1) kilometer radial distance apart from each other, except when the gaming sites are located in a highly urbanized city or municipality as categorized by the Department of Interior and Local Government (DILG) where the distance requirement shall be five hundred (500) meters.
- (c) The three hundred (300)-meter distance restriction as provided under Section 2 (a) above and the one (1) kilometer or five hundred (500)-meter radial distance requirement under Section 2 (b) above shall not apply to malls or arcades and three (3)-star hotels and resorts accredited by the Department of Tourism authorized by PAGCOR and by the local government unit concerned.
- (d) The radial distance requirement to the proposed gaming site will be waived if the proposed gaming site is located in the same street address of an existing gaming site, provided, said existing gaming site has a valid Business Permit from the LGU, provided, further, that a gaming site shall not host the same gaming activity.
- (e) The site location distances as required under this Section must be duly certified by a licensed geodetic engineer, subject to the exceptions provided under Section 2 (c) above where the certification by the licensed geodetic engineer will not be required.
- (f) There shall be a maximum number of gaming sites depending on their respective game offering to be determined by the GLDD per local government unit.
- (g) The updated radial distance restriction shall be posted at the Electronic Gaming and Poker page in PAGCOR website's Regulatory link.

Section 3. Site location area requirements

- (a) Gaming sites may only be located within the following areas or establishments:
 - 1. Malls or Arcades
 - i. These are large retail complex containing a variety of stores and often restaurants and other business/commercial establishments housed in a series of connected or adjacent buildings or in a single large building; and commercial buildings where majority of the located establishments provide retail sales, leisure and entertainment to customers.

- ii. Gaming site must be enclosed and within the mall's general premises to be classified under this category. This may include non-connected annexes that have similar leisure and entertainment establishments as that of the mall (restaurants, etc). Typically, annex area will belong to the same complex or share the same parking area of the mall. Buildings that are not in the mall premises may be classified otherwise.
- iii. Only one (1) gaming site can be located in one mall or arcade.

2. Privately-owned Casinos

3. Commercial Buildings

- i. Address classified by LGU Zoning Body as a commercial building.
- ii. The Commercial Building should not be located beside or across schools, places of worship, cockpits, horse-racing outlets, public markets, informal settlers, and resettlement areas.
- iii. Buildings must either have a supplied generator or allow the gaming site to have its own generator.
- iv. Gaming site must be enclosed and within the commercial building to be classified under this category
- v. Only one (1) gaming site can be located in a Commercial Building

4. Hotels / Resorts

- i. Gaming sites can only be located inside the building or within the same complex/premises of three (3)-star hotels and resorts accredited by the Department of Tourism authorized by PAGCOR and by the local government unit concerned.
- ii. Proposed site must be located in an identified commercial space of the hotel/resort (as opposed to guest rooms).

- (b) No stand-alone gaming site shall be allowed. Stand-alone gaming site refers to gaming site located in a solitary building or establishment, and is not part of any commercial complex or compound.

Section 4. Other site location requirements

- (a) Location Map of the proposed gaming site (indicate distance of proposed site from schools, places of worship, cockpits, horse-racing outlets, public markets, informal settlers, and resettlement areas and PAGCOR authorized gaming sites). This is an attachment to Part I of **Application Form (GS Form No. 1A)** as defined in Section 1 under Regulation 5.
- (b) Authorization for Site Inspection, as necessary.
- (c) No contractual agreement for the proposed gaming site shall be executed and renovation shall not commence without PAGCOR's written approval of the establishment of the gaming site. PAGCOR will not be held liable for any rental / construction expenses that the Operator may incur relative thereto.
- (d) If there is an LGU resolution on specific guidelines on the establishment of a gaming site, such guidelines must be complied with. The Applicant's compliance with said guidelines does not dispense with its fulfilment of PAGCOR's requirements stated herein.
- (e) Copies of the following permits of the location (malls, arcades, hotels, resorts, privately-owned casinos, and Commercial Buildings of the proposed gaming site):
 - 1. Business permit;
 - 2. Occupancy permit;
 - 3. Locational clearance;
 - 4. Fire Safety Inspection Certificate; and
 - 5. Certification from a duly licensed Geodetic Engineer confirming that the location is compliant with the distance requirements imposed under this Gaming Site Regulatory Manual, except when the gaming site is located in malls or arcades and three (3)-star hotels and resorts accredited by the Department of Tourism authorized by PAGCOR and by the local government unit concerned.

Section 5. Measurement of distance

- (a) Distance from proposed gaming site to schools, places of worship, cockpits, horse-racing outlets, public markets, informal settlers, and resettlement areas will be measured using radial or point to point straight distance from property line to property line.
- (b) Distance from proposed gaming site to another gaming site will be measured using radial or point to point straight distance from property

line to property line except if the gaming site is in a mall or arcade or in a hotel/resort, in such case, its exact location is used as reference point.

- (c) In measuring distance, applicant must use either Google Maps or WikiMapia.

Regulation**4****FEES AND OTHER MONETARY REQUIREMENTS**

Applicable fees shall be paid by the Applicant/ Operator relative to the application for setting up the gaming site and/or renewal of License.

Fees, payable to PAGCOR, are **non-refundable**.

Section 1. Types of fees

- (a) Application Fee – shall be paid upon advice of GLDD, i.e. if duly accomplished **Application Form Part II (GS Form No. 1B)** and submitted LGU documents are found in order.
- (b) Inspection Fee - shall be for site inspection of proposed gaming site to verify compliance to distance and area requirements. This shall be paid upon advice of GLDD, i.e. if duly accomplished **Application Form Part II (GS Form No. 1B)** and submitted LGU documents are found in order.
- (c) Processing Fee - shall be paid upon completion of all application requirements and satisfactory site inspection, before a recommendation is prepared and submitted to the PAGCOR Board of Directors for approval. This shall apply also to the renewal of License.
- (d) Monitoring Fee – shall be paid upon approval of the application by the PAGCOR Board of Directors or whenever an Operator applies for renewal of license.

Section 2. Table of fees

TYPE OF FEE	AMOUNT	NEW SITE	RENEWAL OF LICENSE
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APPLICATION	PhP5,000.00	✓	✓
INSPECTION	PhP40,000.00	✓	-----
PROCESSING	PhP50,000.00	✓	✓
MONITORING	PhP35,000.00	✓	✓

Section 3. Payment of fees

- (a) The Applicant shall coordinate with and pay the fees through the Service Provider of the intended gaming activity who shall proceed to PAGCOR Finance and Treasury Department (FTD) for payment.
- (b) The **Payment Processing Request Form (GS Form No. 2)** shall be used when paying for the applicable fees.
- (c) The Applicant shall provide the payment information details.
- (d) The Service Provider, in behalf of the Applicant, shall submit the fully accomplished request form to FTD together with supporting payment documents and furnish a copy to GLDD duly received by FTD.
- (e) The Service Provider shall submit a copy of Original Receipt, upon its issuance by FTD, to GLDD for the corresponding payment made in Item (d) above.

Section 4. Performance Cash Deposit and other monetary requirements

- (a) The Operator will be required to post the following monetary requirements for each game offering:

GAME OFFERING	PERFORMANCE CASH DEPOSIT	INITIAL BETTING CREDIT FUND	WHERE TO POST
InstaWin	PhP 500,000.00	PhP250,000.00	UEST

- (b) The following shall apply to posting of the monetary requirements as prescribed in subsection (a) above:
 - For new gaming sites, posting shall be done prior to commencement of operation of the gaming site but not later than six (6) months after receipt of notice of approval.
 - For additional game offering, posting shall be done prior to commencement of operation of the additional game offering.

3. For a change in Operator of an existing gaming site, posting by the new Operator shall be done within fifteen (15) days from receipt of notice of approval prior to its assumption of management of the gaming site.
- (c) The Operator shall always maintain the Performance Cash Deposit with the Service Provider. Should any deductions be made from this deposit to settle the obligations of the Operator with PAGCOR, e.g., penalties for offenses committed, the Operator shall restore the deposit at its original level within fifteen (15) calendar days from deduction.
 - (d) Failure to restore the Performance Cash Deposit, as prescribed in subsection (c) above, shall cause the imposition of sanction, i.e. demerit of ten (10) points for every month of non-compliance. Failure to restore the Performance Cash Deposit at the amount prescribed for more than a total of six (6) months shall be ground for revocation of license.
 - (e) Restoration of the Performance Cash Deposit, as prescribed in subsection (c) above, shall be required for the renewal of License.
 - (f) The Performance Cash Deposit, as prescribed in subsection (a) above, may be increased or decreased as deemed necessary by the Service Provider.
 - (g) The Operator shall be responsible for making sure that enough Betting Credit Fund is available by remitting the Gross Hold on time as required in Section 4 under Regulation 22.
 - (h) The Operator may increase its Betting Credit Fund as deemed necessary.
 - (i) The Operator shall provide daily an available cash of at least two hundred and fifty thousand pesos (Php250,000.00) for redemptions at the gaming site to cover large payouts.
 - (j) Upon cessation of a game offering, e.g. InstaWin games, etc., the Operator shall undertake the post-operational activities pertaining to such game offering as prescribed in Section 4 under Regulation 25. The Operator shall subsequently request for the refund of its corresponding Performance Cash Deposit (net of any outstanding obligations to PAGCOR) and initial Betting Credit Fund from the Service Provider.
 - (k) Upon closure of a gaming site, the monetary requirements posted by the Operator shall be refunded subject to the guidelines prescribed in Section 4 under Regulation 25.

Regulation

5

THE APPLICATION

The Application Kit contains the application procedures for setting up of a gaming site. It consists of two (2) parts as indicated in Part I and Part II of the **Application Form (GS Form Nos. 1A and 1B)**.

Handling and processing of Part II of the **Application Form (GS Form No. 1B)** are carried out by the Service Provider of the intended gaming activity. Final evaluation and recommendation for approval are carried out by GLDD.

Section 1. Application Form Part I

Part I of the **Application Form (GS Form No. 1A)** involves evaluation of site location in accordance with Sections 2 and 3 under Regulation 3.

- (a) The Applicant is required to provide information and fully accomplish the Application Form Part I and attach the location map (showing distance) of the proposed gaming site.
- (b) If the proposed gaming site is acceptable in terms of the site location requirements as prescribed in Sections 2 and 3 under Regulation 3, the Applicant shall be advised to proceed to **Application Form Part II (GS Form No. 1B)**. For the guidelines on multiple applications where the proposed sites are within the radial distance restriction from each other, refer to Item (c) under Section 2 below.
- (c) Application will be returned if :
 - 1. Incomplete; or
 - 2. The proposed gaming site is not compliant with the requirements prescribed under Regulation 3.
- (d) Processing of Application Form Part I shall be subject to availability of slot as determined by the annual quota on applications. Once the

annual quota has been reached, Application Forms Part I shall be queued. Notice on re-opening of Application Form Part I processing shall be posted at the Electronic Gaming and Poker page in PAGCOR website's Regulatory link.

- (e) Evaluation of **Application Form Part I (GS Form No. 1A)** shall be within five (5) working days from its submission.
- (f) Application Form Part I found to be acceptable, as stated in subsection (b) of Section 1 above, shall be valid within six (6) months from the date of GLDD advice, subject to Applicant's compliance with the submission of complete LGU and other documentary requirements.

Section 2. Application Form Part II

Part II of the **Application Form (GS Form No. 1B)** will be given to Applicants who have successfully complied with Part I.

- (a) The Applicant is required to provide information and fully accomplish the Part II of the **Application Form (GS Form No. 1B)** and attach the Letter of No Objection (LONO) from the concerned Local Government Unit (LGU), i.e., City/Municipal Council resolution.
- (b) First (1st) applicant in an area shall be given thirty (30) days to submit the required documents, as prescribed in Item (a) above.
- (c) For multiple applications where the proposed gaming sites are within the radial distance restriction from each other, the following shall apply:
 1. The second (2nd) and succeeding applicants with proposed sites found compliant with distance restriction guidelines shall be advised of the current ineligibility of their applications until the thirty (30)-day period given to the first (1st) Applicant as prescribed in Item (b) above has lapsed.
 2. Failure to comply within thirty (30) days by the first (1st) Applicant shall mean eligibility of other applications. GLDD shall advise other qualified Applicants to proceed to Application Form Part II. The 'first to complete requirements, first to be recommended' policy shall apply based on the date of the LGU document to be submitted by the Applicants.
- (g) Application will be returned if :
 1. incomplete or incorrect LGU documents, or

2. in the case of multiple applications, when the “first to complete requirements, first to be recommended” policy has been met by another applicant.
- (e) Acceptability of the proposed gaming site and submission of LGU documents are not a guarantee of the approval of the application. The grant of the license of a proposed gaming site is subject to the approval of the PAGCOR Board.
 - (f) The Applicant shall submit the Applicant’s documentary requirements as prescribed in Section 6 under Regulation 2.
 - (g) Additional documentary requirements may be required for submission as deemed necessary.

Section 3. Where to secure application forms

- a) Application Form Part I can only be obtained by downloading from the Electronic Gaming page at the link: www.pagcor.ph/regulatory/.
- b) Application Form Part II will be emailed by GLDD to qualified Applicant’s official email address together with the evaluation results of its Application Form Part I.

Section 4. Where to submit the application forms

The Applicant/Operator shall email all duly accomplished Application forms and its attachments to gldd.rgulicensing@pagcor.ph.

Section 5. Payment of applicable fees

- (a) Payment of Application Fee and Inspection Fee, as prescribed in Regulation 4, shall be made upon acceptance by GLDD of the Application Form Part II and required LGU documents.
- (b) Upon completion of Sections 6 and 7 below, payment of Processing Fee shall be made.
- (c) Payment of Monitoring Fee shall be made upon approval of the application by the PAGCOR Board of Directors and prior to commencement of operations of the gaming site

- (d) Payment of the applicable Fees is **NOT** an assurance of approval of the gaming site.

Section 6. Site inspection

- (a) When to Schedule Site Inspection

This shall be done upon submission and compliance with the following:

1. Duly accomplished Application Part II and the LONO with payment of applicable Fees; and
2. All documentary requirements as prescribed in Regulation 2 Section 6 are found in order.

- (b) Prescribed Period of Inspection

1. Date of inspection shall be no later than two (2) weeks from completion of (a).
2. Applicant will be advised by the Service Provider through its official email address of the date of inspection.

- (c) Who will inspect?

PAGCOR authorized team will inspect the proposed gaming site.

Section 7. Proposed floor plan and site set-up concept renderings

- (a) Upon satisfactory inspection of the gaming site, the Applicant shall be advised to submit the proposed gaming site layout plan and site set-up concept renderings. Refer to Regulation 7 for regulations on gaming site and its prescribed site specifications.

Section 8. Site recommendation and approval

- (a) The necessary recommendation to the PAGCOR Board of Directors on the gaming site approval shall then be submitted by GLDD based on the following conditions:
 1. Submission of requirements under Section 7;
 2. Payment of Processing Fee.
- (b) Site Approval
 1. Upon approval of the Board of Directors, GLDD shall issue a notice of approval to the Applicant.

2. GLDD shall issue to the Applicant the Gaming License (GL) duly signed by the PAGCOR President and Chief Operating Officer.

Section 9. Change in Operator of a Gaming Site

- (a) An Applicant may apply as new Operator of an existing PAGCOR-authorized gaming site, as follows:
 1. Application of new Operator shall be treated as new site application, where application procedures and requirements prescribed in this Regulation 5 shall apply, except for Section 1 and Section 6 above.
 2. Site location requirements as prescribed in Section 2, Section 3, subsection (a) and subsection (b) of Section 4, and Section 5 under Regulation 3 shall not apply.
 3. Conduct of site inspection and payment of inspection fee shall not be required.
 4. The Applicant shall not be required to secure and submit the LONO (City/Municipal Council Resolution) under its name, if the current Operator has already submitted such LONO. However, if the current License was issued based on the duly received application with the Council and letter of consent from the Mayor as previously allowed prior to the amendment of this Gaming Site Regulatory Manual, submission of LONO from the Council under the Applicant's name shall still be required.
- (b) GLDD shall submit to the Board the necessary recommendation on site application with new Operator together with the revocation of previous Operator's License.
- (c) Upon approval of the Board, the following shall apply:
 1. GLDD shall issue a notice of approval to the new Operator and the copy of the License under its name.
 2. The new Operator shall post the Performance Cash deposit, as prescribed in Section 4 under Regulation 4, within fifteen (15) days from receipt of notice of approval.
 3. GLDD shall thereafter issue the original copy of the License.
 4. The new Operator may only assume management of the gaming site upon posting of the required Performance Cash Deposit prescribed in Item 2 above.

5. The previous Operator shall be informed of the revocation of its License effective upon new Operator's assumption of management of the gaming site, as prescribed in Item 2 above.
6. The Performance Cash Deposit (net of any outstanding monetary obligations to PAGCOR) and the Initial Betting Credit Fund of the previous Operator shall be refunded in accordance with the guidelines prescribed in Section 4 under Regulation 25.
7. The new Operator shall secure the Business Permit under its name and submit the amended Business Permit in compliance to annual submission of documents as prescribed in Section 7 under Regulation 2.



THE LICENSE

The Gaming License (GL) is the license issued by PAGCOR in favor of the Operator to set-up and to operate a gaming site hosting a gaming activity, i.e. electronic games or bingo games.

Section 1. Gaming License (GL)

Gaming License shall be referred herein as "License".

- (a) It is the document granting the Operator the privilege to establish, install, maintain and operate a gaming site, as approved by PAGCOR. The specific type of gaming activity operation is indicated in the License.
- (b) It contains the terms and conditions that governs, together with the Gaming Site Regulatory Manuals, the setting-up and operation of the gaming site in accordance with the PAGCOR Charter.
- (c) New or amended regulatory policies disseminated through PAGCOR's official communication in any of the following electronic channels shall form part of the terms of the License:
 - 1. Operator's official e-mail address;
 - 2. PAGCOR Regulatory website; and
 - 3. GLDD-moderated Yahoo groups such as "gldd_ebingo", "gldd_egames" and "responsiblegaming".
- (d) The License validity shall be for a period of one (1) year for new gaming site. Renewal license validity is two (2) years.
- (e) It is non-assignable and non-transferable.
- (f) The License of new gaming site shall be released to the Operator only upon its posting of the Performance Cash Deposit.
- (g) The License is a permit or privilege and is not a contract between PAGCOR and the Applicant, hence, the License may be amended,

supplemented, and revoked in accordance with the provisions of these Rules and other pertinent laws and regulations. The License is not a property or a property right of the Applicant or Operator, nor does it create a vested right.

- (h) This Gaming Site Regulatory Manual (Electronic Games) shall form part of the License issued by PAGCOR to a qualified Operator which shall govern the establishment and operation of a gaming site.

Section 2. Renewal of License

The operation of a gaming site without a License is strictly prohibited. The Operator must signify its intent to renew its existing License.

- (a) Renewal application and requirements

Renewal of License of the gaming site shall be subject to the following guidelines:

1. The Operator shall submit by the first (1st) week of the month preceding the renewal month a duly accomplished **Request for Renewal of Gaming License Form (GS Form No. 3)** where the following shall be provided:
 - Operator's name;
 - Gaming site address and License validity; and
 - List of other Gaming sites operated by Operator, if any.
2. The Operator must be compliant with its undertakings relative to the operations of the gaming site with a rating of at least sixty (60) points and payment of penalties on assessed demerits in accordance with Section 3 of Regulation 24. Existing Operators whose gaming sites are non-compliant because of the effectivity of this Gaming Site Regulatory Manual, as amended, will be allowed to operate until the expiration of their license, provided that, upon expiration of their license, they are required to comply with this Gaming Site Regulatory Manual, as amended, including the new site location and area requirements, before their license will be allowed to be renewed.
3. The Operator must have no arrears.
4. The Operator must be compliant with the new Site Location Distance Requirements and Site Location Area Requirements under Regulation 3.
5. The Performance Cash Deposit for each game offering must be compliant with the increased rates.

6. The Operator shall pay all applicable fees pursuant to Regulation 4 by the first (1st) week of the month preceding the renewal month.

7. Annual Documents

- The Operator has complied with the submission of documents as prescribed in Section 7 under Regulation 2 for the schedule of submission of annual documents.
- In the case of gaming sites with License expiration date prior to May 31st, the Operators are required to submit a copy of their application for the renewal of Business Permit by the first (1st) week of the month preceding the renewal month. It is understood however that the copy of the Business Permit must still be submitted as prescribed in Section 7 under Regulation 2.
- Failure to submit the above documents by May 31st shall cause the imposition of penalty as outlined under Regulation 24 and shall be ground for revocation of the License as prescribed in subsection (b) under Section 7 of Regulation 2.

7. For gaming sites which were approved based on submission of a letter of consent from the Mayor with received application for no objection by the City/Municipal Council, the Council Resolution or Ordinance stating its no objection must also be submitted.

(b) Renewal of License

1. Should the Operator be found compliant with subsection (a) above, the Board recommendation for the approval of the renewal of License of the concerned gaming site/s shall then be processed.
2. The Operator shall be advised of the Board's action. Should the application for renewal be approved, proof of renewed License shall be issued in favor of the Operator, otherwise, the appropriate communication shall be sent.
3. In case of non-compliance with the new Site Location Distance Requirements and Site Location Area Requirements under Regulation 3, the license shall not be renewed. The Operator must relocate and comply with the new Site Location Distance Requirements before the license will be renewed.

(c) Non-renewal of License

1. Should the Operator fail to abide by these License renewal guidelines, resulting in the imposition of penalties and demerits,

and/or the non-renewal of License upon expiration of the current License, operations of the concerned gaming site shall be suspended. The Operator shall then be given thirty (30) days from License expiration date to secure the License renewal otherwise the gaming site shall be permanently closed.

2. Should a gaming site fail to commence its commercial operation within the License validity period, then its License shall not be renewed.
- (d) Renewal Fees paid after the License expiration date shall be charged a penalty of ten percent (10%) for every month of delay or a fraction thereof.

Section 3. Amendment of License due to change in location of gaming site

An Operator may request for a change in location of a gaming site if its existing License is of good standing.

- (a) The Operator shall submit to GLDD a duly accomplished Request for **Amendment to Gaming license Form (GS Form No. 38)**. An amendment to the existing License with the new address shall be undertaken subject to the following:
 1. The Operator is the same individual or business entity;
 2. The new location is within the same city or municipality;
 3. The new location is compliant to the distance restriction guidelines to schools, places of worship, cockpits, horse-racing outlets, public markets, informal settlers, resettlement areas, and other gaming establishments as prescribed in Section 2 under Regulation 3 of this regulatory manual;
 4. The LONO issued by the LGU for the existing site address, if any, remains relevant to the new site address. If the existing gaming site has no LONO, the Operator shall still secure the corresponding LONO for the proposed new location of gaming site; and
 5. Conduct of site inspection and payment of Inspection Fee of forty thousand pesos (PhP40,000.00) shall still be required.
- (b) The validity of the amended License shall be the unexpired term of the original License.
- (c) Upon receipt of notice of approval from GLDD, the Operator may proceed with the setting up of the gaming site at the new site as prescribed in Section 4 under Regulation 7.
- (d) The Operator shall secure an amended Business Permit to correspond with the new address of the gaming site.

Section 4. Voluntary Pre-termination of License due to Change in Operator

If the gaming site shall have a new management or change in Operator, the existing Operator shall pre-terminate its License where the following shall apply:

- (a) The existing Operator shall submit to GLDD a duly accomplished **Voluntary Pre-termination of Gaming License Notification Form (GS Form No. 31)** where the following shall be provided/attached:
 - 1. Operator's name;
 - 2. Gaming site location;
 - 3. Gaming License details including its validity;
 - 4. Reason/s for pre-termination of License;
 - 5. Signatures of the majority stockholders, if Operator is a corporation or partnership, signifying their concurrence to the license pre-termination;
or,
Board resolution stating that the corporation is pre-terminating its License; and
 - 6. Copy of latest GIS duly received by SEC.
- (b) GLDD shall proceed with the submission of recommendation to the Board, as prescribed in Item (b) of Section 9 under Regulation 5.
- (c) Revocation of the License shall be effective upon assumption of management of gaming site by the new Operator.

Regulation

7

THE GAMING SITE

Section 1. Gaming site area

- (a) The gaming site area shall be comprised of areas occupied by electronic gaming terminals including provisions for the cage/s or cashier's booth/s, server/s, offices, utilities, storage area/ room, lounge, among others, which are necessary to the operation of the gaming site.
- (b) The size of the gaming site area is determined using the following formula:

$$\text{Gaming Site Area} = \text{Electronic Gaming Terminals (EGT) footprint} \times \text{quantity of EGTs}$$

Note:

- 1. EGT footprint is equivalent to 3 square meters.
- 2. Footprint shall be inclusive of aisles which shall be at least one (1) meter back to back between chairs.
- 3. If ratio of area per terminal/player is less than the corresponding footprint, the gaming site area set-up shall be allowed, provided it complies with the isle spacing requirements.
- 4. Minimum number of terminals for EGT area is twenty five (25) for National Capital Region (NCR) and twenty (20) for non-NCR.

Section 2. Designation of gaming areas

- (a) The Operator shall designate a gaming area within the gaming site where electronic gaming terminals will be operated.
- (b) No games shall be conducted or played in any ancillary area of the gaming site.

Section 3. Gaming area to be unobstructed

For the gaming area designated in Section 2 above, there shall at all times be a clear and unobstructed line of sight of any part within the gaming area from:

- (a) a person standing in any other part of that gaming area; and
- (b) any electronic or other monitoring surveillance equipment.

Section 4. Setting up of a gaming site

- (a) The Operator shall notify GLDD within forty five (45) days from receipt of notice of approval of the start of its construction of the gaming site using the **Gaming Site Establishment Compliance Notification Form (GS Form No. 32)**.
- (b) Failure to start construction within the above forty five (45)-day period is a ground for the revocation of the License.
- (c) The Operator shall ensure that the gaming site is constructed in conformity with the gaming site specification guidelines as enumerated under this Regulation.

Section 5. Installation of gaming terminals/ machines and/or equipment

- (a) The Operator may use electronic gaming machines as gaming terminals. Refer to Regulation 9 for definition of electronic gaming machine. The Operator shall procure electronic gaming machines and/or pertinent gaming equipment from its accredited Suppliers only. Refer to Regulations 12 and 13 for guidelines on procurement of gaming equipment and paraphernalia.
- (b) The Operator shall install gaming terminals and/or pertinent gaming equipment in accordance with guidelines enumerated under this Regulation 7 and Regulations 8, 9, 10 and 14.

Section 6. Interior gaming site specifications

- (a) The number of electronic gaming terminals shall be determined by the size of gaming site area as computed in Item (b) under Section 1 above.
- (b) Gaming site must have provisions for the following:

1. Cage or Cashier's booth for each of the area, i.e. Electronic Gaming Terminals Area and areas for other gaming activities, as applicable;
 2. Counter type with glass enclosure; and,
 3. Cash drawer with vault and cash box;
- (c) Ceiling height of the gaming site must comply with the requirement set by the LGU where the gaming site is located, if any.
- (d) Separate restrooms for male and female patrons are recommended.
- (e) The Operator may utilize lively color combinations to lighten up the gaming site.
- (f) Walls with treatments such as wallpaper or laminates are preferable.
- (g) Recommended flooring is ceramic tiles or carpet tiles.
- (h) Sufficient lighting is required preferably indirect lighting through the use of ceiling treatment such as cove lighting, drop lights and pin lights.
- (i) The gaming site shall have a sufficient air-conditioning and ventilation.

Section 7. Exterior gaming site specifications

- (a) The Operators shall follow the agreed signage design in consultation with the concerned Service Provider, i.e., IEST. The PAGCOR logo is not permitted on the signage.
1. Horizontal Signage – maximum height of 0.75 meters by maximum width of 1.5 meters
 2. Vertical Signage – maximum width of 0.75 meters by maximum height of 1.5 meters
 3. Continuous signages are not allowed.
 4. Artwork to be used in the signages must not include characters or symbols related to gaming, e.g., bingo balls, playing cards, casino, etc.
 5. Exterior signage includes all signages posted at the gaming site's façade, glass window panes and exterior walls. Signage posted inside the gaming site but visible from the outside shall also be considered as exterior signage.
 6. Only one (1) signage per gaming site shall be allowed.

7. If the dimension of signage frame or structure is beyond the prescribed exterior signage specifications, the portion in excess shall be in white or black background only and shall have no backlight.

(b) Entrance / Facade Specifications

- i. PAGCOR logo sticker to be posted at the entrance door of the gaming site.
- ii. No marketing collaterals, game screen shots and gaming-related artworks shall be posted at the gaming site's façade, glass window panes and exterior walls.
- iii. Gaming site regulations to be posted at the facade (e.g., "For 21 years old and above only)
- iv. Prohibition notice
- v. Responsible Gaming posters
- vi. Wall facades and canopy or awnings should be well maintained, devoid of stains, watermarks or unsightly damage.

- (c) For gaming site with multiple gaming activities, the Operator shall follow the prescribed ratios in Item (a) above for Signage dimensions. The Signage may contain one (1) or more designs for each gaming activity or the Operator's own brand name.

Section 8. Other requirements for gaming site

(a) Office equipment recommended for gaming site

1. Telephone line / Facsimile machine
2. Uninterruptible Power Supply
3. Stand-by Generator – a mall/establishment generator shall be acceptable; otherwise, the Operator shall procure its own generator within six (6) months after commencement of gaming site operation.
4. Ultraviolet Money Detector

- (b) The following regulations/signages must be prominently displayed at strategic places inside the gaming site, as applicable:

1. Prohibition Notice at 16.5 inches by 11.7 inches or A3 paper size. Refer to Item (f) under Section 1 of Regulation 20 for the sample of notice.
2. General House Rules. Refer to Section 3 under Regulation 18 for details.
3. PAGCOR logo sticker (at Cashier's booth)
4. Redemption Procedures

5. Responsible Gaming posters.

Section 9. Gaming site manning

The Operator shall provide gaming site personnel who must pass the qualifications listed below:

- (a) Gaming site personnel shall be of legal age, twenty one (21) years old and above.
- (b) Gaming site personnel must secure a Gaming Employment License (GEL) from PAGCOR.

Section 10. Payment of monetary requirements and submission of Business Permit

- (a) The Operator shall pay the Performance Cash Deposit and initial Betting Credit Fund to the Service Provider, as prescribed in Section 4 under Regulation 4, prior to commencement of operations but not later than six (6) months after receipt of notice of approval.
- (b) Gaming License shall be released to the Operator only upon posting of the monetary requirements.
- (c) The Operator shall submit to GLDD a copy of the Business Permit issued by the LGU prior to commencement of operations.

Section 11. Other pre-operational activities

- (a) The Operator, with the assistance of the Service Provider, shall conduct testing on electronic gaming system/s, network connectivity and electronic gaming terminals installed at the gaming site.
- (b) The Operator shall ensure the readiness of the gaming site for its operation in accordance with the requirements prescribed in this Gaming Site Regulatory Manual.
- (c) PAGCOR authorized team will conduct final inspection of the gaming site prior to its gaming operation.
- (d) The Operator shall submit to GLDD the duly signed Acknowledgement Receipt of the Gaming License prior to the commencement of gaming site operation.

Section 12. Commencement of gaming site operations

- (a) The Operator shall notify GLDD of the commencement of the gaming site at least fifteen (15) days prior to its target opening date using **Notification of Target Opening Date (GS Form No. 5)**.
- (b) PAGCOR logo sticker shall be issued after posting of the Performance Cash Deposit and it should be posted at main entrance door and the Cashier's booth.
- (c) The Operator shall notify GLDD via email to *gldd.rgulicensing@pagcor.ph* of the actual opening of the gaming site.

Section 13. Addition, conversion or removal of game offering in an existing gaming site

- (a) Operators who wish to add or remove a game offering in their current gaming sites may request any one of the following:
 - 1. Addition of new game offering. It refers to introduction at the gaming site of new game offering.
 - 2. Conversion of game offering. It refers to the removal of a game offering from the gaming site and replacing it with a new game offering.
 - 3. Removal of game offering. It refers to cessation of operations of a current game offering.
- (b) Introduction of new game offering, at the gaming site must comply with the radial distance restriction from another gaming site with the same game offering.
- (c) The following shall apply to the introduction of new game offering at the gaming site, whether through addition or conversion of game offering:
 - 1. New game offering may only be deployed at the existing gaming site or in the same building where the existing gaming site is located.
 - 2. If introduction of new game offering requires suspension of operation of the gaming site, the Operator shall submit to GLDD the duly accomplished **Temporary Suspension of Operations Form (GS Form No. 6)** for approval. Refer to Regulation 25 for procedures and guidelines on temporary closure of gaming site.

3. If suspension affects some gaming terminals only at any given time, a project timetable shall be submitted to GLDD signifying the schedule of gaming terminal suspension in the affected areas.
 4. Posting of the equivalent Performance Cash Deposit as prescribed in Section 4 under Regulation 4 for the new game offering is required prior to commencement of operations.
 5. Business Permit of existing gaming site should cover the new game offering. Otherwise, it has to be amended prior to its commencement of operation.
- (d) The Operator shall follow the procedures listed below relative to any of the requests described in Item a.1 (addition) and a.2 (conversion) above.
1. The Operator submits to GLDD a duly accomplished **Game Offering Request and Approval Form (GS Form No. 7)**, with the following attachments, as applicable:
 - i. Existing gaming site layout
 - ii. Proposed gaming site layout
 - iii. Proposed revisions to CCTV placements, if any
 - iv. Project timetable
 2. The Operator shall undertake in the abovementioned form that its proposed introduction of new game or conversion of game offering will comply with the applicable guidelines under this Regulation 7.
 3. Upon approval of the request, the Operator shall carry out its request, based on its submitted gaming site layout. Installation or removal of electronic gaming machines and other gaming equipment shall be in accordance with the guidelines under Regulation 14.
 4. Operator shall post the required Performance Cash Deposit for the new game offering prior to its commencement of operation and submit to GLDD a copy of the amended Business Permit as prescribed in Item No. 5 under subsection (c) above.
 5. The Operator shall conduct a pre-operational testing on newly installed electronic gaming system/s, network connectivity, electronic gaming terminals or machines and other gaming equipment, and shall ensure their readiness prior to gaming operation.
 6. The Operator shall notify GLDD via email to gldd.rgulicensing@pagcor.ph of the commencement of the new game offering.

- (e) The Operator shall follow the procedures listed below relative to any of the requests described in Item a.3 (removal of game offering) above.
 - 1. The Operator submits to GLDD a duly accomplished **Game Offering Request and Approval Form (GS Form No. 7)** informing PAGCOR of the cessation of a game offering and its implementation date.
 - 2. Upon acknowledgment by GLDD of the form, the Operator may proceed with removal of game offering. Signage, electronic gaming machines, gaming equipment and marketing collaterals associated with the removed game offering must be removed. Removal of electronic gaming machines and gaming equipment shall be in accordance with the guidelines under Regulation 14.
 - 3. Any outstanding monetary obligations to PAGCOR of the Operator incurred from operating the removed game offering shall be deducted from the Operator's Performance Cash Deposit. Refund of the Cash Deposit, for the ceased game offering shall be in accordance with the guidelines in Item (f) of Section 4 under Regulation 4.

Section 14. Gaming terminal expansion or reduction in an existing gaming site

- (a) The Operator may add or remove electronic gaming terminals in their current gaming sites. The Operator shall follow procedures and guidelines under Regulations 12 and 14 regarding procurement and movement of electronic gaming machines and gaming equipment.
- (b) The Operator shall follow the procedures listed below relative to any of the requests described in Item (a) above.
 - 1. The Operator submits to GLDD a duly accomplished **Gaming Terminal Expansion/Reduction Notification Form (GS Form No. 8)**, with the following attachments, as applicable:
 - i. Existing gaming site layout
 - ii. Proposed gaming site layout
 - iii. Proposed revisions to CCTV placements, if any
 - 2. Should the expansion/reduction of gaming terminals require temporary closure of the gaming site the Operator shall submit to GLDD the duly accomplished **Temporary Suspension of Operations Form (GS Form No. 6)** for approval. Refer to Regulation 25 for procedures and guidelines on temporary closure of gaming site.

3. If suspension affects some gaming terminals only at any given time, a project timetable shall be submitted to GLDD signifying the schedule of terminal suspension in the affected areas.
4. Upon acknowledgment of the request by GLDD, the Operator shall carry out its request, based on its submitted gaming site layout. Installation or removal of electronic gaming machines and other gaming equipment shall be in accordance with the guidelines under Regulation 14.
5. The Operator shall conduct a pre-operational testing on newly installed gaming terminals and shall ensure their readiness prior to gaming operation.
6. The Operator shall notify GLDD via email to *gldd.rgulicensing@pagcor.ph* of the commencement of the newly installed electronic gaming terminals at least one (1) business day prior to commencement.

Regulation**8**

ELECTRONIC GAMING SYSTEM AND ELECTRONIC GAMES

The evaluation of the electronic gaming system and electronic games serves to ensure that the operation of a gaming site offering electronic games is and remains free from criminal influence or exploitation and that electronic gaming in a gaming site is conducted honestly. Hence, all electronic gaming systems and terminals, and/or other equipment shall be designed and manufactured to allow operations of a gaming site to be conducted in a manner that is honest, secure, auditable and reliable.

Section 1. Electronic gaming system

- (a) An electronic gaming system is a combination of a central server, terminals and all interface elements that function collectively linking the terminals with the server to perform gaming functions. This is referred to as Client-Server System (CSS)¹ which can be defined as either:
 - 1. Server Based Game System (SBGS)¹ is a combination of a central server and terminals where the entire or integral portion of game content resides on the server. A terminal will not be capable of functioning when disconnected from the system.
 - 2. Server Supported Game System (SSGS)¹ is a combination of a central server and terminals which together allows the transfer of the entire control program and game content to terminals. In SSGS, game outcome is determined by the terminals and not by the system itself. A terminal is capable of functioning if disconnected from the system.
- (b) The electronic gaming system may have progressive jackpot system where a single or cluster of games is linked to have a common jackpot.

¹Derived from Section 1.5 Defining Client-Server Systems of GLI-21 Client-Server Systems Version 2.2

Section 2. Electronic gaming system requirements

- (a) The Operator may select a Service Provider who shall provide the electronic gaming technology along with its gaming system and game contents that shall be used at the gaming site.
- (b) In behalf of the Operators, the Service Provider shall submit the certification/s issued by a reputable and independent gaming laboratory stating that the Random Number Generator (RNG), intended for use in the electronic gaming system and game/s has passed the technical standards prescribed in other gaming jurisdictions.

RNG requirements as prescribed in Chapter 4 of GLI-19 Standards for Interactive Gaming Systems shall be implemented.

As of the date of these regulations, the names of independent gaming laboratories duly recognized by PAGCOR for electronic gaming are listed in Annex A.

- (c) The electronic gaming system along with its game contents shall be credible and reliable with regards to determination of gross gaming revenue (GGR) as well as game integrity, where the following shall be present:
 - 1. All data are captured, accounted and reported by the system; and,
 - 2. Games are fair, secure and able to be audited and operated correctly.
 - 3. The RTP percentage of each game is within the prescribed RTP percentage range.
- (d) The electronic gaming system and games including the progressive link, and bonus features, among others shall be approved by PAGCOR prior to implementation/ deployment at gaming sites.
- (e) The electronic gaming system shall be capable of recovering from an outage or loss of connection and shall utilize, at a minimum, the following:
 - 1. Data redundancy of 99.99% up time
 - 2. Backup capability
- (f) The Service Provider shall ensure that data can be recovered after a disaster and has a disaster recovery plan.
- (g) The electronic gaming system software shall not permit data to be altered unless the software provides a record of the modification. The record shall include, at a minimum:
 - 1. The authorized user who made the adjustment;
 - 2. The date of adjustment;
 - 3. The reason and description of adjustment; and
 - 4. The result of adjustment.

- (h) The electronic gaming system, games and related equipment fixtures and paraphernalia to be used in the conduct and operation of electronic games including technical support and information to the Operator shall be provided only by the Service Provider.

Section 3. Evaluation and approval of electronic gaming system and games

- (a) All electronic gaming system and games shall be approved by GLDD prior to implementation. The Service Provider, in behalf of the Operator, shall request approval from GLDD to deploy electronic gaming system and games at gaming site by using the **New System, Game and/or Machine Request and Approval Form (GS Form No. 9)**. The Service Provider shall provide/attach the following information/documents to the form:

1. For electronic gaming system:

- i. Name, version number or code;
- ii. System documentations such as system manuals, technical specifications, diagrams, system process flows, list of functionalities, server and terminal requirements, etc.;
- iii. Accounting documents such as description of the accounting processes and sample system-generated reports;
- iv. Certification from a reputable gaming laboratory indicating that the RNG that shall be utilised in the system is compliant to the standards prescribed in subsection (b) under Section 2 above;
- v. Certification from the Content Provider signifying that it has tested extensively the electronic gaming system and has been found compliant with subsection (c) under Section 2 above. The Service Provider may opt to submit a certification from a gaming laboratory if the Content Provider fails to submit the preceding prescribed certification;
- vi. Other concerns that need to be included.

2. For electronic game software:

- i. Name, theme (if any), version number or code;
- ii. Game documentations such as manuals, game rules and mechanics, pay table, bonus features, special prizes, return-to-player (RTP) percentage, progressive jackpot, if any;
- iii. Proposed game parameters such as bet denominations, minimum and maximum bet, progressive increment percentages, RTP settings (if applicable), capping on payout (if any), etc.;
- iv. A certification from gaming laboratory indicating that the RNG for the game is compliant to the standards prescribed in subsection (b) under Section 2 above;

- v. Certification from the Content Provider signifying that it has conducted extensive testing on each game and has found that the RTP percentage of each electronic game is within the PAGCOR-prescribed RTP percentage range. Testing results shall be attached, where necessary testing game parameters are indicated such as number of games played, jackpot increment, etc. The Service Provider may opt to submit a certification from a gaming laboratory if the Content Provider fails to submit the preceding prescribed certification;
 - vi. Other concerns that need to be included.
- (b) The Service Provider shall provide a test environment where it shall conduct testing on the electronic gaming system and/or electronic game/s. GLDD representative/s may observe the conduct of such testing. A certification duly signed by the Service Provider and Content Provider shall be submitted signifying that test results in the test environment are compliant with subsection (c) under Section 2 above as previously certified by the Content Provider.
- (c) Any deviation from the submitted certifications above may result to suspension of electronic gaming system and/or deactivation of game/s from the electronic gaming operation. Any loss incurred due to such remiss shall be solely shouldered by the Service Provider.

Section 4. Electronic gaming system version upgrade

- (a) In behalf of the Operators, the Service Provider may conduct a version upgrade of the electronic gaming system by requesting approval from GLDD using the **Gaming System, Game and/or Machine Request and Approval Form (GS Form No. 9)**. The Service Provider shall comply with the procedures and guidelines, including submission of documentary requirements, as prescribed in Section 3 above. As additional attachment, the Service Provider shall submit a report/ write-up on the overview of the version upgrade including the features and functionalities of the new version.
- (b) Any deviation from the submitted certifications above may result to suspension of the upgraded electronic gaming system from the electronic gaming operation. Any loss incurred due to such remiss shall be solely shouldered by the Service Provider.

Section 5. Emergency software patch due to software bug

- (a) Given a situation that the electronic gaming system failed under critical system failure and required an emergency software patch to put the system back online, the Service Provider shall notify GLDD immediately.

- (b) The Service Provider shall submit reports to GLDD outlining the incident and the rectification steps taken.
- (c) The Service Provider shall conduct testing of the modified or “patched” system to establish its compliance with the requirements set in subsection (c) under Section 2 above. Any loss that may be incurred due to non-compliance of the “patched” system shall be solely shouldered by the Operator.

Section 6. Return to Player (RTP) percentage and game parameters

- (a) The return to player (RTP) percentage of an electronic game of slot machine type used in gaming site shall be from ninety percent (90%) to ninety five percent (95%).
- (b) The corresponding RTP percentage of each electronic game of slot machine type shall be determined by the Service Provider, in behalf of the Operator, within the range as described in Item (a) above.
- (c) The odds, payouts and house advantage of electronic games based on casino games used in gaming site shall be similar to those of their live equivalent casino games.
- (d) The return to player (RTP) percentage, odds and payouts of arcade type games and skill games used in gaming site shall be less than ninety nine percent (99%) and similar to those parameters generally allowed in other gaming jurisdictions.
- (e) The Service Provider shall submit to the GLDD the list of electronic gaming system/s and game parameter settings including the RTP percentages of the electronic games and the progressive system/s prior to commercial operations, as prescribed in Section 3 above.
- (f) The Service Provider shall not make any change to the parameter settings of any electronic game (i.e. bet denomination, minimum or maximum bet, number of bet credits allowed, progressive system groupings, or any other settings which shall not affect the RTP percentage of the game) unless GLDD is notified at least one (1) business day prior to implementation by using the **Game Conversion / Change in Parameter Settings Notification Form (GS Form No. 10)**. For any change in parameter settings that shall alter the RTP percentage of the game, the Service Provider shall request approval from GLDD to implement such change/s using the **New System, Game and/or Machine Request and Approval Form (GS Form No. 9)**.

Section 7. Modification of electronic gaming system and games

- (a) No person shall modify, or permit any modification of any electronic gaming system, interface elements, equipment or games unless approved by PAGCOR.
- (b) The Service Provider or Operator, as the case may be, shall obtain approval from GLDD on any change to the electronic gaming system, interface elements, equipment or games previously approved by PAGCOR.

Section 8. Regular preventive maintenance

- (a) The Service Provider, with the assistance of the Operator as necessary, may conduct preventive maintenance at the gaming site, provided it shall not in any way affect the approved game RTP percentage, randomness of RNG and determination and reporting of gross gaming revenue.
- (b) The Service Provider, in lieu of the Operator, shall prepare and maintain report/s outlining the conduct of preventive maintenance as described in subsection (a) and shall be made available to GLDD at any time for inspection or review.

Section 9. Betting limits

- (a) The Service Provider shall set the betting limit/s for each electronic game. Electronic table game betting limits shall be submitted to and approved by GLDD prior to implementation using the **Betting Limits Form (GS Form No. 36)**.

Regulation

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ELECTRONIC GAMING TERMINAL

All electronic gaming terminals, which include electronic gaming machines, shall be designed and manufactured to allow operations of a gaming site, to be conducted in a manner that is honest, secure, auditable and reliable.

Section 1. Electronic gaming terminal

- (a) The gaming terminal referred to as Electronic Gaming Terminal (EGT) can either be a personal computer (PC)-based terminal or cabinet-type terminal.
- (b) Each electronic gaming terminal whether hosting a single or multiple electronic games shall be reckoned as one (1) EGT.
- (c) An electronic gaming terminal shall not be allowed to function by itself whenever disconnected from the electronic gaming system.
- (d) An electronic gaming terminal of cabinet-type such as the video lottery terminal (VLT) shall be referred to herein as electronic gaming machine.

Section 2. Electronic gaming machine

- (a) The Operator shall notify GLDD request approval from PAGCOR to deploy electronic gaming machines at gaming site by using the **New System, Game and/or Machine Request and Approval Form (GS Form No. 9)**. The Operator shall provide or attach, as applicable, the following information or documents to the form:
 1. Model name, version number or code;
 2. Description of the electronic gaming machine which includes cabinet specifications and details of its hardware components;
 3. Certification from the machine manufacturer signifying that it has extensively tested the electronic gaming machine as a component

terminal of the electronic gaming system, including its bill validator housing and components, has been found to be secured. Any loss incurred due to deviation from this certification shall be solely shouldered by the Service Provider.

The Service Provider may opt to submit a certification from a gaming laboratory if the Content Provider fails to submit the preceding prescribed certification.

4. Other concerns that need to be included.

Section 3. Implementation of electronic gaming machines

- (a) All undertakings involving installation, modification, inspection of meters, and collection of bills/notes and tickets, if any, shall be carried out by the Operator in close coordination with the Service Provider. GLDD representative/s may conduct post-audit of such activities as deemed necessary by GLDD.
- (b) The electronic gaming machine may have provision of acceptance of wagers through a bill/note acceptor (Bill-in and Ticket-in) which prevents the acceptance of fraudulent Philippine currency bills/notes and tickets (receipts). It shall have a provision of issuance of ticket (receipt) for encashment at the cashier's booth. Provision for ticket to be used for play at electronic gaming machine is allowed.
- (c) The Operator shall commit to pay for any fake peso bill/note accepted due to error of the bill acceptor of the electronic gaming machine.
- (d) Installation and operation of non-approved games at electronic gaming machines may cause the revocation of the License.

Section 4. Modification of electronic gaming machines

- (a) The Operator shall ensure that no person shall modify any electronic gaming machine approved by PAGCOR, unless GLDD has been properly notified of the intended modification.
- (b) Unauthorized modifications of electronic gaming machine/s shall grant PAGCOR the right to suspend or terminate the operation of the concerned electronic gaming machine/s at the gaming site.



GAMING EQUIPMENT AND PARAPHERNALIA

Section 1. List of gaming equipment and paraphernalia for gaming sites

- (a) Electronic gaming machine or terminal:
 - 1. Assembly parts, peripherals and accessories;
 - 2. Ticket printer;
 - 3. Speakers with controllers and software;
 - 4. Signage and accessories; and,
 - 5. Uninterrupted Power Supply (UPS).
- (b) Progressive jackpot systems;
- (c) Security locks and safety equipment;
- (d) Transmitters/ Receivers and hubs: power systems, line cards and cables;
- (e) Game conversion kits;
- (f) Electronic gaming systems
 - 1. Hardware;
 - 2. Software; and,
 - 3. Consumables;
- (g) Consumable supplies which are used in the conduct of electronic gaming

The above lists may be amended based on an annual review to be conducted by PAGCOR in consultation with the Operators and Service Providers.



SECURITY AND SURVEILLANCE

Section 1. Minimum security requirements

- (a) The gaming site must have at least one (1) security guard on duty on 12-hour shift.
- (b) The gaming site shall adhere to the fire and safety standards set forth by the Local Government Unit (LGU) and/or Bureau of Fire Protection that has jurisdiction on the gaming site's location. This includes the following but not limited to:
 - 1. Fire suppression and extinguishing devices;
 - 2. Fire exits emergency directional signage and indicators; and
 - 3. Emergency lighting and its placement.

Section 2. Minimum requirements for surveillance system

- (a) PAGCOR has mandated for all gaming sites to have a CCTV System, where:
 - 1. It will serve as a deterrent for anomalous activities in the site.
 - 2. This is done for proactive security monitoring which will be standardized across all sites.
- (b) At least four (4) CCTV cameras shall be allocated within gaming site premises.
- (c) Additional number of CCTV cameras may be required depending on the approved gaming site layout to ensure there are no blind spots.
- (d) CCTV cameras must be operational 24 hours a day, 7 days a week, regardless of gaming site operating hours.

- (e) Gaming sites must post a signage informing customers that the gaming site is being monitored by CCTVs.

Section 3. Minimum requirements for surveillance coverage

- (a) The gaming area shall be monitored by camera(s) to provide, as much as possible, coverage of:
 1. all players and employees at the gaming area;
 2. a facial view of all gaming players with sufficient clarity to allow identification of the player;
 3. a view of bill validators with sufficient clarity to determine the bill value and the amount of credits obtained; and
 4. the face of the electronic gaming terminal, with sufficient clarity to identify the payout line(s) and observe the game results of the terminals.
- (b) The surveillance system shall possess the capability to monitor and record a general overview of the activities occurring in the gaming area.
- (c) The surveillance system shall possess the capability to monitor and record a general overview of activities occurring in each cage/cashier's booth area, with sufficient clarity to identify employees within the cage/cashier's booth and players and employees at the counter areas.
- (d) Storage areas for sensitive electronic gaming equipment and gaming paraphernalia shall be fitted with cameras.
- (e) Each entrance and exit point to the gaming site premises shall be fitted with cameras in order to record persons entering and leaving the gaming site premises.
- (f) Cameras shall be installed throughout general public areas to enable monitoring and tracking of patrons and staff.
- (g) All delivery and transfer routes for cash, electronic gaming equipment and gaming paraphernalia shall be fitted cameras to monitor deliveries and transfers.
- (h) The surveillance system shall be capable of providing a reasonably clear coverage of all of the following:
 1. Activity by players and employees that may constitute cheating or stealing.
 2. Failure of employees to follow proper procedures and internal controls.
 3. Treatment of disorderly persons.
 4. Treatment of persons whose names appear in the Exclusions List.
 5. Arrests and evictions.

6. Treatment of ill or injured patrons.

Section 4. Minimum Requirements for Surveillance Records

- (a) All video recordings of coverage shall be retained for a minimum of thirty (30) days.
- (b) The video recording of a recorded event may be provided by the Operator to a requesting party upon its own discretion.
- (c) Operators shall have the capability to produce a still copy or photograph of the images depicted on a video recording. This may be accomplished using a video printer, still camera or other available means.

Section 5. Procedural guidelines on archiving and retrieval of footage

- (a) Retrieval and archiving of footage may be conducted upon the knowledge of an untoward incident that occurred within the gaming area to aid in fact finding and criminal investigation. Examples of incidents would be:
 1. Alleged theft by a player to another player
 2. Robbery and hold-up
 3. Investigation and identification of suspected individuals performing acts of deception such as but not limited to money-switching, swindling, mulcting to gaming site personnel and players
 4. Allowing entry of minors
 5. Forced entry with robbery during the gaming site's non-operational hours
 6. Altercation between gaming site personnel and players, players other players, gaming site personnel or players
- (b) All requests for retrieval shall be handled for appropriate action by the Operator.
- (c) The Operator shall be responsible for retrieval, archiving or release to a requesting party of the video footages.



PROCUREMENT OF GAMING EQUIPMENT AND PARAPHERNALIA

Section 1. General guidelines

- (a) Procurement of electronic gaming equipment and/or paraphernalia to be installed/ utilized at the gaming site can only be made by an Operator, or its Supplier who has a Permit to Possess gaming equipment.
- (b) The Operator shall procure electronic gaming equipment and/or paraphernalia only from its accredited Supplier. The Supplier must be accredited by the Operator under the PAGCOR-approved accreditation standards and guidelines. Please refer to Regulation 13 for accreditation standards and refer to Regulation 10 for the list of electronic gaming equipment and paraphernalia for purposes of these guidelines, from which the following electronic gaming equipment and paraphernalia shall require PAGCOR's approval:
 - 1. Electronic gaming system and its components;
 - 2. Electronic gaming machine or terminal and its components;
 - 3. Device containing electronic game software;
 - 4. Progressive jackpot system;
 - 5. Other electronic gaming equipment and paraphernalia as may be required by PAGCOR.
- (c) Procurement of electronic gaming equipment and/or paraphernalia by an Operator-accredited Supplier shall be subject to the procedures/ requirements prescribed in the Suppliers Regulatory Manual.

Section 2. Foreign procurement

- (a) The Operator may import electronic gaming equipment and/or paraphernalia for use at gaming site as may be permitted by law and subject to legal and customs requirements for this purpose.
- (b) Clearance to import from PAGCOR should first be obtained by the Operator prior to actual shipment of electronic gaming equipment and/or paraphernalia. The Operator shall submit the following to GLDD in order to obtain clearance to import:
 - 1. Duly accomplished **Shipment Clearance Request and Approval Form (GS Form No. 11)**. The following fields shall be completely filled up by the Operator:
 - i. Type of item to be imported.
 - ii. Description of item to be imported. The item shall be described in detail.
 - iii. Purpose/ Use of item.
 - iv. Gaming Site Location. This pertains to the gaming site address.
 - v. Attached certification from an independent gaming laboratory, as defined in Regulations 8 and 9.
 - vi. Name and address of Supplier. The name of the Supplier shall bear the name and address indicated in the letterhead of the Commercial Invoice or Pro-forma Invoice.
 - vii. Supplier's PAGCOR Enrollment Number. These shall pertain to the Supplier's enrollment number as indicated in the Certificate of Registration of Suppliers issued by PAGCOR to Suppliers upon registration. Please refer to Supplier's Regulatory Manual for enrollment procedures and requirements.
 - viii. Shipment Point of Origin. This pertains to the country or state (if from United States of America) where the shipment shall originate.
 - ix. Name of Broker. This shall refer to the broker who is duly designated by the Operator who shall be responsible, claiming the items at the port, and delivery of items to the Operator.
 - x. Terms and Conditions. This refers to the terms and conditions that the Operator shall abide by.
 - xi. The Operator shall certify that the information contained in the request form are true, correct, complete and consistent with the Commercial Invoice or Pro-forma Invoice. The Operator agrees to abide by the terms and conditions (see Item x above).
 - xii. Each request shall bear the name of the Operator, date of request and the name, position title signature of the authorized signatory of the Operator.
 - 2. Copy of Commercial Invoice or Pro-forma Invoice in Supplier's letterhead containing the following:

- a) Supplier's name and address;
- b) The words "Commercial Invoice" or "Pro-forma Invoice";
- c) Invoice number;
- d) Date of invoice;
- e) Billed to/sold to;
- f) Consignee;
- g) Quantity of each line item to be imported;
- h) Description of each line item to be imported.
- i) Unit price of each line item to be imported;
- j) Total price amount of each line item to be imported;
- k) Grand total amount of all items to be imported;
- l) Shipment's country of origin;
- m) Mode of shipment; and,
- n) Printed name and signature of the Supplier's authorized representative.

Only Commercial Invoice or Pro-forma Invoice shall be valid attachments to the **Shipment Clearance Request and Approval Form (GS Form No. 11)**.

- (c) Each **Shipment Clearance Request and Approval Form (GS Form No.11)** shall cover one (1) commercial/pro-forma invoice.
- (d) Once the shipment request is approved, the Operator shall ensure that all items shipped shall be strictly within the quantities and description as approved by GLDD per Commercial Invoice or Pro-forma Invoice.

Section 3. Inspection and inventory

- (a) The Service Provider shall conduct an inspection/inventory of the shipment, in the case of imported gaming equipment and paraphernalia before it is turned over to the Operator.
- (b) On electronic gaming machine and other electronic gaming equipment:
 - 1. No later than the tenth (10th) of the following month, the Service Provider, in behalf of the Operators, shall furnish GLDD with a monthly inventory of electronic gaming terminals and other gaming equipment showing the following information:
 - a) Location of each item; and
 - b) Total quantity.
 - 2. The Operator, in coordination with the Service Provider, shall conduct a physical inventory of the electronic gaming machines and other gaming equipment on an annual basis. The Operator shall furnish GLDD with the results of the physical inventory. The Operator shall reconcile inventory maintained by the Service Provider with the physical count. The Service Provider shall report

any discrepancies between the inventory records and the physical inventory to GLDD.



ACCREDITATION OF SUPPLIERS OF GAMING EQUIPMENT AND PARAPHERNALIA

Section 1. Accreditation of Suppliers

- (a) The Operator shall procure gaming equipment and other gaming paraphernalia only from a GLDD-enrolled and Operator-accredited Supplier.
- (b) A Supplier must enrol first with PAGCOR before doing business with an Operator. Enrolment procedures are prescribed in Suppliers Regulatory Manual. Visit the Suppliers page at the link: www.pagcor.ph/regulatory/ for the list of GLDD-enrolled Suppliers.
- (c) The Operator shall be responsible for the accreditation of its Suppliers subject to the minimum requirements as prescribed in Section 2 below.
- (d) The Operator may procure from a Supplier who is currently accredited by another Operator.

Section 2. Accreditation standards

- (a) The Operators shall handle all matters pertaining to Supplier's accreditation subject to the following minimum requirements:

FOR LOCAL SUPPLIERS

- 1. Application for Accreditation Form;
- 2. Certificate of Enrollment issued by PAGCOR;
- 3. Company profile including the following:
 - a) Updated list of directors; and,
 - b) List of clients.
- 4. List of products/items being offered including brochures and catalogues, if any;

5. Detailed location sketch of company office, factory and/or warehouse;
6. Copy of Registration Certificate from:
 - a) Securities and Exchange Commission including Articles of Incorporation/ Co-Partnership and By-Laws or
 - b) Department of Trade and Industry;
7. Photocopy of the following documents:
 - a) Mayor's Permit/ Business Permit/municipal license;
 - b) BIR Registration Certificate;
 - c) Certificate of Dealership/ Exclusive;
 - d) Current licenses required by law (applicable to the line of business);
8. Certified True Copy of Income Tax Return for the previous or its preceding year and its corresponding audited Financial Statements, duly filed with the BIR including photocopy of ITR and AFS filed two (2) years prior to year of application.

FOR FOREIGN SUPPLIERS

1. Application for Accreditation Form;
2. Certification of Enrollment issued by PAGCOR;
3. Incorporation papers or business registration (for sole proprietorship and partnership);
4. Company profile (in English) including the following:
 - a) Updated list of directors; and
 - b) List of clients.
5. List of products/items being offered including brochures and catalogues, if any; and
6. Audited Financial Statements for the last two (2) years.

Appropriate equivalent documents to substitute the documentary requirements stated in item 6 (see documentary requirements for Local Suppliers) issued by the foreign firm's country of origin provided that the documents are in "English".

- (b) The Operator shall conduct a probity check to ensure that each Supplier:
 1. is of good repute and is not banned from plying its trade in other gaming jurisdictions;
 2. is not insolvent, did not file for bankruptcy or is not under rehabilitation;
 3. has the capability to supply electronic gaming equipment and paraphernalia that are in accordance with PAGCOR's prescribed standards; and
 4. has an established track record of compliance with the legal and regulatory requirements applicable to it in relation to its business as a supplier of electronic gaming equipment and paraphernalia whether in the Philippines or in other gaming jurisdictions.



MOVEMENT OF GAMING EQUIPMENT AND PARAPHERNALIA

The Operator may transfer gaming equipment and/or paraphernalia from the authorized storage area to the gaming site, or vice versa, or cause the transfer of gaming equipment and/or paraphernalia to another gaming site, or ship-out gaming equipment and/or paraphernalia out of the country.

A Supplier with a Permit to Posses gaming equipment and/or paraphernalia may also transfer gaming equipment and/or paraphernalia from the authorized storage area to gaming site, or vice versa. However, processing of requests for movement of gaming equipment and/or paraphernalia by a Supplier shall be covered by separate procedures/guidelines prescribed in the Suppliers Regulatory Manual.

Section 1. General guidelines

- (a) Any movement of gaming equipment and/or paraphernalia requires the prior notification to or approval from GLDD.
- (b) The Operator shall notify GLDD in writing of its authorized storage area with the following information:
 - 1. Name of building, if applicable;
 - 2. Address;
 - 3. Sketch or visuals on location with vicinity map; and
 - 4. Name of designated custodian/s.
- (c) If the Operator maintains an online inventory system, the Operator shall provide the duly designated representative/s of GLDD with viewing access to the system.

Section 2. Pullout and transfer of gaming equipment/paraphernalia

- (a) Transfer of gaming equipment and/or paraphernalia from one location to another shall require prior notification by the Operator to PAGCOR.

- (b) Gaming equipment and/or paraphernalia may be returned by an Operator to Supplier's authorized storage area in the Philippines, or vice versa, provided that the Supplier has a valid Permit to Possess gaming equipment and paraphernalia.
- (c) The Operator shall submit to GLDD a duly accomplished **Transfer of Gaming Equipment Notification Form (GS Form No. 13)** at least one (1) business day prior to the scheduled transfer

The Transfer of Gaming Equipment Notification Form shall contain the following information:

1. Reference serial number, which shall be provided by GLDD to the Operator upon acknowledgement of receipt of the submission;
2. Name of Operator;
3. Gaming Site location (i.e. Electronic Gaming Site location);
4. Type of game offering;
5. Type of electronic gaming equipment to be transferred;
6. List of electronic gaming equipment to be transferred with the following details:
 - a) Manufacturer of the electronic gaming equipment to be transferred;
 - b) Description of electronic gaming equipment;
 - c) Electronic gaming machine serial number;
 - d) Electronic gaming machine game name; and
 - e) Quantity of electronic gaming equipment to be transferred.
7. Expected date of transfer;
8. Reason for transfer;
9. Point of origin;
10. Point of destination; and
11. Operator's undertaking that it shall coordinate with the Service Provider the conduct of inspection and inventory prior to the transfer of the gaming equipment.

- (d) Log reports of all gaming equipment/paraphernalia transferred to/from the gaming site shall be made available to GLDD at any time for review, reference or any other purpose as deemed necessary by GLDD.

Section 3. Pull-out of gaming equipment from a gaming site or Operator's authorized storage area for ship out

- (a) Gaming equipment and/or paraphernalia may be shipped by an Operator out of the Philippine territory.
- (b) Ship-out of gaming equipment and/or paraphernalia shall require the prior approval of GLDD. The Operator shall submit the following to

GLDD at least fourteen (14) business days prior to the scheduled ship-out:

1. Duly accomplished **Ship-Out Clearance Request and Approval Form (GS Form No. 15)**. The Approval Form shall contain the following information:

- a) Name of Operator;
- b) Gaming Site location;
- c) Type of gaming equipment to be shipped out;
- d) List of gaming equipment to be shipped out with the following details:
 - i. Manufacturer of the gaming equipment;
 - ii. Description of the gaming equipment;
 - iii. Electronic gaming machine serial number;
 - iv. Electronic gaming machine game name; and
 - v. Quantity of gaming equipment to be shipped-out.

The Operator may attach additional sheet containing the list of gaming equipment.

- e) Pull-out location i.e. gaming site or Operator's authorized storage area;
- f) Expected date of pull-out and ship-out from the Operator;
- g) Reason for pull-out and ship-out;
- h) Mode of ship-out (i.e. by air or by sea);
- i) Port of exit;
- j) Name of recipient;
- k) Exact address of recipient;
- l) Country of destination;
- m) Reference importation Commercial Invoice/Pro-forma Invoice number;
- n) Name and contact number of designated customs broker; and
- o) Operator's undertaking that it shall coordinate with the Service Provider for the conduct of inspection and inventory prior to the pull-out and ship-out of the gaming equipment and/or paraphernalia.

2. Copy of reference importation Commercial Invoice or Pro-forma Invoice on gaming equipment and/or paraphernalia to be shipped out.

- (c) The Operator shall designate only one (1) broker who shall be responsible for securing the permit to ship-out (as authorized by PAGCOR) from the Department of Finance or the Special Economic Zone Authority whichever is applicable, and actual transporting of gaming equipment and/or paraphernalia to the port.

- (d) The Ship-out Clearance Request and Approval Form shall be signed by the Operator's authorized signatory.
- (e) A reference serial number of the Ship-out Clearance Request and Approval Form shall be provided by GLDD upon approval of the request.
- (f) GLDD may reject the Ship-out Clearance Request and Approval Form if the information contained in the Approval Form is incomplete or incorrect or if the reference Commercial Invoice or Pro-forma Invoice is not attached.
- (g) For Operators whose importations are covered by an Import Permit filed with a Special Economic Zone Authority, it shall be the responsibility of the Operator to seek approval on the proposed ship-out.
- (h) The concerned Service Provider shall conduct an inspection and inventory of the gaming equipment/paraphernalia prior to the scheduled pull-out and ship-out. The Operator shall coordinate with the concerned Service Provider at least five (5) days prior to the scheduled pull-out of the gaming equipment/ paraphernalia.
- (i) Log reports of all gaming equipment/paraphernalia shipped out of the country from the gaming site shall be made available to GLDD at any time for review, reference or any other purpose as deemed necessary by GLDD.



DISPOSAL OF GAMING EQUIPMENT AND PARAPHERNALIA

Section 1. Disposal of gaming equipment and paraphernalia

- (a) The Operator may dispose of its gaming equipment or paraphernalia due to closure of the gaming site, cessation of game offering or if the gaming equipment/paraphernalia is/are discontinued or worn out. Disposal may be carried out through any of the following subject to the guidelines and procedures under Regulation 14 for Item nos. 1, 2 and 3 below; and Section 2 of this regulation for Item no. 4:
 - 1. Ship out of Philippine territory all of its imported electronic gaming machines or terminals, gaming equipment and/or paraphernalia pursuant to Presidential Decree No. 519 and Letter of Instruction No. 1176;
 - 2. The Operator may transfer its electronic gaming machines or terminals, gaming equipment and/or paraphernalia to another PAGCOR-licensed gaming site Operator.
 - 3. The Operator may return the electronic gaming machines or terminals, gaming equipment and/or paraphernalia to its Supplier who holds a Permit to Possess (gaming equipment) from PAGCOR.
 - 4. The Operator may destroy its electronic gaming machines or terminals, gaming equipment and/or paraphernalia as prescribed in Section 2 below.
- (b) For gaming site with revoked License, the Operator shall dispose of its gaming equipment or paraphernalia within ninety (90) calendar days from the date of notice of License revocation. The Operator shall comply with the post-operational activities as prescribed in Section 4 under Regulation 25.

- (c) For ceased game offering, guidelines and procedures in subsection (b) above shall apply to the corresponding gaming equipment and paraphernalia.
- (d) Should gaming equipment and/or paraphernalia, whether declared destroyed, sold, shipped out or otherwise, be still found under the Operator's possession after the ninety (90)-day disposal period, the Operator may be held criminally liable under Philippine laws.

Section 2. Destruction of gaming equipment and paraphernalia

- (a) For operational gaming sites, the Operator shall notify GLDD at least one (1) business day of its intent to destroy gaming equipment or paraphernalia using the **Destruction of Gaming Equipment/ Paraphernalia Notification Form (GS Form No. 22)** duly accomplished by the Operator's authorized signatory which shall include, in addition to such other items or information as PAGCOR may require:
 - 1. date and the location at which the destruction will be performed;
 - 2. number of gaming equipment or paraphernalia to be destroyed; and
 - 3. description of the gaming equipment or paraphernalia to be destroyed, which shall include the name of Supplier or manufacturer.
- (b) For gaming sites with revoked License or ceased game offering, the Operator may proceed with destruction of gaming equipment or paraphernalia without need to submit the destruction notification form as prescribed in subsection (a) above, subject to the following:
 - 1. Receipt of notice of approval on License revocation or cessation of game offering; and
 - 2. Compliance with the submission of closing inventory list as prescribed in Item 1 of subsection (a) under Section 4 of Regulation 25.
- (c) The destruction of gaming equipment or paraphernalia shall be carried out by the Operator. The Operator shall ensure that the gaming equipment or paraphernalia are completely destroyed and rendered unusable for gaming operations.
- (d) After destruction, the Operator shall accomplish and sign a **Certificate of Gaming Equipment/ Paraphernalia Destruction Form (GS Form No. 23)**.
- (e) The Operator shall submit to GLDD a copy of duly accomplished and notarized certificate as prescribed in subsection (c) above.



GAMING SITE OPERATIONAL RULES AND GUIDELINES

Section 1. The Gaming Site Operational Rules and Guidelines (GSORG)

- (a) The Operator shall formulate, and finalize its Gaming Site Operational Rules and Guidelines (GSORG) that will govern the day-to-day gaming operations of the Operator in accordance with the regulations of this regulatory manual.
- (b) The GSORG shall contain, among others, the following:
 - 1. Gaming site organizational structure which includes the organizational chart, duties and responsibilities of each position, and sections and departments;
 - 2. Operational guidelines and procedures containing the detailed and narrative description of policies, rules and guidelines on the following, among others:
 - (i) Gaming equipment inventories;
 - (ii) Opening and closing of the gaming site;
 - (iii) Shift changes at gaming areas;
 - (iv) Types of game offerings;
 - (v) Game rules and mechanics;
 - (vi) Information on linked progressive jackpots (if applicable);
 - (vii) Cash transactions reporting; and
 - (viii) Financial and gaming data back-up and record retention.
 - 3. Customer support containing the policies, rules and guidelines on the following:
 - (i) Customer support facilities
 - (ii) Dispute resolution guidelines on customer complaints
 - 4. Minimum internal control standards with respect to, but not limited to, the following:

- (i) Cashier's booth
 - Customer deposits and withdrawals
 - Promotional payouts
 - Accounting/Audit standards
 - (ii) Electronic gaming terminals/equipment
 - Equipment standards
 - Jackpot payouts, handpays
 - Accounting/Audit standards
 - Record retention
- (c) The GSORG shall be made available to GLDD at any time upon request.
- (d) The following shall be mandatory provisions in the GSORG:
 1. Dress Code for Men: Slippers, shorts, sandos/jerseys and tattered clothes are not allowed to be worn by customers, employees of the Operator and personnel of the gaming site. Everyone within the gaming site is expected to dress modestly and appropriately.
 2. Dress Code for Women: Slippers, skimpy outfits, and tattered clothes are not allowed to be worn by customers, employees of the Operator, and personnel of the gaming site. Everyone within the gaming site is expected to dress modestly and appropriately.
 3. All employees, staffs, securities and agents of the Operator shall always wear their uniforms and identification cards on their upper left chests during working hours or if they are within the premises of the gaming site.
 4. Game rules: The minimum buy in per game shall be One Thousand Pesos (PhP1,000.00).
 5. Limit to Playing Time: No customer is allowed to play and remain in the gaming site for more than six (6) hours.
 6. No Operator shall operate for twenty four (24) hours. An Operator may only operate for a maximum of fifteen (15) hours within a day or within a 24-hour period.
 7. The provisions on individuals prohibited from entering and playing in any gaming site shall be strictly enforced.

Section 2. Gaming site operations to be consistent with GSORG

- (a) The Operator shall operate the gaming site including all other support facilities in a manner consistent with its License and the GSORG.
- (b) PAGCOR may conduct a walkthrough review of the Operator's internal control based on the submitted GSORG. Any findings resulting from such review shall be communicated to the Operator and/or Service Provider for appropriate disposition.



PLAYER REGISTRATION AND MEMBERSHIP

Section 1. General guidelines

The Operator shall not allow entry and play from the following at any gaming site:

- (a) Public officials, which includes elective and appointive officials and employees, permanent or temporary, whether in the career or non-career service, whether or not they receive compensation, regardless of amount;
- (b) Members of the Armed Forces of the Philippines, including the Army, Navy, Air Force or Philippine National Police
- (c) Persons under 21 years of age or students of any school, college or university in the Philippines.
- (d) PAGCOR officials and employees
- (e) Gaming site Operators and employees
- (f) Unregistered players
- (g) Banned individuals
- (h) Spouse, common-law partner, children, parents of officials and persons mentioned in items (a), (b), and (d) above.

Section 2. Player registration minimum requirements

The Operator shall provide a player registration application procedures to be followed by prospective Players which shall include the following minimum requirements:

- (a) Prospective Player must show two (2) valid government-issued Identification (ID) cards, containing a photograph, name and date of birth which may be any of the following IDs:
 - 1. Passport including those issued by foreign government;
 - 2. Driver's License;
 - 3. Professional Regulations Commission (PRC) ID;

4. Postal ID;
 5. Voter's ID;
 6. Barangay Certification (with photo);
 7. Tax Identification (TIN);
 8. Social Security System (SSS) Card;
 9. Senior Citizen Card;
 10. Alien Certificate of Registration/ Immigrant Certificate of Registration;
 11. Unified Multi-purpose ID (UMID); and
 12. Any other valid government-issued ID which may be allowed in the future.
- (b) Prospective Player must be twenty one (21) years of age at application.
- (c) Prospective Player shall be asked to provide the following personal information that shall be logged by the Player or by the Cashier/authorized staff, whichever is applicable, into the Player membership system:
1. Complete name, as it appears in the ID presented;
 2. Date of birth, as it appears in the ID presented;
 3. Gender;
 4. Civil Status;
 5. Nationality;
 6. Type of ID and number;
 7. Latest photo; and
 8. Any other information such as address, contact information, among others, may be required by the Operator as the case may be.

Section 3. Player registration system

Operator shall utilize a Player registration system/solution which has the following functionalities on Player management:

- (a) The Player information and picture are stored in a database.
- (b) System is capable of identifying banned Players to prohibit him/her from registration and access to play, in accordance with the guidelines prescribed in the National Database of Restricted Persons (NDRP) manual.
- (c) The Operator shall post at the entrance of its gaming site an appropriate signage of the mandatory membership requirement for gaming sites. An example is "This Gaming Establishment is for Registered Members Only. To register, please inquire inside at the Cashier's Booth".

- (d) Membership cards, either temporary or permanent, shall be issued immediately upon registration of the Player.
- (e) Access to terminals of registered Players should be system-based.
- (f) Player registration system must be in place before the gaming site is allowed to commence operations.

Section 4. Player membership reports

Player membership report for a given month shall be submitted to PAGCOR within ten (10) days following the close of the month.



CONDUCT OF GAMING

Section 1. Operating hours

- (a) No Operator may operate its gaming site for twenty-four (24) hours. An Operator may only operate for a maximum of fifteen (15) hours within a day or within a 24-hour period. The Operator may operate its gaming site seven (7) days a week, three hundred sixty-five (365) days a year, subject to the following:
 - To close on Good Friday at 12:00 noon
 - To resume on Black Saturday at 12:00 noon
- (b) The Operator shall inform GLDD of its operating hours; provided it may only operate for a maximum of fifteen (15) hours within a day or within a 24-hour period. An Operator may change the operating hours of its gaming site, provided it shall notify GLDD of the change in operating hours at least one (1) business day prior to its implementation date using the **Change in Gaming Site Operating Hours Notification Form (GS Form No. 24)**.
- (c) An Operator may elect to make adjustment/s to or suspend its gaming site operation on holidays, other than those described in subsections (a) and (b) above; e.g. Maundy Thursday, All Saints' Day, All Souls' Day, etc., subject to the following:
 - 1. For adjustment/s in operating hours, the Operator shall notify GLDD at least one (1) business day prior to implementation by using the **Change in Gaming Site Operating Hours Notification Form (GS Form No. 24)**.
 - 2. For temporary suspension of operation, the Operator shall request for approval from GLDD using the **Temporary Suspension of Operations Form (GS Form No. 6)**.

Section 2. Conduct of electronic games**(a) Payment of winnings in full**

1. An Operator shall pay every player who wins a wager on any game played on an electronic gaming terminal within its gaming site premises his winnings in full without deduction of any commission or fee, unless otherwise provided in the rules of the game.
2. Operator's non-payment of winnings or unauthorized deductions from winnings or redeemed balances of the player shall be imposed a penalty and demerit as prescribed under Regulation 24.

(b) Refund of wagers and recovery of winnings when game is declared void.

1. An Operator shall declare a game void if there is any malfunction or fault in, or interruption in the operation of, any part of any electronic gaming machine or electronic gaming equipment that affects the outcome of that game.
2. Without prejudice to Item (1), an Operator may declare a game void if:
 - (i) there is a force majeure event that disrupts that game;
 - (ii) the Operator knows or reasonably suspects that a player is committing or has committed an offence in such a manner as may affect the outcome of that game; or
 - (iii) the approved game rules of the game provide for other circumstances under which the game may be declared void and the declaration is done under those circumstances.
3. If a game being played on an electronic gaming terminal is declared void under Items (1) or (2), the Operator shall:
 - (i) clearly notify every player playing that game that the game has been declared void; and
 - (ii) refund all wagers made on that game.
4. Where a game is declared void under Items (1) or (2) (except on the ground of a force majeure event under Item (2)(i)), the Operator may, in addition, recover the winnings of any or all players from that game, if:

- (i) there is clear information provided to the players of the game or displayed prominently in the gaming site concerning the circumstances under which, and the means by which, winnings will be recovered when the game is declared void; and
- (ii) the recovery of winnings is done in accordance with the information in sub-item (i).

5. In Item (2)(i), “force majeure event” includes —

- (i) fire or flood;
- (ii) an act of God;
- (iii) an act of war;
- (iv) strikes, lock-outs or stoppages or restraints of labour;
- (v) riots or civil commotions; or
- (vi) any other event beyond the control of the Operator that makes the continuation of the game impossible.

To constitute force majeure, all of the following elements must occur:

- (i) the cause of the unforeseen and unexpected occurrence must be independent of the will of the Operator;
- (ii) it must be impossible to foresee the event that constitutes caso fortuito or, if it can be foreseen, it must be impossible to avoid;
- (iii) the occurrence must be such as to render impossible for the game to be carried out in a normal manner; and,
- (iv) the Operator must be free from any participation in the aggravation of the injury or loss.

(c) Players to be notified of closure of electronic gaming terminal

1. Subject to Item (3), an Operator shall ensure that reasonable notice is given to players before the closure of any electronic gaming machine/terminal.
2. Without limiting the generality of paragraph (1), a reasonable notice of impending closure of a gaming machine may be

displayed on the screen of the gaming machine for a reasonable period of time before the closure of the gaming machine.

3. An Operator may close an electronic gaming machine without notice where it has reasonable cause to believe that such closure is necessary:
 - (i) in the interest of public or private safety;
 - (ii) to ensure that gaming is conducted honestly; or
 - (iii) to maintain, repair or otherwise deal immediately with any electronic gaming equipment or electronic gaming machine to ensure game security and integrity.
4. In this regulation, “closure”, in relation to an electronic gaming machine, does not include a momentary stoppage of play from which the play can be resumed at the stage it was stopped.

- (d) The Operator shall ensure that reasonable notice is given to players on the termination of an electronic game including its progressive system feature and the corresponding treatment of the accumulated increment for the progressive jackpot meter.

- (e) Gaming by intoxicated persons prohibited

An Operator shall not permit a person who is in a state of intoxication to participate in any gaming activity within its gaming site premises. A “state of intoxication” means a state wherein a person’s speech, balance, co-ordination or behavior is noticeably affected and there are reasonable grounds for believing this state to be induced by alcohol, narcotics or any intoxicating substance.

- (f) Duties of licensed gaming employees in relation to conduct of gaming on gaming site premises

A licensed gaming employee shall not:

1. advise a player on how to play a game, except to explain the rules of the game or to ensure the player’s compliance with the relevant approved game rules;
2. by himself or in conjunction with any other person, corruptly solicit or receive, or agree to receive, any tip, gratuity, consideration or other benefit for himself or for any other person as an inducement to or a reward for improperly influencing the outcome of a game; and,

3. permit a player to participate in any gaming activity if the player is in a state of intoxication.

Section 3. General House Rules for gaming sites

The following general house rules which shall be displayed in a conspicuous place inside the gaming site for the playing public's full view shall apply to the actual conduct and operation of electronic games/bingo games:

General House Rules

- (a) Only registered players are allowed to play. All persons allowed entry are obliged to observe all the rules and regulations prescribed by the management.
- (b) Persons below twenty (21) years old or students of any school, college or university in the Philippines are not allowed to play in the gaming site. The following are not allowed to enter, stay and/or play in the gaming site:
 1. Public officials, which includes elective and appointive officials and employees, permanent or temporary, whether in the career or non-career service, whether or not they receive compensation, regardless of amount; and,
 2. Members of the Philippine National Police (PNP) and Armed Forces of the Philippines (AFP)
- (c) Officials and employees of PAGCOR are not allowed to enter and stay, except for official business purposes. Officials and employees of PAGCOR are prohibited to play.
- (d) Spouse, common-law partner, children, parents of public officials, members of the Armed Forces of the Philippines, including the Army, Navy, Air Force or Philippine National Police, and PAGCOR officials and employees shall be banned from playing as well.
- (e) Gaming site Operators and employees are prohibited to play.
- (f) Management reserves the right to deny entry to any person. Management shall only allow entry to legitimate players who will play or are actually playing in the gaming site. There shall be no other transactions other than for legitimate gaming purposes.
- (g) Players shall be held liable for any breakage or damage done, whether intentionally or unintentionally, on the machines/terminals and/or equipment.

- (h) Bystanders are prohibited outside the gaming site area and within the gaming site areas.
- (i) Firearms or deadly weapons are strictly prohibited inside the gaming site.
- (j) No Cash, No Play.
- (k) Limit to Playing Time: No customer is allowed to play and remain in the gaming site for more than six (6) hours.
- (l) Before placing a bet or start of each game, the Player shall be responsible for reading and understanding the following:
 - 1. House Rules – posted within the premises; and,
 - 2. Game Rules and Mechanics.
- (m) The Player shall be fully aware that there is risk of losing credit or money by placing a bet and/or participating in electronic games/bingo games.
- (n) PAGCOR may suspend or cancel certain online games/game programs without prior notice.
- (o) Management is not responsible for loss of any betting credits left in the electronic gaming terminals/electronic bingo machine.
- (p) Encashment of all winnings/prizes shall be honored until closing time of the current trading day in which the initial cash-in was made, for electronic bingo games.
- (q) Any system or machine malfunction voids all plays and pays.
- (r) In the event of technical malfunction and the electronic bingo machine does not dispense receipt, said credit shall be cashed-in and paid only upon management's verification of the correct credit amount.
- (s) Electronic games and electronic bingo games are subject to change without prior notice.
- (t) In case of dispute or discrepancy, the management shall have the final decision upon proper consultation with the PAGCOR Representative, if any, assigned in the gaming site in a manner deemed fairest to all concerned and that the decision shall be binding to all Players.

- (r) Minimum buy-in of one thousand pesos (PhP1,000.00) upon registration with succeeding re-load at a minimum of one hundred pesos (PhP100.00) shall be required in gaming sites for electronic games.



MARKETING AND PROMOTIONS

The Operator shall conduct marketing activities and/or promotions necessary to promote and improve the performance of the gaming site.

Section 1. Marketing activities and/or promotions

- (a) The Operator, with the assistance of the Service Provider, may formulate and implement its marketing activities and/or promotions which may include the following:
 - 1. Any membership or loyalty program by which:
 - a) points, credits or rewards may be earned from the playing of any game in a gaming site; or,
 - b) points, credits or rewards may be redeemed within the gaming site premises for the playing of a game.
 - 2. Any contest, lucky or raffle draw or tournament in which:
 - a) a prize may be won directly or indirectly as a result of visiting any gaming site or playing any game in a gaming site; or,
 - b) a prize may be redeemed on or used for the playing of any game in a gaming site.
 - 3. Any activity, program or incentive, or any combination of them, which gives publicity to, or otherwise promotes or is intended to promote:
 - a) the visiting of a gaming site; or,
 - b) the playing of any game in a gaming site.
- (b) The Operator shall notify GLDD of its marketing activities and/or promotions by submitting the following documents at least one (1) business day prior to implementation:
 - 1. A duly accomplished **Marketing and/or Promotion Form (GS Form No. 28)** duly signed by the Operator's duly authorized signatory;

2. Implementing Rules and Guidelines (IRG) of the marketing and/or promotion containing the following:
 - a) Title
 - b) Period Covered
 - c) Objectives
 - d) Prizes
 - e) General Mechanics
 - f) Terms and Conditions
 - g) Irregularities and Resolution
 - h) Other concerns that need to be included
 3. Marketing activities and/or promotions must target lower middle income and above customers.
 4. The Operator shall not implement any marketing activities or promotions without the approval of PAGCOR, which must resolve applications for marketing and/or promotions within ten (10) business days from submission of all documents.
- (c) Requests with incomplete submissions shall not be processed and shall be returned to the Operator.
- (d) All marketing costs to be incurred in any marketing and/or promotion shall be solely for the account of and shouldered by the Operator.

Section 2. Promotional coupons

- (a) The Operator may, for specified marketing purposes, provide its players with promotional coupons redeemable for complimentary credits.
- (b) The Operator shall be responsible for ensuring that the promotional coupons issued and redeemed are genuine and valid. The Cashier, or any authorized gaming site staff, shall verify that the coupon has not expired or is otherwise void on its face.
- (c) Promotional coupons are non-cashable;
- (d) Promotional coupons shall be redeemed at the Cashier or authorized booth only. Promotional coupons redeemed by players for complimentary credits shall form part of the Gross Sales and shall reflect as part of the Gross Gaming Revenue.
- (e) The Operator shall furnish GLDD with an inventory list of promotional coupons issued to players, as may be required from time to time.
- (f) Promotional coupons issued by the Operator for complimentary credits can only be used once.

- (g) All promotional coupons redeemed pursuant to this section shall be cancelled either:
 - 1. by the Cashier upon redemption; or,
 - 2. by a duly authorized staff.
- (h) At the end of each promotion, all unissued coupons no longer valid shall be voided by the Operator either by punching a hole in or by stamping “void” across the face of each unissued coupon.

Section 3. Gaming points/ total credits redeemable for coupons

- (a) Gaming points or total credits may be used to redeem coupons in exchange for complimentary credits subject to Section 2 above.
- (b) Except as otherwise stated in Item (a) above, gaming points or total credits are not redeemable for complimentary credits.

Section 4. Photo/Video coverage of an event inside the gaming site premises

- (a) An Operator that wish to have a photograph and video coverage of an event inside the gaming site premises shall notify GLDD by submitting a duly accomplished **Photograph and Video Coverage Notification Form (GS Form No. 34)** at least two (2) business days prior to intended date of implementation.
- (b) There will be no tri-media coverage or documentation of cash games.
- (c) Players will sign waivers that they agree to include their faces in the documentation of the tournament.
- (d) The photo and/or video coverage shall not cause any disruption to poker operations.
- (e) The use of camera/s other than that of the Operator or its authorized photographer/videographer shall be prohibited.
- (f) For promotional purposes other than poker tournaments, photo and/or video coverage shall be allowed purely on “mock-up/production set-up” where actors/actresses portray gaming site customers playing on gaming tables.
- (g) When shooting photos or videos of non-gaming events in the gaming site (e.g. documentaries, et. al.), camera(s) shall not be allowed to focus at or point in general direction of the cash table areas.
- (h) PAGCOR reserves the right to prohibit the commercial use and/or conduct post-audit of any photograph or video footage taken during the

shoot as it deems warranted.

- (i) Use of any photograph or video footage as advertising material shall be in accordance with Section VII of PAGCOR's Responsible Gaming (RG) Code of Practice and any applicable RG circular which can be viewed respectively at "Responsible Gaming" and "Announcements" links at www.pagcor.ph/regulatory/index.php.



BANNED PERSONALITIES

Banning is the act of prohibiting a person access into a venue. Certain individuals are banned from entering casinos or gaming sites due to various reasons. Pursuant to Presidential Decree 1869 as amended by Republic Act 9487 otherwise known as the PAGCOR Charter, persons under twenty one (21) years of age or students of any school, college or university in the Philippines are not allowed to play in casinos or gaming sites. Pursuant to Malacañang Memorandum Circular No. 8, series 2001, the following persons are prohibited from entering, staying and/or playing in casinos or gaming sites:

- (a) Government officials and employees connected directly with the operation of the Government or any of its agencies; and,
- (b) Members of the Armed Forces of the Philippines including the Army, Navy, Air Force or the Philippine National Police.

In addition, banning may come in the form of:

- (a) Self-Exclusion;
- (b) Family Exclusion; and,
- (c) Licensee-emanating

The banning order shall be effected nationwide across all licensed casinos and gaming sites. Refer to Responsible Gaming Code of Practice.

Section 1. Personalities not allowed to enter and play in the gaming areas

- (a) A banned personality is a person who is:
 - 1. In pursuance to the PAGCOR Charter and Malacañang Memorandum Circular No. 8, series 2001,

1. a Government official connected directly with the operation of the Government or any of its agencies;
2. a Member of the Armed Forces of the Philippines, including the Army, Navy, Air Force or the Philippine National Police; and
3. a Person under 21 years of age or student of any school, college or university in the Philippines.

From these are excepted the personnel employed by the Gaming Sites or those who at the discretion of PAGCOR may be allowed to stay in the premises.

2. Banned by an Exclusion Order as contemplated under Responsible Gaming Code of Practice.
 3. Individuals who are not allowed to enter and play at any gaming site as provided under this Gaming Site Regulatory Manual.
- (b) The Operator shall not allow a banned personality to enter and play in the gaming area(s).
- (c) An Operator or its employee who knows that a banned person is about to enter the gaming area(s) shall, using no more force than is reasonably necessary, prevent the banned person from entering the Gaming Site premises.
- (d) An Operator who allows a banned personality to play at the gaming site shall be imposed a demerit as prescribed in Regulation 24.
- (e) The Operator shall install signage(s) and/or standee(s) to notify the general public, stating in verbatim the prohibitions indicated under Presidential Decree 1869 as amended by RA 9487 otherwise known as the PAGCOR Charter and Malacañang Memorandum Circular No. 8, series 2001.
- (f) The signage(s) and/or standee(s) must be installed at the following areas:
1. Access point(s) to the gaming area;
 2. Cage and/or Cashier's booth and redemption kiosks; and
 3. Other strategic locations in the gaming areas.

The signage or standee shall be made of a Stanchion post not higher than 37 inches with a fabricated frame (portrait orientation) measuring

16.5 inches x 11.7 inches (A3 paper size) that will house the warning sign/notice. Following is a sample of the warning sign/notice:



NOTICE

Pursuant to Presidential Decree 1869, as amended by Republic Act 9487, persons under 21 years of age or students of any school, college or university in the Philippines are not allowed to play in this gaming establishment.

Pursuant to Malacañang Memorandum Circular No. 8 and to the rules and regulations issued by PAGCOR, the following are not allowed to enter, stay and/or play in this gaming establishment:

- 1. Government officials and employees connected directly with the operation of the government or any of its agencies;**
- 2. Members of the Philippine National Police (PNP) and Armed Forces of the Philippines (AFP).**
- 3. Persons under 21 years of age or students of any school, college, or university in the Philippines;**
- 4. PAGCOR officials and employees;**
- 5. Gaming site Operators and employees;**
- 6. Unregistered players;**
- 7. Banned individuals;**
- 8. Spouse, common-law partner, children, parents of officials and persons mentioned in items (1), (2), and (4) above.**

Section 2. Banning order issued by an Operator

An Operator may issue a banning order to ban an individual from its gaming site premises, which banning order shall be in accordance with the guidelines set under the Responsible Gaming Code of Practice.

Section 3. Removal of banned personalities from gaming site premises

Operator shall be responsible for the removal of a banned personality from the gaming site premises.



DETERMINATION OF GROSS GAMING REVENUES FROM GAMING SITES

Section 1. Definition of Gross Gaming Revenue

- (a) **Gross Gaming Revenue (GGR) is equal to Gross Bets less Payouts (PO),**

where

Gross Bets shall be the total amount of bets placed or wagered on all electronic games.

PO shall be the total amount of winnings paid out to a winning player for a winning bet inclusive of the original amount wagered.

- (b) GGR shall be the basis for computation of Operator Share in the conduct of electronic games.

Section 2. Determination of Gross Gaming Revenue from electronic games

- (a) The Service Provider for each electronic gaming activity shall prepare the system-generated reports reflecting the GGR amount. Generation of reports from the server shall be conducted daily to account for the day's GGR.
- (b) The Service Provider for each electronic gaming activity shall generate reports and provide GGR figures to be used for the computation of shares of all concerned parties.



FINANCIAL REPORTING AND REMITTANCE GUIDELINES

Section 1. Computation of Operator Share

- (a) In consideration of the services rendered by the Operator as defined in the License and this Gaming Site Regulatory Manual, the Service Provider shall pay the Operator an **Operator Share** which is twenty eight percent (28%) of Gross Gaming Revenue (GGR) of its gaming site. Wherein, GGR is computed as follows:

Gross Bets	xxx.xx
Less:	
(a) Payouts (excluding actual progressive jackpot payouts)	xxx.xx
(b) Percentage of Gross Bets of progressive games (allocated for increment)	xx.xx
Percentage of Gross Bets of progressive games (allocated for seed money), or	xx.xx
(c) Seed Amount of progressive jackpots hit or won for seed money without allocation from Gross Bets	xx.xx
GROSS GAMING REVENUE (GRR)	100.00

- (b) Operator Share, while defined in subsection (a) above, may be assigned another percentage of GGR which shall apply only to specific game or group of games in a game offering, e.g. Operator Share for Fastwin games shall be twenty percent (20%) of GGR.
- (c) GLDD shall issue a corresponding notice to Operators on assignment of a new percentage of GGR for Operator Share as described in subsection (b) above.

Section 2. Payment of Operator Share

- (a) The Operator Share shall be paid on a bi-monthly basis, on the twentieth (20th) day of the month and on the fifth (5th) day of the following month. Cut-off period is from 1 to 15 and 16 to 30/31, respectively.
- (b) PAGCOR has authorized the Service Provider, for each gaming activity, to deduct any unsettled obligations of the Operator from its share.
- (c) The Service Provider shall formally advise the Operator on the Operator Share earned as well as the details of any deductions made from the same.
- (d) The Operator shall dutifully settle all its tax obligation/s resulting from the operation of its gaming site, including income and franchise taxes, as applicable, and shall report to CMED all taxes paid and proof of payment thereof within fifteen (15) days from payment or deadline of payment of said taxes, whichever comes first.

Section 3. Operator's documentation and reporting requirements

- (a) The Operator shall submit daily and monthly reports to the Service Provider, as may be required by it, relative to the computation of the GGR of the gaming site.
- (b) The Operator shall maintain the complete reports of all transactions pertaining to electronic gaming operations, as applicable.

Section 4. Operator's remittance of Gross Hold

- (a) Gross Hold is the total amount of cash deposits less total cash redemptions or encashments made by the player.
- (b) The Operator is responsible for advancing redemptions from betting accounts and shall be reimbursed by the Service Provider the next banking day. The cut-off for determining the redemption reimbursement is 6:00 A.M. of the following day.
- (c) The Operator shall remit its Gross Hold from the previous day operation to the Service Provider on a daily basis on or before 4:30 P.M.
- (d) If the Operator fails to remit its Gross Hold within three (3) days or until the Betting Credit Fund of the gaming site is depleted, whichever comes first, "Freeze Top-Up" shall be imposed on the gaming site which will only be lifted upon deposit of correct amount of Gross Hold.

- (e) If the Operator continues to fail to remit its Gross Hold within seven (7) days from remittance due date, the gaming site operation shall be suspended and the Operator shall be penalized by imposition of thirty thousand pesos (PhP30,000.00) and five (5) demerit points as prescribed in Regulation 24.
- (f) Failure of the Operator to remit Gross Hold within thirty (30) days from remittance due date shall lead to revocation of the License.



PATRON DISPUTES

Section 1. Issuance of notification

- (a) In the event of any complaints of players lodged in with PAGCOR resulting from the Operator's violation of guideline/s prescribed in this regulatory manual, GLDD shall issue a "Notice of Non-compliance" to the Operator requiring it to comply with such guideline/s within fifteen (15) business days.
- (b) For complaints of players other than those described in subsection (a) above, the Operator shall be notified of such complaint and shall be required to resolve the dispute. The Operator shall submit a report within fifteen (15) business days on the status of the resolution.

Section 2. Evaluation and action taken

- (a) GLDD may thereafter evaluate matters pertaining to subsection (a) under Section 1 above prior to action to penalize the Operator in accordance with the guidelines enumerated in Regulation 24.
- (b) The decision on actions to be taken against the Operator, if any, is at PAGCOR's sole discretion.

Section 3. Resolution of system-related disputes

- (a) In case of dispute, the Cashier/Gaming Assistant (GA) handles complaint of players and, if necessary, shows to the complainant the game history which contains the details of the most recent games. In case the Cashier/GA cannot handle the situation, he/she seeks the assistance of gaming site Manager/OIC to settle the dispute. The Service Provider or its Customer Service may assist the Operator in settling the dispute.

- (b) In the event of discrepancy in the number of credits/cash being registered in the player's account or machine, the Cashier/GA/Manager/OIC and the technician shall verify and resolve the discrepancy and make payment of refund, if any.

Section 4. Report on dispute resolution

- (a) The Operator shall submit a report on the resolution of dispute stating that if the player has accepted explanation and has agreed to close the case.



LIST OF OFFENSES AND CORRESPONDING DEMERITS AND PENALTIES

Section 1. General guidelines

- (a) Based on the nature of the offense, each offense will correspond to demerits and penalties. Major offenses will be accorded a corresponding demerit and penalty and will be collected from the Operator or may be deducted from its Performance Cash Deposit or Operator Share.
- (b) Demerit points will be marked against the Operator's Performance Score Card at the time of License renewal. Notwithstanding the imposition of penalties, the commission of offense/s by an Operator shall be taken into consideration in the renewal of License.
- (c) In the event of non-compliance with the guidelines prescribed in this regulatory manual and any subsequent amendment /addendum thereto, GLDD shall issue an electronic "Notice of Non-compliance" to the Operator originating from *gldd.rgucompliance@pagcor.ph* requiring the Operator to comply within fifteen (15) days, unless otherwise stated, from receipt of the same.
- (d) Failure by the Operator to comply with Item (c) above shall cause the imposition of penalty as outlined under this Regulation. The decision on actions to be taken against the Operator, if any, is at PAGCOR's sole discretion.

Section 2. Table of offenses

Item/ Description	Sanction	Demerit Points	Penalty	Remarks	
KEY PROVISIONS					
Allowing prohibited individuals and unregistered player/s to enter or place bets	Penalty + Demerit	25	PhP 100,000.00		
Non-Remittance of Gross Hold	Penalty + Demerit	5	PhP 30,000.00		Freeze top-up shall be imposed after three (3) consecutive days of non-remittance of Gross Hold or BCF is depleted, whichever comes first. Five (5) consecutive days of non-remittance shall be subject to penalty, demerit, as prescribed, and suspension of the gaming site operation. Failure to remit Gross Hold within fifteen (15) days from remittance due date shall lead to revocation of the License.
Non-payment of player's winnings	Penalty + Demerit	5	PhP 50,000.00 or amount of the winnings, whichever is higher		
Making any unauthorized deduction from winnings or redeemed balances of players	Penalty + Demerit	5	PhP 50,000.00		

Item/ Description	Sanction	Demerit Points	Penalty	Remarks	
Violation of sworn undertaking to comply with labor laws, including the regularization of contractual employees working for more than six (6) months	Penalty + Demerit	20	PhP 30,000.00		
Unauthorized suspension of operations (including failure to resume operations after the approved period of non-operation granted by PAGCOR)	Demerit	5			Demerit is per day of offense; Notwithstanding the demerits imposed for each day of offense, continuous unauthorized suspension of operations, as defined under Regulation 25, may cause the revocation of the License.
Failure to restore the Performance Cash Deposit at its original level within fifteen (15) calendar days from deduction	Demerit	10			Demerit is for every month of non-compliance.
Allowing a player's buy-in below the required minimum amount	Demerit	10			
Document Submission					
Non-compliance with the manual and/or electronic	Penalty + Demerit	5	PhP 30,000	If documents pertain to site, the demerit	- Notwithstanding the penalty and demerits imposed, non-

Item/ Description	Sanction	Demerit Points	Penalty	Remarks	
submission of documentary requirements on time				and fine of PhP30,000.00 shall be imposed on a per site basis; If documents pertain to the Operator, only the demerit shall be imposed on a per site basis; the PhP30,000.00 fine shall be imposed on the Operator once (per offense).	issuance of a renewal License upon expiration of the current License shall cause the automatic suspension of gaming site operations; Should the suspension reach a period of thirty (30) days, the gaming site will be permanently closed. - Failure to submit the Business permit may cause the revocation of the License
Electronic Gaming/Bingo Machines, Equipment and Paraphernalia					
95% or less operational electronic gaming/bingo terminals/ machines, due to defects, for a period of seven (7) consecutive days	Demerit	3			
Unauthorized operation of additional terminals/machines, where GLDD/CMED are not notified	Demerit	5			
Non-procurement of generator after the lapse of the six (6)-month period	Demerit	3			

Item/ Description	Sanction	Demerit Points	Penalty	Remarks	
Posting of non-compliant exterior signages	Demerit	3			
Failure to maintain gaming site standards on CCTV requirements and guidelines	Demerit + Penalty	10	PhP 30,000.00		The demerit and penalty shall be on a per month basis.

Section 3. Assessment of demerits

- (a) PAGCOR may issue additional list of offenses with corresponding penalties, as deemed necessary.
- (b) All gaming sites will be given one hundred (100) points at the start of their License/License renewal year. Demerits will be recorded through the course of the year and will be deducted from the gaming site's points pool.
 1. Gaming sites with forty one (41) demerit points and higher will result in the non-renewal of the License.
 2. A corresponding penalty of ten thousand pesos (PhP10,000.00) shall be imposed per demerit assessed. The total penalty shall be collected from the Operator or may be deducted from its Performance Cash Deposit at the end of the License year. Should the Operator's Performance Cash Deposit be found insufficient to cover its assessed penalties, the Operator shall be given thirty (30) days to settle the same with PAGCOR. Failure to do so may cause the suspension or termination of operations of its gaming site.
- (c) Upon termination of gaming site operations, voluntary or otherwise, the penalty of ten thousand pesos (PhP10,000.00) per demerit assessed will be deducted from the Performance Cash Deposit.
- (d) The Operator must pay to PAGCOR the corresponding regulatory sanction or penalty within a period of fifteen (15) days from the receipt of the notice of imposition of penalty. Interest amounting to twelve percent (12%) per annum shall be imposed on any amount which remains unpaid after fifteen (15) days from receipt of the notice, pro rated on a daily basis.



TEMPORARY SUSPENSION AND CLOSURE OF GAMING SITE

In the event that an Operator has to temporarily suspend operations or decides to close its gaming site, the following procedures shall apply. Failure of an Operator to comply with these procedures shall be taken into consideration in the renewal of License for its gaming site or other gaming site/s, if any, or in future application with PAGCOR.

Section 1. Temporary suspension of operations initiated by the Operator

- (a) The Operator shall notify GLDD at least fifteen (15) days prior to its intended date of suspension or closure of operation, stating the reasons and duration for the same, using the **Temporary Suspension of Operations Form (GS Form No. 6)**. The duration of the suspension of operations must not exceed ninety (90) days, and must first be approved by PAGCOR prior to implementation. Continuous non-operation after ninety (90) days shall be sufficient ground for the revocation of the License.
- (b) If suspension of operation is less than ninety (90) days, the following guidelines shall apply:
 - 1. Should an Operator fail to immediately resume its gaming site's operations as scheduled, the days where Operator did not resume operations will be considered as an unauthorized suspension of operations. A penalty shall be imposed per day of unauthorized suspension in accordance with Regulation 24.
 - 2. Failure to resume operations within thirty (30) days after the approved temporary suspension of operation date, may lead to the permanent closure of the gaming site and revocation of the License.

Section 2. Suspension of operations initiated by Local Government Units or due to force majeure

- (a) The Operator shall notify PAGCOR within five (5) days from the occurrence of the suspension of the gaming site's operations, stating the reasons and expected duration for the same. The duration of the suspension of operations must not exceed ninety (90) days, and must be approved by PAGCOR. Continuous non-operation after ninety (90) days shall be sufficient ground for the revocation of the License.
- (b) If suspension of operation is less than ninety (90) days, the following guidelines shall apply:
 - 1. Should an Operator fail to immediately resume its gaming site's operations as scheduled, the days where Operator did not resume operations will be considered as an unauthorized suspension of operations. A penalty shall be imposed per day of unauthorized suspension in accordance with Regulation 24.
 - 2. Failure to resume operations within thirty (30) days after the approved temporary suspension of operation date, may lead to the permanent closure of the gaming site and revocation of the License.

Section 3. Voluntary closure of gaming site

- (a) In the event of voluntary closure of operations, the Operator shall notify GLDD at least fifteen (15) business days prior to the intended closure using the **Voluntary Closure/ Non-Renewal of Gaming License Notification Form (GS Form No. 30)**, where the following shall be provided/attached:
 - 1. Operator's name;
 - 2. Gaming site location;
 - 3. Gaming License details including its validity;
 - 4. Reason/s for voluntary closure of gaming site or non-renewal of License;
 - 5. Signatures of the majority stockholders, if Operator is a corporation or partnership, signifying their concurrence to the voluntary closure of gaming site or non-renewal of License;
 - or,
Board resolution stating that the corporation is voluntarily closing its gaming site or not renewing the License; and,
 - 6. Copy of latest GIS duly received by SEC.
- (b) A recommendation on the revocation of the License of the gaming site for closure shall then be submitted to the PAGCOR Board for approval/confirmation.

- (c) A written notice on the approval of the revocation of License shall be issued by GLDD.

Section 4. Post-operational activities

- (a) Upon issuance by GLDD of notice on the approval of the revocation of License, whether caused by voluntary closure of gaming site or any other reason, the Operator must undertake the following:
 1. Submit to GLDD within fifteen (15) days from receipt of notice of revocation a duly accomplished and certified copy of **Closing Inventory List of Gaming Equipment and Paraphernalia (GS Form No. 37)** enumerating the total inventory of all gaming equipment and paraphernalia currently located at the gaming site.
 2. Disposal of the electronic gaming machines or terminals, gaming equipment and/or paraphernalia through the following within ninety (90) days from date of notice of License revocation, in accordance with Regulation 15:
 - i. Ship out of Philippine territory;
 - ii. Transfer to another Operator;
 - iii. Return to its Supplier; and,
 - iv. Destruction.
 3. Submit to GLDD a notice on removal of all gaming related digital assets from all terminals, machines or equipment which the Operator intends to use for other purpose/s.
 4. Remove all gaming site signage, PAGCOR logo sticker, and marketing collaterals within the site premises, and submit to GLDD a notice on its compliance with the removal.
- (b) Any outstanding monetary obligations to PAGCOR of the Operator shall be deducted by the Service Provider from the Operator's Performance Cash Deposit or Operator Share still held by the Service Provider.
- (c) The Performance Cash Deposit shall be released to the Operator only after the Operator's compliance with the above post-operational activities.



RESPONSIBLE GAMING

The Operator shall institute a Responsible Gaming Program guidelines of which shall be in accordance with PAGCOR's Responsible Gaming Code of Practice.



GAMING EMPLOYMENT LICENSE

The Operator shall ensure that their employees have obtained a Gaming Employment License (GEL) from PAGCOR pursuant to the guidelines set in Online GEL Manual and any guidelines that PAGCOR may issue from time to time.



GAMING SITE COMPLIANCE AUDIT GROUP

Section 1. Designated Compliance Audit Group for gaming sites

- (a) GLDD may assign its own Compliance Audit Group, i.e. PAGCOR representatives, who may conduct ocular inspections and spot check the conduct of electronic games at gaming sites.
- (b) GLDD shall provide notice to the concerned Operators of the names and position title of members of the PAGCOR inspection team, prior to its gaming site inspections.

Section 2. Main functions of the Compliance Audit Group

The Compliance Audit Group may exercise the following functions:

- (a) Verifies and audits the Operator's compliance to the terms and conditions of the License and to the regulations contained herein and to other regulations that may be issued by PAGCOR from time to time;
- (b) Reports incidents of deviations from the Gaming Site Regulatory Manual; and,
- (c) Conducts investigations at the gaming site as may be necessary for the resolution of player's complaints, among other concerns.

Section 3. Records to be made available to the Compliance Audit Group

- (a) The Operator shall make available to the Compliance Audit Group the records of electronic gaming operations; i.e. incident reports, marketing activity reports, among others.

- (b) An Operator who wilfully misstates or without reasonable excuse refuses to provide any information or produce any report, record or copy thereof required of it by the Compliance Audit Group shall be liable for disciplinary action.

Section 4. Access to gaming site premises

The Operator shall give the Compliance Audit Group access to premises such as the gaming areas, and other such areas as may be required by PAGCOR from time to time.

 A graphic with a dark gray background. At the top, the word "Regulation" is written in a bold, black, sans-serif font. Below it, the number "29" is written in a very large, bold, white, sans-serif font.

BETTING EXCHANGE

Betting exchange, i.e. Xchangebet, is another game offering under electronic games that may operate within the premises of a PAGCOR-authorized gaming venues. This may be offered at separate Point-of-Sales (POS)/betting terminal or through electronic gaming terminals alongside with another electronic game

Guidelines and procedures prescribed in this regulatory manual shall apply to the setting up and operation of betting exchange terminal(s) in a PAGCOR-authorized gaming site, subject to the following specific guidelines and procedures:

Section 1. General guidelines

- (a) Betting exchange may only operate at any of the following PAGCOR-authorized gaming venues:
 - 1) Gaming sites including poker clubs;
 - 2) Land-based casinos; and
 - 3) VIP clubs and slot machine arcades.
- (b) Installation and operation of betting exchange within the premises of Items 1, 2 and 3 of subsection (a) above, shall be covered by the guidelines and requirements prescribed in Section 13 and Section 14 under Regulation 7. Copy of lease agreement, or its equivalent, between the Operator and the management of gaming venues in Item 2 and 3 of subsection (a) above, shall be submitted to GLDD prior to operation of betting exchange terminal(s).
- (c) Additional guidelines in Section 4 below shall apply to betting exchange system, POS/betting terminals and offered sports/market.
- (d) Definitions and guidelines on determination of Total Bets (TB), Player Winnings (PW) and Total Commission Earned (TCE) outlined in Section 5 below shall apply in lieu of Regulation 21 of this Gaming Site Regulatory Manual.
- (e) Guidelines on financial reporting and remittances outlined in Section 6 below shall apply in lieu of Section 1 under Regulation 22 of this regulatory manual.

Section 2. Fees

The Operator shall comply with the payment of applicable fees relative to application for installation of betting exchange terminal(s), kiosk(s) or outlet following the guidelines prescribed in Regulation 4 of this regulatory manual. The table of fees shall be as follows:

Type of Fee	Amount	Inside Gaming Venue
Application	n/a	-----
Inspection	PhP20,000.00	-----
Processing	PhP5,000.00	✓
Renewal	PhP2,500.00	✓

Section 3. Betting exchange terminal

- (a) Betting exchange terminal (BET) footprint is equivalent to three (3) square meters. The betting exchange area shall comply with the gaming area requirements as prescribed in Section 1 through Section 3 of Regulation 7. Minimum number of terminals for BET area is one (1).
- (b) Guidelines and procedures prescribed in Regulation 9 of this regulatory manual shall apply to betting exchange terminal (BET), in lieu of the electronic gaming terminal (EGT).

Section 4. Betting exchange system and games

- (a) In behalf of the Operators, the Service Provider shall comply with the procedures and guidelines for the evaluation of electronic gaming system and games, which shall be applicable to betting exchange, as outlined in Regulations 8 of this regulatory manual. Requirements for RNG and game RTP may not apply.
- (b) In addition to subsection (a) above, the Implementing Rules and Guidelines (IRG) for each sports or market, in lieu of the requirements for game(s), shall be provided/ attached by the Service Provider as additional documentary requirement to the **New System, Game and/or Machine Request and Approval Form (GS Form No. 9)**.

Section 5. Determination of Total Commissions Earned

- (a) Total Bets (TB) means the total amount of the wagers or bets placed by the bettors in a given period. A bet placed by bettor must be successfully

matched with another bet of a different bettor for the transaction to take place.

- (b) Player Winnings (PW) means Total Bets less total Payouts.
- (c) Payout means the actual amount paid to winning bettors for a winning bet or wager for a specific game format.
- (d) Total Commissions Earned (TCE) means the total amount of the commissions deducted from the bettors' PW per bet market.
- (e) The Service Provider shall prepare the system-generated reports reflecting the TB, PW and TCE amounts. Generation of reports from the server shall be conducted daily to account for the day's TB, PW and TCE.
- (f) The Service Provider shall generate reports and provide TB, PW and TCE figures to be used for the computation of shares of all concerned parties.

Section 6. Financial reporting and remittance guidelines

The guidelines and procedures prescribed in Regulation 22 shall apply. However, in lieu of Section 1 under Regulation 22 of this regulatory manual, the following computation of Operator Share shall apply:

- (a) In consideration of the services rendered by the Operator as defined in the License and this Gaming Site Regulatory Manual, the Service Provider shall pay the Operator an **Operator Share** which is twenty eight percent (28%) of Total Commissions Earned (TCE) of its gaming site. Wherein, TCE is computed as follows:

Total Bets	xxx.xx
Less:	
Payouts	xxx.xx
Player Winnings	xxx.xx
TCE = PW x Commission Rate (up to a maximum of 7.5%)	xx.xx

APPENDICES

Annex A

List of Independent Gaming Laboratories duly recognized by PAGCOR

1. Gaming Laboratories International (GLI)
2. BMM Compliance
3. Slovenian Institute of Quality and Metrology (SIQ)
4. QA Lab
5. Technical Systems Testing (TST)
6. NMI Metrology and Gaming

PAGCOR may consider in its evaluation of electronic system, game and/or machine other independent gaming laboratories not listed above, which are duly recognized in other gaming jurisdictions.

Annex B**LIST OF FORMS**

Reference Regulation No.	Name of Form	GS Form No.
2	Personal Disclosure Statement	
3, 4, 5	Application Forms Part I and Part II	1A, 1B
4	Payment Processing Request Form	2
6	Request for Renewal of Gaming License Form	3
7	Notification of Target Opening Date	5
7, 25	Temporary Suspension of Operations Form	6
7	Game Offering Request and Approval Form	7
7	Gaming Terminal Expansion/Reduction Notification Form	8
8, 9	New System, Game and/or Machine Request and Approval Form	9
9	Game Conversion/Change in Parameter Settings Notification Form	10
12	Shipment Clearance Request and Approval Form	11
14	Transfer of Gaming Equipment Notification Form	13
14	Ship-Out Clearance Request and Approval Form	15
15	Destruction of Gaming Equipment/Paraphernalia Notification Form	22
15	Certificate of Gaming Equipment/Paraphernalia Destruction Form	23
18	Change in Gaming Site Operating Hours Notification Form	24
18, 19	Marketing and/or Promotion Notification Form	28
25	Voluntary Closure / Non-Renewal of Gaming License Notification Form	30
6	Voluntary Pre-termination of Gaming License Notification Form	31

Reference Regulation No.	Name of Form	GS Form No.
7	Gaming Site Establishment Compliance Notification Form	32
2	Certificate of Non-filing of Annual Income Tax Return	33
19	Photograph and Video Coverage Notification Form	34
8	Betting Limits Request and Approval Form	36
25	Closing Inventory List of Gaming Equipment and Paraphernalia Form	37
6	Request for Amendment to Gaming License Form	38

Annex C**LIST OF SAMPLE REPORTS**

Reference Regulation No.	Name of Report
24	Performance Score Card