PAGCOR Anti-Money Laundering

Supervision and Enforcement Department

PROBITY CHECKING FRAMEWORK

Rev. No.: 0

Effectivity: JUL 17 2025

EXECUTIVE SUMMARY

This Probity Checking Framework sets out PAGCOR's risk-based approach to ensuring the integrity and suitability of all individuals and entities it regulates. The framework aligns with Financial Action Task Force (FATF) Recommendations, requiring thorough "fit and proper" checks to keep criminals, their associates, or those involved in illicit activities from obtaining licenses, holding significant interests, or occupying management positions.

The framework applies to all new applications, renewals, and events such as changes in board composition, corporate officers, shareholdings, or beneficial ownership, as well as adverse reports or suspected wrongdoing. Probity checks verify identity, integrity, competence, financial capacity, criminal and personal background.

Applicants are classified into three levels—Minimum, Intermediate, and Enhanced—based on a risk assessment that considers business size, ownership complexity, geographic exposure, financial standing, and compliance history. The Appropriate Licensing Department (ALD) has full discretion over the final risk determination, which is reviewed and updated as needed.

The Investigation and Verification Department (IVD) conducts Level 1 checks internally. Accredited probity checkers handle Level 2 and 3 assessments. Fees may apply for Level 1 checks; accredited checkers must not charge excessive fees for higher-level checks. The framework also provides for feedback on probity checker performance, further verification when needed, and strict data protection.

Failure to comply with probity check requirements may lead to rejection of the application or suspension or revocation of the license. A favorable probity check is necessary but does not guarantee approval; all applications are subject to full PAGCOR evaluation and Board approval. This framework, effective upon Board approval, affirms PAGCOR's commitment to integrity and stability in the gaming sector.

TABLE OF CONTENTS

PAGE

DEFINITION OF TERMS

Appropriate Licensing Department (ALD)	Refers to the designated regulatory department of PAGCOR that is responsible for the processing, evaluation, issuance, renewal, suspension, and revocation of licenses, authorizations, or accreditations in accordance with applicable regulatory frameworks.
Beneficial Owner	For purposes of this Framework, beneficial owner refers to any natural person who: (1) Has ultimate effective control over a juridical person or legal arrangement; or (2) Owns, at least, twenty percent (20%) shares, contributions or equity interest in a juridical person or legal arrangement. Control includes whether the control is exerted by means of trusts, agreements, arrangements, understandings, or practices, and whether or not the individual can exercise control through making decisions about financial and operating policies.
Close Relationship/Associate	Refers to persons who are widely and publicly known, socially or professionally, to maintain a particularly close relationship with the PEP, and include persons who are in a position to conduct substantial domestic and international financial transactions on behalf of the PEP
Corporate Officers	Refer, as a general rule, to individuals formally elected by the board of directors pursuant to Section 24 of Republic Act No. 11232, otherwise known as the

	Revised Corporation Code of the Philippines. These include: ▪ President – must be a member of the board of directors; ▪ Treasurer – must be a resident of the Philippines; ▪ Secretary – must be both a citizen and resident of the Philippines; ▪ Other officers – as may be provided in the corporation's bylaws. ▪ In the case of corporations vested with public interest, a Compliance Officer must also be elected. Additionally, other key officers who hold significant authority or influence over the entity's operations, strategic direction, or regulatory compliance—such as the Chief Operating Officer (COO), Chief Financial Officer (CFO), or Heads of critical departments (e.g., Legal, Internal Audit, IT, AML Compliance, Gaming Operations)— may be subject to probity checks at the discretion of the relevant licensing departments, based on the nature and scope of their responsibilities
Police Certificate of Character	Refers to a document issued by law enforcement agencies or relevant government authorities and provides information about an individual's criminal record or lack thereof within a specific jurisdiction.
Politically Exposed Person (PEP)	Refers to an individual who is or has been entrusted with prominent public position in (a) the Philippines

	with substantial authority over policy, operations or the use or allocation of government-owned resources; (b) a foreign State; or (c) an international organization. The term PEP shall include immediate family members, and close relationships and associates that are reputedly known to have: 1) Joint beneficial ownership of a legal entity or legal arrangement with the main/principal PEP; or 2) Sole beneficial ownership of a legal entity or legal arrangement that is known to exist for the benefit of the main/principal PEP. "Immediate Family Member" – refers to spouse or partner; children or their spouses or partners; and parents or parents-in-law.
Probity Check	Refers to the verification of an applicant's identity, including all officials of the corporate applicant, identity, integrity, competence, financial capacity, criminal and personal background
"Ultimately owns or controls" and "Ultimate effective control"	Refers to situations in which ownership/control is exercised through a chain of ownership or by means of control other than direct control.

Unless otherwise stated or inconsistent with this Framework, definitions of terms under the applicable regulatory frameworks of the appropriate licensing department are hereby adopted and incorporated herein.

BACKGROUND

International Standards for Casino Supervision and Market Entry Controls

To protect the global financial system from money laundering (ML), terrorist financing (TF), and proliferation financing (PF), international bodies such as the Financial Action Task Force[1] (FATF) have issued the "FATF Recommendations[2]." These recommendations serve as the recognized global standard for anti-money laundering (AML) and counter-terrorism financing (CTF).

FATF Recommendations No. 28 requires that casinos operate under a comprehensive regulatory and supervisory regime. This regime must ensure that casinos implement effective AML and CTF measures. Competent authorities must take legal or regulatory steps to prevent criminals or their associates from holding, or being the beneficial owner of, a significant or controlling interest in a casino, holding a management position, or acting as an operator.

Philippine Legal Framework: Anti-Money Laundering Act (AMLA) and its Implementing Rules

The 2018 Implementing Rules and Regulations[3] (IRR) of Republic Act No. (RA) 9160, as amended—known as the AMLA of 2001—include provisions[4] to prevent criminals from participating in the affairs of covered persons, as follows:

> *"The Anti-Money Laundering Council (AMLC) and the Supervising Authorities (SAs) shall take the necessary legal or regulatory measures to prevent criminals or their associates from holding, or being the beneficial owner of, a significant or controlling interest, or holding a management function, in covered persons. (italics supplied)"*

[1] The Financial Action Task Force (FATF) is an independent inter-governmental body that develops and promotes policies to protect the global financial system against money laundering, terrorist financing and the financing of proliferation of weapons of mass destruction. The FATF Recommendations are recognized as the global anti-money laundering (AML) and counter-terrorism financing (CTF) standard.

[2] The FATF Recommendations are recognized as the global AML and CTF standard.

[3] January 2021 Amendment

[4] Rule 4, Section 3, Sub-section 3.4

The IRR require that SAs, such as PAGCOR, shall assist the AMLC in overseeing the implementation of the AMLA and Terrorist Financing Prevention and Suppression Act of 2012 (TFPSA), their respective IRR, and other AMLC issuances[5]. In doing so, the SAs shall perform the following among others with regard to their respective jurisdiction[6] to wit:

> *"(d) Take necessary measures to prevent criminals or their associates from being professionally accredited; or holding or being the beneficial owner of a significant or controlling interest; or holding a management function in a covered person; (italics supplied)"*

FATF Grey List Exit and Sustainable Reforms

During the Philippines' time on the FATF grey list[7], the Asia Pacific Joint Group[8] (AP/JG) noted frequent media reports of alleged criminal activity involving regulated entities. To address this, PAGCOR made it a priority to prevent criminals from owning or controlling these entities.

After the AP/JG's onsite verification in January 2025, the Philippines was removed from the FATF grey list on February 21, 2025. This milestone strengthens the country's financial system and restores international trust. For PAGCOR, it marked the success of sustained reforms, especially in regulatory oversight of the gaming sector.

To uphold these reforms, PAGCOR's Anti-Money Laundering Supervision and Enforcement Department (PASED), Investigation and Verification Department (IVD), and the Licensing Departments have collaborated to establish guidelines that ensure individuals in key positions within regulated entities meet strict "fit and proper" standards. As part of this process, every official of a corporate applicant shall undergo

---

[5] Rule 7, Section 2, Sub-section 2.1
[6] Rule 7, Section 2, Subsection 2.2 (d)
[7] Published 25 June 2021
[8] The AP/JG is responsible for the assessment of the country's progress and recommendation (to the FATF) on whether the Philippines has demonstrated positive and tangible progress towards effectiveness.

a probity check to verify identity, integrity, competence, financial capacity, and both criminal and personal backgrounds.

1. TITLE AND PURPOSE

1.1 This document shall be known as the “Probity Checking Framework”.

1.2 The purpose of this framework is to establish standardized guidelines and procedures for conducting fitness and propriety assessments. It is intended to support licensing and regulatory departments by providing a clear structure for evaluating whether individuals or entities and their key officers applying for, or currently holding, a license, authorization, or accreditation meet the required standards of suitability and compliance.

2. POLICY STATEMENT

2.1 Conducting probity check on individuals and entities is a requisite for an efficient and effective system of gaming industry regulation. It is necessary to determine the probity of corporate entities and individuals through verification of their identity, integrity, competence, financial capacity, criminal and personal background.

2.2 This framework shall be fully integrated into all relevant regulatory frameworks and operational manuals of PAGCOR to ensure consistency across all licensing departments. All personnel involved in the licensing processes must be informed of these policies and are expected to ensure strict compliance in the execution of their regulatory duties.

3. SCOPE OF PROBITY CHECKS

This framework shall govern the conduct of probity checks in the following instances:

A. Application for a license, authorization, or accreditation

B. Renewal of a license, authorization, or accreditation

C. Occurrence of intervening events, including but not limited to:

a. Change in the composition of the Board of Directors

b. Change in Corporate Officers

c. Changes in control, legal ownership, or beneficial ownership
d. Receipt of adverse reports
e. Reasonable suspicion of wrongdoing or non-compliance
f. As part of an annual periodic review covering:
    - Board of Directors
    - Corporate Officers
    - Shareholders holding at least 20% ownership or significant controlling interest
    - Beneficial owners

h. Other similar incidents deemed to require probity checks

In the above instances, probity checks shall be conducted on both corporate entities and their key officers, and individuals who apply for, currently hold, or are otherwise associated with PAGCOR licenses and regulatory approvals. This includes, but is not limited to, beneficial owners, directors, corporate officers, and shareholders with significant interests.

Mandatory Notification of Intervening Events

All PAGCOR -licensed, -authorized, and -accredited entities are required to formally notify PAGCOR in writing within fifteen (15) calendar days starting from the effective date of the following changes:

a. Change in the composition of the Board of Directors
b. Change in Corporate Officers
c. Changes in control, legal ownership, or beneficial ownership
d. Other analogous changes that impact the entity's control, legal ownership, or beneficial ownership.

4. AREAS OF PROBITY CHECK

Scope of Service	Description	Applicability (Corporate / Individual)
Identity Verification	Verification of identity using government-issued IDs, corporate registration documents, and biometric data where applicable.	Both
Address Verification	Confirmation of residential or business address, including on-site inspections where necessary.	Both
Professional License & Education Background Check	Verification of professional licenses, certifications, and educational credentials. For corporate entities, this includes compliance with regulatory licensing standards for operations and personnel.	Both
Pending Court Cases, Court Judgments, and Litigation Check	Review of legal history, including past and ongoing litigation, to assess legal risks and verify undisclosed legal matters.	Both
Criminal Background Check	Check for any history of criminal charges or convictions in local or international jurisdictions.	Both
Insolvency / Bankruptcy Check	Assessment of bankruptcy filings or insolvency declarations for individuals or companies.	Both
Credit Background Check	Review of credit history and outstanding obligations to determine financial responsibility.	Both
Financial Stability Evaluation	Assessment of financial health through financial statements, liquidity analysis, and cash flow assessment.	Both

Relevant National and International Media Check	Scanning of media sources to detect adverse coverage, scandals, or reputational risks.	Both
Regulatory Compliance	Evaluation of adherence to industry-specific and financial regulations, including past violations.	Both
Anti-Money Laundering/Countering Terrorism and Proliferation Financing (AML/CTPF) Check	Screening against anti-terrorist and anti-money laundering watchlists (e.g., AMLC, UN, OFAC).	Both
Fraud Detection	Investigation of involvement in fraudulent activities, misrepresentation, or deception in business dealings.	Both

5. PROBITY CHECK CLASSIFICATION

5.1 Risk Assessment

It shall be a policy to employ a risk-based framework that categorizes applicants into three levels of probity check intensity.

Classification of applicants shall be based on risk level, which the ALD shall conduct through a comprehensive risk assessment process. This assessment considers multiple factors, including but not limited to:

- Size and scale of the business operation
- Complexity and transparency of beneficial ownership structure
- Geographic exposure, including jurisdictions of operation and ownership
- Financial standing and stability
- Compliance history and regulatory track record

5.2 Risk Categories

The ALD through its designated unit shall be assigned to classify the applicant into one of three risk categories:

Level	Applicability	Scope of Services
Level 1 – Minimum	Low-risk applicants (small-scale, local ownership, clean record, transparent operations)	▪ Verify identity via government IDs and corporate registration. ▪ Confirm physical/business address. ▪ Check local court cases, judgments, litigation. ▪ Conduct local criminal background check. ▪ Review media for reputational risks. ▪ Screen against AML/terrorist databases (AMLC, UN, OFAC).
Level 2 – Intermediate	Medium-risk applicants (mid-sized operations, partial foreign ownership, moderate complexity)	▪ Includes all Level 1 checks. ▪ Bankruptcy/Insolvency check. ▪ Credit background check.
Level 3 – Enhanced	High-risk applicants (large-scale, foreign/institutional shareholders, complex structures, prior adverse findings)	▪ Includes all Level 1 and 2 checks. ▪ Comprehensive financial stability review. ▪ Detailed regulatory compliance analysis. ▪ Full fraud investigation.

		▪ International criminal/civil records review. ▪ Verify licenses/education for corporate officers

5.3 Recommended Classification for New Applicants and Renewals

The ALD may adopt the following classifications as initial recommendations for new applicants and renewals. These recommendations serve as a guide; however, the ALD's comprehensive risk assessment (Section 5.1) remains the ultimate determinant of the probity check level:

DEPARTMENT	NEW APPLICANT	RENEWAL
EGLD - SUPPORT SERVICE PROVIDER	Level 1- Basic Probity Check	Yearly
- GAMING VENUE OPERATORS	Level 1- Basic Probity Check	Probity checks shall be conducted every other renewal cycle. However, all renewals remain subject to the comprehensive risk assessment of the ALD for the final determination of the required probity check level
- GAMING AFFILIATES - GAMING SYSTEM ADMINISTRATOR	Level 3 – Enhanced Probity Check	Level 3 – Enhanced Probity Check
OGLD - SPECIAL BPOs and other similar entities	Level 3 – Enhanced Probity Check	Level 3 – Enhanced Probity Check
GLDD - LICENSED CASINOS and other similar entities	Level 3 – Enhanced Probity Check	Level 3 – Enhanced Probity Check
TGD - ON-SITE POKER - OFF SITE POKER - JUNKET and other similar entities	Level 3 – Enhanced Probity Check	Level 3 – Enhanced Probity Check

5.4 Recommended Probity Check Level in case of Occurrence of Intervening Events

As a general rule, a Level 1 probity check applies to individuals involved in changes, reports, suspicions, or periodic reviews related to the intervening events listed in Section 3.C of this Framework. This recommendation is subject to the ALD's comprehensive risk assessment outlined in Section 5.1.

5.5 ALD's Discretion in risk categorization and probity check level

In all cases—whether new applications, renewals, or intervening events—the ALD has full discretion to determine the appropriate risk category and level of probity check. This decision is based on a thorough risk assessment that considers factors such as business size, ownership complexity, geographic exposure, financial standing, compliance history, and the impact of any intervening events on the entity's fitness and propriety. The ALD may assign a different probity check level than initially recommended if additional risk indicators warrant heightened scrutiny.

5.6 Continuous Monitoring and Adjustment of Risk Classification

The ALD will continuously monitor each entity's risk classification, updating it as needed to address new risks, regulatory changes, or intervening events. This ongoing review ensures that the probity check level always matches the entity's current risk profile.

6. <u>IMPLEMENTING RULES AND PROCEDURES</u>

6.1 Use of Accredited Probity Checkers for Higher-Level Checks

PAGCOR engages accredited probity checkers to conduct intermediate and enhanced probity assessments for new applications or renewals of licenses, accreditations, and authorizations. The ALD determines the required level of probity check based on a thorough risk classification.

Level 2 and Level 3 Probity Checks are designated for medium- and high-risk applicants. These checks are performed by accredited third-party probity checkers, with costs borne by the applicant.

PAGCOR reserves the right to implement a cost structure policy in order to ensure equal cost treatment, eliminate arbitrary or excessive pricing and promote cost transparency for applicants.

6.2 IVD as Internal Probity Checker

PAGCOR, through the Investigation and Verification Department (IVD), conducts basic (Level 1) probity checks internally for low-risk applicants. These checks rely on PAGCOR's existing resources and inter-agency coordination.

Level 1 (Basic) Probity Checks shall be conducted at a minimum cost to the applicant.

6.3 Probity Check Support by IVD

The IVD acts as the internal support unit for external probity checks, performing the following key function:

a. Assignment of Probity Checker

- The IVD serves as the central coordinator for assigning probity checkers upon requests from ALDs.
- It ensures assignments are made fairly and equitably, maintaining transparency and accountability throughout the process.
- The IVD keeps a comprehensive record of all probity check assignments, regularly reviewing these records to monitor distribution patterns and uphold fairness in assignments.

b. Conduct of further verification and/or investigation

If accredited probity checkers submit reports with serious inaccuracies or discrepancies, the Appropriate Licensing Department (ALD) may request the Investigation and Verification Department (IVD) to conduct further verification or investigation.

Instances that warrant further action include:

- Mismatched, omitted, or contradictory financial, criminal, or other significant information.
- Conclusions or claims that lack proper evidence or source verification, especially in criminal or regulatory matters.
- Omission of disclosed affiliations or relationships that could compromise the objectivity of the report.
- Other circumstances that may cast doubt or suspicion on any information filed or submitted for probity check.

c. Verification Tools and Documentation Requirements for Internal Probity Checks

To carry out internal probity checks, IVD will use available platforms, such as UBX and other intelligence-sharing databases, to strengthen verification processes.

IVD will collect required documents, including but not limited to:

a. Authorization forms
b. Waiver or consent forms
c. Police Certificate of Character, as defined herein, issued by all countries where the individual has held citizenship, resided, or worked, including their country of origin and current residence. (e.g., Philippines' National Bureau of Investigation (NBI) Clearance, or equivalent foreign certificates).

d. Other relevant certifications or declaration forms
e. Applicable PAGCOR forms

6.4 Procedure for Assignment of Applicants to Accredited Probity Checkers

a. IVD shall maintain an updated list of all accredited probity checkers in good standing and eligible for assignment.
b. Applicants shall be assigned using a simple rotation or round-robin system. Each new case will be assigned to the next probity checker on the list, cycling back to the beginning once the end of the list is reached.
c. IVD shall periodically review assignment logs to ensure that workloads are distributed as evenly as possible among all checkers.
d. Each assignment shall be logged with the applicant's name, date of assignment, and the assigned probity checker to ensure transparency and traceability.
e. If a probity checker declares a potential conflict of interest, the applicant shall be reassigned to the next checker in the rotation.

6.5 Integrated Procedure for Requesting and Conducting Probity Checks

i. The ALD shall assess the applicant’s risk level based on this framework:

- Level 1 (Minimum) – Low risk: to be conducted internally by IVD
- Level 2 (Intermediate) / Level 3 (Enhanced) – Medium to high risk: to be assigned to an accredited probity checker

ii. The ALD shall prepare a memorandum addressed to the IVD, indicating the following:

- Subject: Request for Probity Check
- Applicant/entity name and risk classification

- List of attached supporting documents

iii. IVD shall formally notify the ALD in writing of the action taken, specifically:

- Whether the probity check will be conducted internally (for Level 1); or
- The name of the assigned accredited probity checker (for Level 2 or 3)

This notification shall be made within three (3) working days from receipt of complete documents.

iv. All probity checks shall be completed within thirty (30) calendar days from the date of receipt of complete documentation, whether conducted by IVD or an accredited probity checker.

v. If completion within 30 days is not feasible due to:

- Delays in data verification from external sources;
- Additional information needed from the applicant or ALD
- Complex findings requiring further validation
- Or analogous justifications

IVD or the accredited probity checker must notify the ALD in writing, stating the reason for the delay and an updated timeline for completion.

vi. IVD shall transmit the final probity check results to the ALD within five (5) working days from receipt of the completed report.

6.6 Procedure for Conduct of Further Verification and/or Investigation

i. The ALD shall review the probity report and identify any material issues that may require further action.

ii. If further action is warranted, ALD shall prepare a memorandum to IVD, requesting additional verification or investigation. The request shall include:
- Description of the identified issue(s)
- Copy of the original probity report
- Relevant supporting documents or annotations

iii. IVD shall review the request within three (3) working days, unless more time is necessary due to the complexity of the case, which may include:
- Revalidation of findings
- Direct contact with the individual or relevant third parties
- Supplemental intelligence gathering

iv. After completing the follow-up, the IVD shall prepare a supplemental verification report and transmit the findings to the ALD for final evaluation. This shall be done within a reasonable timeframe, depending on the complexity of the investigation.

6.7 Failure to Comply with Probity Check Requirements - Failure by an applicant, licensed entity, or any individual subject to a probity check to submit required documents, provide accurate information, or fully cooperate with the probity check process within the stipulated timelines may result in the following consequences:

- The application for a license, authorization, or accreditation may be rejected or considered withdrawn.

- An existing license, authorization, or accreditation may be suspended or revoked.
- In the event of fraud, legal action may be commenced accordingly

These shall constitute grounds for a negative probity check finding, subject to the ALD's assessment and, where applicable, approval by the Board.

6.8 Creation of a central Database

The IVD will develop and maintain a central database containing the details of all individuals who have undergone probity assessment.

Database Maintenance - The IVD is responsible for ensuring the database remains accurate and up to date.

Updating Records - If there are any material changes to information previously disclosed by an individual, all relevant updated documentation must be collected and entered into the database.

6.9 Data Protection and Confidentiality Guidelines

Data collected during probity assessments must be handled with strict confidentiality in compliance with the Data Privacy Act of 2012 (RA 10173) and its IRR. In this regard:

i. Data Collection should be limited to information for probity assessments.
ii. Security Measures should include encryption, secure communication, and restricted access controls.
iii. Confidentiality should require signed confidentiality agreements and prohibit unauthorized disclosures.
iv. Data Retention and Disposal shall include retention of data only as required; dispose of securely.

v. Incident Response measures should include breach response protocols, including immediate notification and mitigation.

7. APPEALS AND REQUESTS FOR RECONSIDERATION

Applicants who are dissatisfied with the outcome of a probity check may seek reconsideration by following this process:

Filing a Request - The applicant may submit a written request for reconsideration within fifteen (15) calendar days from receiving the probity check results.

Submission Requirements - The request must be addressed to the ALD and should include any supporting evidence or clarifications relevant to the case.

Review and Referral - Upon receiving the request, the ALD may refer the matter to the IVD for re-evaluation if further review is warranted.

Final Determination - A final decision will be issued within fifteen (15) working days of the request, unless an extension is justified due to exceptional circumstances.

8. ACCREDITATION AND OVERSIGHT OF PROBITY CHECKERS

The accreditation, performance monitoring, renewal, and disqualification of probity checkers shall be governed by the separate PAGCOR Guidelines on the Accreditation of Probity Checkers. All assigned checkers must comply with their obligations under said guidelines, including standards of conduct, reporting protocols, and confidentiality.

9. CONFLICT OF INTEREST

All individuals involved in conducting, overseeing, or evaluating probity checks must avoid any situation that could lead to a conflict of interest. Any actual or perceived conflict must be disclosed and addressed immediately to ensure the integrity and impartiality of the probity checking process.

10. TRAINING AND CAPACITY BUILDING

PAGCOR shall proactively implement regular training programs for personnel involved in probity assessments. These programs shall cover relevant regulatory standards, investigative practices, data protection obligations, and emerging trends in integrity and risk assessment. Trainings shall be conducted at least annually and may include external subject matter experts.

11. ROLE OF PROBITY CHECK IN THE APPROVAL PROCESS

The probity check is an essential, but not exclusive, part of the evaluation for issuing or renewing licenses, authorizations, or accreditations. While a favorable probity check is necessary, it does not alone guarantee that an application will be approved. All applications remain subject to:

- Compliance with other applicable regulatory requirements;
- Comprehensive evaluation by the ALD and other relevant units; and
- Necessary endorsements and final approval by the PAGCOR Board of Directors, following established internal procedures.

12. FEEDBACK MECHANISM FOR PROBITY CHECKER PERFORMANCE

To maintain the integrity, objectivity, and quality of probity checks, PAGCOR will establish a formal feedback and oversight system to monitor the performance of accredited probity checkers.

12.1 Feedback Submission: The ALD, IVD, and other relevant PAGCOR units will provide systematic feedback on each probity checker's performance. Feedback will address:

- Timeliness of report submission
- Accuracy and completeness of information
- Adherence to the assigned scope of services
- Quality of analysis and conclusions
- Professionalism and respect for confidentiality
- Compliance with PAGCOR guidelines and procedures

12.2 Feedback may be submitted through:

- Formal evaluation forms completed by the ALD or IVD after reviewing each probity report
- Direct communication channels for reporting concerns or commendations

12.3 Performance Review: The IVD, as central coordinator, will compile and regularly review all feedback. This review will:

- Identify patterns in performance, positive or negative
- Flag recurring issues or exceptional work
- Inform decisions on accreditation, re-accreditation, or disqualification

12.4 Corrective Actions and Improvement: When deficiencies are found, the following actions may be taken:

- Issue formal advisories or warnings
- Require re-training or capacity building

- Temporarily suspend assignments
- Disqualify the checker, as provided in the PAGCOR Guidelines on Accreditation

13. AMENDMENTS AND PERIODIC REVIEW

This framework will undergo regular review to ensure it remains relevant, effective, and aligned with legal, regulatory, and operational changes.

- The IVD, PASED, ALD, or any relevant PAGCOR unit may propose amendments.
- All proposed changes will be evaluated and approved according to PAGCOR's internal policy process.

14. INCORPORATION INTO REGULATORY FRAMEWORKS

These guidelines shall be deemed incorporated into the regulatory frameworks and operational manuals of all licensing departments upon approval by the PAGCOR Board of Directors.

15. REPEALING CLAUSE

All existing policies, guidelines, circulars, memoranda, or any part thereof, inconsistent with the provisions of this Probity Checking Framework are hereby modified, superseded, or repealed accordingly.

16. EFFECTIVITY

This Probity Checking Framework shall take effect on JUL 17 2025. All relevant departments and licensed entities are mandated to ensure full compliance with its provisions from this date forward.