



INTERNET GAMING – LICENSING AND REGULATION GROUP
Offshore Gaming Licensing Department

**INTERNET GAMING LICENSING
REGULATIONS**

Rev. No: 1
Effectivity:

*Revision pertains only to the form, i.e. change of logo. All provisions, terms and conditions, table of offenses, as well as applicable penalties under the Internet Gaming Licensing Regulations which was approved by the Board on July 6, 2023, shall remain in force and effect.

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EXECUTIVE SUMMARY

On February 2, 2017, Executive Order No. 13, series of 2017 clarified and mandated the territorial jurisdictions of state gambling regulators such as the PAGCOR, Cagayan Economic Zone Authority (CEZA), Aurora Pacific Economic Zone and Freeport Authority (APECO) and Authority of the Freeport Area of Bataan (AFAB) in issuing licenses to online gambling activities. Consequently, it strengthened the regulatory authority of PAGCOR over offshore gaming operations.

On July 11, 2018, the PAGCOR Board of Directors approved the Offshore Gaming Regulatory Manual (OGRM) which has served as the main guide over the issuance of offshore gaming licenses and the regulation of offshore gaming licensees.

From its inception, the OGRM has been revised through piece-meal amendments from the observations, experiences, and evaluations in the regulation of offshore gaming operations.

To be sure, the regulation of the industry has had many challenges along the way. Recently, several Licensees and accredited Service Providers were found to be involved in scams and other fraudulent activities. As a result, the offshore gaming industry's credibility has been tainted, in addition to the previous issues that have hounded it, which have even led to calls for the outright ban of the industry.

While imposing fines and issuing suspension/cancellation orders are easier ways to respond to these violations, it cannot be ignored that there is a need to revisit current regulations. Moreover, at present, five years into its life cycle, the OGRM is due for a major revision.

Hence, the crafting of new regulations which are responsive to recent developments and needs of the industry.

By its implementation, PAGCOR aims to maintain the highest standards of integrity and show its dedication to fostering a transparent and responsible online gaming environment.

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REGULATION 1. CITATION AND INTERPRETATION

Section 1. This manual shall be referred to as the "Internet Gaming Licensing Regulations."

Section 2. This manual shall serve as the general Terms and Conditions of the license, authorization, accreditation, or other issuance under these regulations issued by PAGCOR and shall govern the conduct of internet gaming operations by the licensees and authorized providers.

Section 3. In these regulations, all words and phrases shall have the same meaning as prescribed in the Internet Gaming Definitions Regulations.

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REGULATION 2. REQUIREMENT OF A LICENSE

Section 1. No person shall provide or carry out internet gaming operations in the Philippines or through a Philippine legal entity, except when in possession of a valid license under these regulations.

Section 2. No person shall offer an online game of chance and/or an internet gaming operation unless such operation is approved by the PAGCOR.

Section 3. The terms and conditions of the Internet Gaming License are specifically set forth in Regulation 4 of this manual.

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REGULATION 3. LICENSE ELIGIBILITY

Section 1. An Internet Gaming Licensee may either be a:

- a. Philippine-based Licensee – a duly constituted corporation organized in the Philippines who will either conduct internet gaming operations by itself or engage the services of PAGCOR-accredited Gaming Content Provider and/or Support Provider.
- b. Foreign-based Licensee – a duly constituted business corporation organized in any foreign country who will engage the services of a PAGCOR-accredited local gaming agent and PAGCOR-accredited Gaming Content Provider and/or Support Provider for the conduct of its internet gaming operations.

Section 2. Qualifications of a Licensee

- a. Must be of good repute, considering character, honesty, and integrity;
- b. Must not be associated with any person who is not of good repute or has undesirable or unsatisfactory financial resources;
- c. Must be duly registered with the Securities and Exchange Commission (SEC);
- d. Must have good financial standing and satisfactory corporate structure; and
- e. Must not be among those excluded from engaging in gaming under these regulations or any other law, ordinance, or issuance.

Section 3. Requirements

A. Documentary

1. Letter of intent addressed to the Chairman and Chief Executive Officer of PAGCOR;
2. Duly accomplished and notarized application form;
3. Securities and Exchange Commission (SEC) registration or its foreign equivalent (original or certified true copy);
4. Latest General Information Sheet (GIS) with beneficial ownership declaration page or its foreign equivalent (original or certified true copy);
5. Articles of incorporation and by-laws duly stamped and received by the SEC (original or certified true copy);
 - i. The articles of incorporation and by-laws must show that gaming is one of the primary purposes of business; if secondary, a copy of the board resolution ratifying the same should be submitted.
 - ii. Authorized capital stock of at least one hundred million pesos (Php 100,000,000.00) with a paid-up capital stock of at least twenty-five million pesos (Php 25,000,000.00).
 - iii. Compliance with Executive Order No. 65, otherwise known as "Promulgating the Eleventh Regular Foreign Investment Negative List" requires that foreign equity shall be limited only to 40% for all forms of gambling (Republic Act No. 7042 as amended by Republic Act No. 8179) except those covered by investment agreements with PAGCOR (Presidential Decree No. 1869, as amended by Republic Act No. 9478).
6. Company overview and profile;



7. Organizational chart indicating the names of persons occupying the positions;
8. Business profile detailing the company's business model, plan, and projections;
9. Lease contract or certificate of ownership of operating site indicating floor area;
10. Money Laundering and Terrorist Financing Prevention plan (MTPP);
11. Duly accomplished and notarized Personal Disclosure Sheet (PDS) of all officers of the corporation;
12. Result of evaluation issued by an accredited probity checker of the OGLD;
13. BIR Certificate of Registration (original or certified true copy);
14. Proof of payment of the application fee (original or certified true copy);
15. Declaration of Security Compliance officer; and
16. Board resolution or secretary certificate appointing authorized representative.

B. Locational

1. The operating site shall have a maximum floor area of 25,000 square meters inclusive of the floor area of the Support Provider;
2. Operating site must not be in a residential area, or any area restricted by PAGCOR;
3. Lease contract or certificate of ownership of operating site indicating floor area; and
4. In the absence of a city or municipal ordinance stating otherwise, original or certified true copy of letter of no objection (LONO) issued by the local government unit where the licensee's office will be located.

C. Pre-operational

1. Posting of the performance bond;
2. Onsite access for the purpose of viewing and extraction of essential data from the back office. The access should have a download or export function to allow efficient data gathering and analysis;
3. Certification from an independent testing laboratory certifying that the betting system of the Licensee's website was extensively tested and has been found compliant with the following standards:
 - i. All data are captured, accounted, and reported by the system; and
 - ii. Game is fair, secure, and able to be audited and operated correctly.
4. Certification from an independent testing laboratory attesting to Internet Protocol (IP) blocking of all Philippine IP addresses excluding an IP address designated by PAGCOR;
5. AMLC Certificate of Registration;
6. Manpower list;
7. Responsible gaming program;
8. Pre-operational inspection and walkthrough by the OGLD and other relevant departments; and
9. Notice to Commence Operations issued by the OGLD.

D. Additional Requirement for Foreign-based Licensee

The Foreign-based Licensee must appoint an accredited Local Gaming Agent subject to existing regulations.

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Section 4. Prohibited Acts

a. Allowing access to games through the registered website to the following persons:

1. Filipino citizens, wherever located and foreign nationals while within the territorial jurisdiction of the Philippines.
2. Players below twenty-one (21) years of age.
3. Eligible players who have not registered and established a gaming account on the website.

b. Allowing the registered website to be accessed within Philippine territory or in territories where online gaming is prohibited.

It is the responsibility of the licensee to ensure that the targeting of any games to players based in any jurisdiction is so targeted in full compliance with the laws of that jurisdiction.

It shall be required for the licensee's registered website's terms and conditions to state that it is the player's responsibility to establish whether their gaming activity is legal according to the laws of the country where the player is based.

- c. Allowing any person below eighteen (18) years of age to be employed in its operations, except those employed as Dealers and/or Pit Bosses in live studio operations who must be at least twenty-one (21) years of age at the time of application;
- d. Allowing the conduct of indecent and immoral activities which are contrary to public morals and interest.
- e. Being involved in any activity which jeopardizes the integrity of PAGCOR.
- f. Engaging the services of companies, in terms of gaming operations, not licensed by PAGCOR.
- g. For an Internet Gaming Licensee to source/obtain gaming content or support services from entities not authorized by the PAGCOR.
- h. For a Licensee to provide/feed content or services to another gaming entity.
- i. Allowing other companies/ groups to use or operate under its license by entering into agreements;
- j. Conducting activities other than gaming inside the operating sites;

Section 5. Limitation on the number of Authorized Providers

An Internet Gaming Licensee is limited to engaging the services of two (2) Support Providers subject to showing of compelling reasons and stringent determination of the functions to be provided.

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REGULATION 4. THE LICENSE

Section 1. Nature of the License

The **Internet Gaming License** is a business-to-consumer (**B2C**) license to offer or carry out online gaming products limited to the following: livestreamed e-casino games, online random number generator (RNG) games, and online sports betting. An Internet Gaming Licensee may either be Philippine-based or foreign-based.

Section 2. Internet Gaming License Certificate

- a. The license shall be evidenced by a certificate issued by the OGLD.
- b. The validity of the license, whether original or renewed, shall be for two (2) years.
- c. The license certificate shall bear the following information:
 1. License number;
 2. Complete name of the company;
 3. Complete address of the company;
 4. Date of issue; and
 5. Period of validity
- d. The certificate must be signed by the Chairman and Chief Executive Officer of the PAGCOR and must contain the PAGCOR seal.
- e. The certificate is site-specific and is not valid outside the exact address indicated therein.
- f. The reproduction of the certificate by any means shall be considered a violation of these regulations. In case a duplicate is needed, the licensee shall request for a certified true copy citing compelling reasons for the duplication, subject to the evaluation and approval of the OGLD.
- g. The certificate shall be released only upon posting of performance bond, settlement of other applicable fees, and after the licensee has successfully passed the pre-operational requirements.
- h. Upon expiration of the license, the certificate must be returned to the OGLD within five (5) working days. If the licensee has successfully applied for its renewal, the return of the old certificate is a requisite for the release of the new certificate.
- i. The licensee shall be responsible for ensuring that upon expiration of its license, all its operations related to gaming are immediately ceased. Continued operations shall be tantamount to illegal gambling and shall be immediately reported to law enforcement agencies for appropriate action.
- j. The license is non-assignable and non-transferrable, unless approved by the Board.

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- k. The license is a permit and a mere privilege and is not a contract between PAGCOR and the licensee. Thus, it may be amended, supplemented, and cancelled in accordance with the provisions of these rules and regulations and other pertinent laws, ordinances, and issuances.
- l. The license is not a property of the licensee, nor does it create any vested right or interest.
- m. The suspension or cancellation of the license must be approved, confirmed, or noted by the Board.

Section 3. Renewal of license

- a. The licensee shall signify its intent to renew its existing license prior to its expiration.

- b. Renewal application and requirements:

1. The licensee shall submit a letter of intent to renew its license together with the complete documentary requirements at least one (1) month prior to the expiration of its license;
2. The licensee must have no outstanding financial obligations;
3. Payment of renewal fees;
4. A licensee who is renewing its license for a third consecutive time since it submitted requirements for a new application shall be deemed as a new applicant for purposes of submission of documentary requirements; and
5. The licensee who incurs 151 demerit points at the end of its license validity shall not be eligible for renewal.

- c. Documentary requirements:

1. Letter of intent to renew license addressed to the Chairman and Chief Executive Officer of PAGCOR;
2. Latest General Information Sheet (GIS) with beneficial ownership declaration page (original or certified true copy);
3. Duly accomplished and notarized Personal Disclosure Sheet (PDS) of Authorized Representative and key officers of the corporation;
4. Duly accomplished and notarized application form for renewal;
5. If there are material changes in the corporate structure:
 - i. New organizational chart indicating names of the persons occupying the positions;
 - ii. Board Resolution or Secretary's Certificate appointing new authorized representative; and
 - iii. Declaration of Security Compliance Officer.
6. Result of evaluation by an accredited probity checker;
7. Latest Income Tax Return;
8. AMLC Certificate of Registration; and
9. Proof of payment of the renewal fee (original or certified true copy).



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- d. Any license renewal shall in all cases be subject to the continued compliance by the licensee, during the preceding original or renewed term of the license, with these regulations, all applicable regulatory instruments, and all other applicable laws.
- e. No renewal of license shall take place if such renewal is contrary to public interest or public policy in place at the time of renewal or is reasonably anticipated to come into place during the proposed renewal term of a license.

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REGULATION 5. REQUIREMENT OF AN AUTHORIZATION

Section 1. No person shall provide or carry out internet gaming content/ support provider services in the Philippines, except when in possession of a valid authorization under these regulations.

Section 2. No person shall offer an internet gaming content/ support provider services, whether as part of an internet gaming operation, gaming supply, gaming support, or any component of internet gaming, unless such service is approved by the PAGCOR.

Section 3. The terms and conditions, validity, and classes of authorization under these regulations are specifically set forth in Regulation 7.



REGULATION 6. AUTHORIZATION ELIGIBILITY

Section 1. Who may apply?

An **Authorized Gaming Content Provider** or **Authorized Support Provider** refers to a duly constituted corporation organized in the Philippines who provide components of internet gaming operations.

Section 2. Qualifications

- a. Must be of good repute, considering character, honesty, and integrity;
- b. Must not be associated with any person who is not of good repute or has undesirable or unsatisfactory financial resources;
- c. Must be duly registered with the Securities and Exchange Commission (SEC);
- d. Must have good financial standing and satisfactory corporate structure; and
- e. Must not be among those excluded from engaging in gaming under these regulations or any other law, ordinance, or issuance.

Section 3. Requirements

A. Documentary

1. Letter of intent addressed to the Chairman and Chief Executive Officer of the PAGCOR;
2. Duly accomplished and notarized application form;
3. Board Resolution or Secretary Certificate appointing Authorized Representative (AR);
4. Securities and Exchange Commission (SEC) registration (original or certified true copy);
5. Latest General Information Sheet (GIS) with beneficial ownership declaration page (original or certified true copy);
6. Articles of incorporation and by-laws duly stamped and received by the SEC (original or certified true copy);
 - i. The articles of incorporation and by-laws must show that gaming is one of the primary purposes of business; if secondary, a copy of the board resolution ratifying the same should be submitted.
 - ii. Authorized capital stock of at least one hundred million pesos (Php 100,000,000.00) with a paid-up capital stock of at least twenty-five million pesos (Php 25,000,000.00).
 - iii. Compliance with Executive Order No. 65, otherwise known as "Promulgating the Eleventh Regular Foreign Investment Negative List" requires that foreign equity shall be limited only to 40% for all forms of gambling (Republic Act No. 7042 as amended by Republic Act No. 8179) except those covered by investment agreements with PAGCOR (Presidential Decree No. 1869, as amended by Republic Act No. 9478).
7. Company overview and profile;
8. Organizational chart indicating the names of persons occupying the positions;
9. Business profile detailing the company's business model, plan, and projections;
10. Service Agreement between Licensee and Authorized Provider;
11. Money Laundering and Terrorist Financing Prevention plan (MTPP);

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12. Duly accomplished and notarized Personal Disclosure Sheet (PDS) of all officers of the corporation;
13. Result of evaluation issued by an accredited probity checker of the OGLD;
14. BIR Certificate of Registration (original or certified true copy); and
15. Proof of payment of the application fee (original or certified true copy).

B. Locational

1. Operating site shall have a maximum floor area of 10,000 square meters;
2. Operating site must not be in a residential area, or any area restricted by PAGCOR;
3. Lease contract or certificate of ownership of operating site indicating floor area; and
4. In the absence of a city or municipal ordinance stating otherwise, original or certified true copy of letter of no objection (LONO) issued by the local government unit where the licensee's office will be located.

C. Pre-operational

1. Posting of performance bond;
2. Onsite access for the purpose of viewing and extraction of essential data from the back office. The access should have a download or export function to allow efficient data gathering and analysis;
3. Certification from an independent testing laboratory certifying that the games and/or system of the authorized provider were extensively tested and has been found to be fair and secure;
4. AMLC Certificate of Registration;
5. Manpower list;
6. Responsible gaming program;
7. Pre-operational inspection and walkthrough by the OGLD and other relevant departments; and
8. Notice to Commence Operations issued by the OGLD.

Section 4. Renewal of Authorization

1. The AP shall signify its intent to renew its existing license prior to its expiration.
2. Renewal application and requirements:
 - a. The AP shall submit a letter of intent to renew its together with the complete documentary requirements at least one (1) month prior to the expiration of its authorization;
 - b. The AP must have no outstanding financial obligations;
 - c. Payment of renewal fees;
 - d. An AP who is renewing its license for a third consecutive time since it submitted requirements for a new application shall be deemed as a new applicant for purposes of submission of documentary requirements; and
3. Documentary requirements:

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- a. Letter of intent to renew license addressed to the Chairman and Chief Executive Officer of PAGCOR;
- b. Latest General Information Sheet (GIS) with beneficial ownership declaration page (Original or Certified True Copy);
- c. Duly accomplished and notarized Personal Disclosure Sheet (PDS) of Authorized Representative and key officers of the corporation;
- d. Duly accomplished and notarized application form for renewal;
- e. If there are material changes in the corporate structure:
 - i. New organizational chart indicating names of the persons occupying the positions;
 - ii. Board Resolution or Secretary's Certificate appointing new authorized representative;
- f. Service Agreement between Licensee and Authorized Provider
- g. Result of evaluation by an accredited probity checker;
- h. Latest Income Tax Return; and
- i. Proof of payment of the renewal fee.

Section 5. Prohibited Acts

- a. Engaging in B2C activities. No Authorized Provider is allowed to accept bets;
- b. Allowing any person below eighteen (18) years of age to be employed in its operations, except those employed as Dealers and/or Pit Bosses in live studio operations who must be at least twenty-one (21) years of age at the time of application;
- c. Allowing the conduct of indecent and immoral activities which are contrary to public morals and interest.
- d. Being involved in any activity which jeopardizes the integrity of PAGCOR.
- e. For a Gaming Content/ Support Provider to provide/feed content or services to entities not licensed by the PAGCOR or a reputable gaming authority abroad.

REGULATION 7. THE AUTHORIZATION

Section 1. Nature of the authorization

The authorization to be a Gaming Content/ Support Provider is a business-to-business (B2B) authorization to provide or carry out gaming content or support services related to online gaming products to PAGCOR Internet Gaming Licensees or to Online Gaming Operators licensed by a reputable gaming authority abroad.

Section 2. Authorization Classification

- a. Gaming Content Provider - one who supplies or manages gaming contents for the gaming websites
- b. Support Provider – one who supplies support services to necessary facets of gaming operations

Provided that for the purposes of these regulations, the term “management” means the provision of ongoing active maintenance and support which is indispensable to the provision of the online gaming service.

Section 3. Gaming Content Provider

Class 1 - one who supplies and/or manages the gaming content of authorized games from live studios and/or licensed gaming venues via the internet to the websites of PAGCOR Internet Gaming Licensees or to Online Gaming Operators licensed by a reputable gaming authority abroad.

Provided that there shall be five (5) tiers of Gaming Content Class 1 Providers depending on the number of live tables:

Streaming Provider	Number of Live Tables
Tier 1	1-15
Tier 2	16-25
Tier 3	26-35
Tier 4	36-45
Tier 5	46-60

Class 2 - one who supplies and/or manages online game content or components of an online game other than the livestreaming of authorized games.

Section 4. Support Provider - to include customer service, marketing, customer registration (KYC), payment solutions, odds making, office support, leasing of office space, and other similar services which must prove to be indispensable for gaming operations.

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Section 5. Authorization, Certificate

- a. The validity of the authorization, regardless of the classification, whether original or renewed, shall be two (2) years. If the provider is servicing an IGL, its authorization shall be coterminous with the period of validity of the IGL's license.
- b. The authorization shall be evidenced by a certificate issued by the OGLD.
- c. The authorization certificate shall bear the following information:
 1. Authorization number;
 2. Type of authorization;
 3. Complete name of the company;
 4. Complete address of the company;
 5. Date of issue; and
 6. Period of validity
- d. The authorization certificate must be signed by the Chairman and Chief Executive Officer of PAGCOR and must contain the PAGCOR seal.
- e. The authorization certificate is site-specific and is not valid outside the exact address indicated therein.
- f. The reproduction of the authorization certificate by any means shall be considered a violation of these regulations. In case a duplicate is needed, the licensee shall request for a certified true copy citing compelling reasons, subject to the evaluation and approval of the OGLD.
- g. The authorization certificate shall be released only upon the posting of performance bond, settlement of other applicable fees, and after the authorized service provider has successfully passed the pre-operational requirements.
- h. Upon expiration of the authorization, the certificate must be returned to the OGLD within five (5) working days. If the authorized provider has successfully applied for renewal, the return of the old certificate is a requisite for the licensee to claim its new certificate.
- i. The authorized provider shall be responsible for ensuring that upon expiration of its license, all its operations related to gaming are immediately ceased. Continued operations shall be tantamount to illegal gambling and shall be immediately reported to law enforcement agencies for appropriate action.
- j. The authorization is non-assignable and non-transferrable, unless approved by the Board.
- k. The authorization is a permit and a mere privilege and is not a contract between PAGCOR and the licensee. Thus, it may be amended, supplemented, and cancelled in accordance with the provisions of these rules and regulations and other pertinent laws, ordinances, and issuances.
- l. The authorization is not a property of the provider, nor does it create any vested right or interest.
- m. The suspension or cancellation of the authorization must be approved, confirmed, or noted by the Board.

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REGULATION 8. LICENSING/ AUTHORIZATION PROCEDURE

Section 1. The Application Kit

- a. Upon receipt of an application, OGLD shall perform an initial evaluation of the applicant's business model;
- b. After the initial evaluation, OGLD shall issue a Deposit Notice and Payment Form for the payment of the application fee.
- c. The OGLD shall then issue a pre-numbered application kit together with the list of requirements and notice of the assigned probity checker to the applicant after submission of the proof of payment of the application fee.
- d. The forms contained in the application kit must be duly accomplished, with complete documentary requirements, and must be submitted within three (3) months from the date of issuance.
- e. The application kit shall be returned to the applicant if it has:
 1. Incomplete documents; and/or
 2. Exceeded the prescribed period for submission. In such case, the application shall be deemed withdrawn and all fees paid are forfeited in favor of PAGCOR.
- f. Submission of the application kit and payment of application fee is not a guarantee of the approval of the application.
- g. Additional documentary requirements may be required for submission as may be deemed necessary.
- h. Any misrepresentation or false information in the submitted requirements shall result in the denial of the application and a one (1)-year ban from re-application. In case the license has been granted and the misrepresentation or false information is later discovered, the license shall be immediately cancelled and a ten (10)-year ban from holding a license under these regulations shall be imposed.

Section 2. Submission of the Application Kit

The applicant shall submit the application kit with complete documentary requirements and other pertinent documents to:

Offshore Gaming Licensing Department
 Room 625, 6F, PAGCOR Executive Office
 1588 M.H. Del Pilar St. corner Pedro Gil Street
 Malate, Manila

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Section 3. Payment of Applicable Fees

- a. Payment of the applicable fees shall be made only upon issuance of a Deposit Notice and Payment Form by the OGLD.
- b. Application fees are not refundable. Payment of this fee is NOT a guarantee of the approval of the application.
- c. Posting of performance bond shall be made within thirty (30) days upon approval of the application by the Board and shall be a requisite for the issuance of the Notice to Commence Operations. Failure to pay within the prescribed period may incur corresponding demerits and possible administrative penalties.

Section 4. Evaluation of Application

The PAGCOR, acting in line with the agency's regulatory objectives, shall refuse to grant a license/ authorization in any of the following circumstances:

- a. If the application is not submitted in accordance with the established form or in accordance with applicable procedure.
- b. If the applicable fees have not been paid.
- c. If PAGCOR, in its reasonable discretion, is not satisfied that the applicant and all relevant persons, including but not limited to all persons having qualified interest in the applicant, are fit and proper.
- d. If it transpires that any information or submission made to the PAGCOR is false, misleading, inaccurate, or incomplete in a material respect.
- e. If the PAGCOR, in its reasonable discretion, is not satisfied that:
 - i. The applicant is capable of sustainably financing its operations; or,
 - ii. The applicant has the necessary competence, technical know-how and resources to carry out the internet gaming or essential gaming supply operations; or
 - iii. The applicant has a business model to carry out the operations in a viable way that is compliant with the applicable regulations.

Section 5. Evaluation of Declared Operating Sites

Pre-operational inspection and systems walkthrough shall be done not later than three (3) months from the date of Board approval of the application;

Applicant will be advised by the OGLD of the date of inspection, walkthrough, and regulatory inspections which may be conducted at any time and as may be deemed necessary.

Section 6. Notice to Commence Operations (NCO)



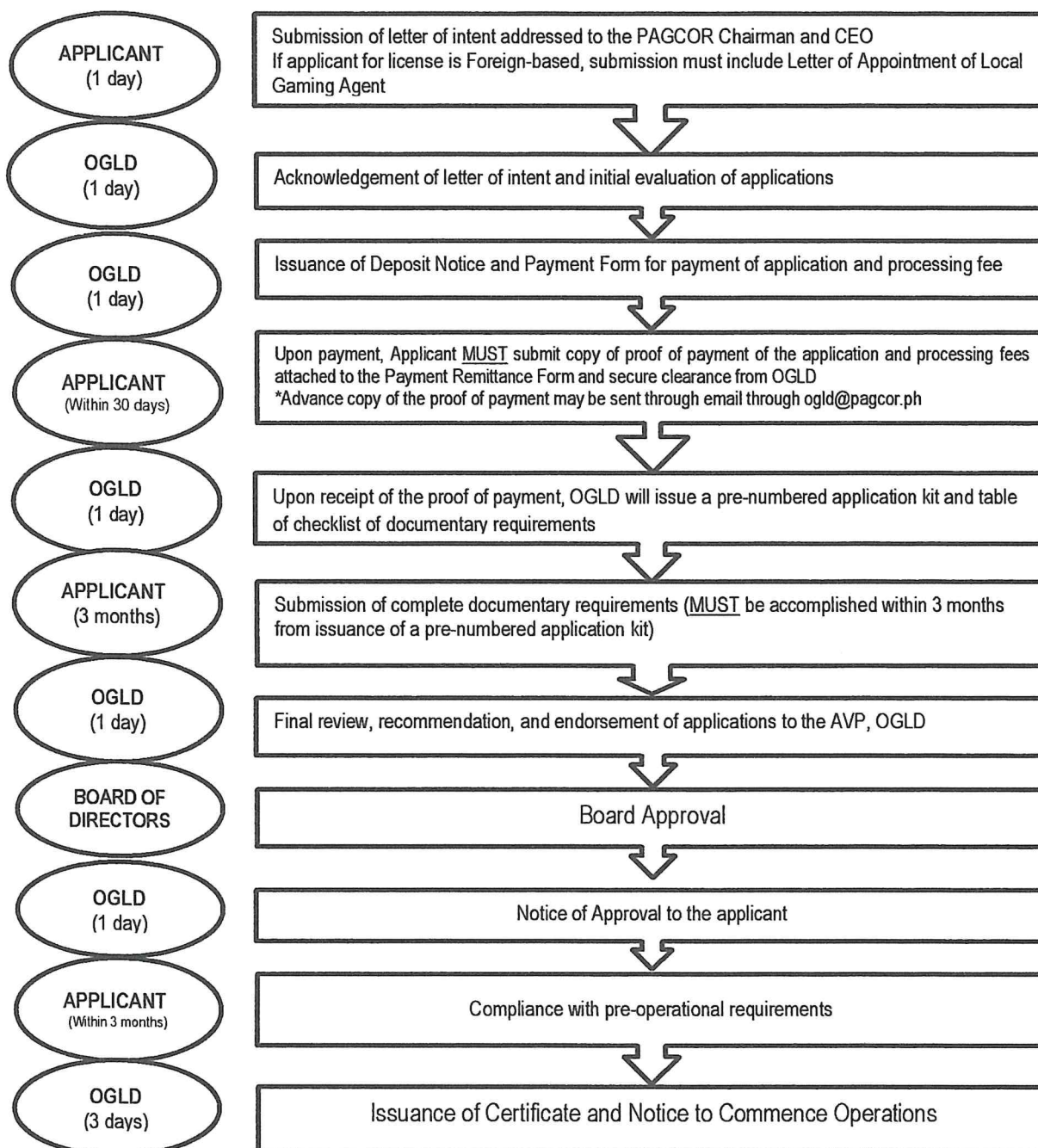
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- a. Upon approval of the Board of Directors of the application for a license or authorization, a Notice of Approval shall be issued by the OGLD.
- b. A Notice to Commence Operations shall only be issued by the OGLD to the licensee or accredited provider upon:
 - i. Settlement of all financial requirements and the posting of the performance bond;
 - ii. Submission of pre-operational documentary requirements;
 - iii. Submission of a Notice of Intent to Commence Operations; and
 - iv. Conduct of Site Inspection and Systems Walkthrough.
- c. The licensee is given three (3) months from Board-approval of its application for license or authorization to commence its operations. Failure to operate within the prescribed period shall warrant the imposition of the Minimum Guaranteed Fee (MGF) or monthly Authorization Fee and incur possible administrative penalties.
- d. For cases when the licensee or accredited provider cannot commence its operations within the prescribed period of three (3) months, a Letter of Appeal must be filed, together with the settlement of an Appeal Fee amounting to \$50,000.00 for the consideration and approval of the Board. Extension of period to commence operations shall be limited to two (2) Letters of Appeal.
- e. The licensee or authorized provider shall not commence its operations without the required Notice to Commence Operations. Operating without the requisite Notice to Commence Operations shall result in the automatic suspension of license/authorization.

Process Flow for License/Authorization Application



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REGULATION 9. AUXILIARY SERVICES

Section 1. Local Gaming Agent

Local Gaming Agent refers to a duly constituted business enterprise of good repute and financial standing organized in the Philippines who will represent the Foreign-based Licensee.

A. Qualifications

1. Must be duly registered with Securities and Exchange Commission;
2. Must be of good repute, considering character, honesty, and integrity;
3. Must not be associated with any person who is not of good repute considering character, honesty, and integrity or has undesirable or unsatisfactory financial resources;
4. Must have a good financial standing and satisfactory corporate structure;
5. Must not be among those excluded from engaging in gaming under these Rules and Regulations or any other law, ordinance, or issuance.

B. Requirements

1. Letter of intent addressed to Chairman and Chief Executive Officer of PAGCOR;
2. Duly accomplished and notarized application form;
3. Duly notarized Agency Agreement;
4. Securities and Exchange Commission (SEC) Registration;
5. Latest General Information Sheet (GIS) with beneficial ownership declaration page;
6. Articles of Incorporation (AI) and By-Laws duly stamped and received by SEC;
7. Company Profile;
8. Organizational Chart indicating person occupying the position;
9. Duly accomplished and notarized Personal Disclosure Sheet (PDS) of ALL officers of the corporation;
10. Bank Certificate proving financial capacity of at least Twenty Million Pesos (Php 20,000,000.00);
11. Result of evaluation issued by an accredited probity checker of OGLD;
12. Regulatory inspection by OGLD for verification of Philippine office address;
13. BIR Certificate of Registration; and
14. Proof of payment of the Application Fee

C. Authorized Functions

1. To be the exclusive authorized representative within the territory of the Philippines of the Foreign-based Licensee;
2. To receive, send and/or be served any notices, letters, and other issuances for and on behalf of its Foreign-based Operator;
3. To receive and/or be served summons and other legal processes on behalf of its Foreign-based Operator; and
4. To make all payments to PAGCOR including interests, penalty and surcharges that may be due or may thereafter fall due, for and on behalf of its Foreign-based Licensee, if the latter fails to make any payment due to PAGCOR.
5. As the representative of the Foreign-based Licensee, the Local Gaming Agent shall be solidarily liable for all of the former's outstanding financial obligations.

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D. Prohibited Acts

The Local Gaming Agent shall not engage in any gaming activity.

Section 2. Independent Testing Laboratories

A. An Independent Testing Laboratory refers to entities responsible for the testing of gaming systems and software of licensees and ensuring that the same pass technical standards established and accepted by gaming jurisdictions worldwide. Accreditation shall be valid for three (3) years from the date of approval of the Board of PAGCOR.

B. Duties of an Independent Testing Laboratory

1. The Independent Testing Laboratory shall be responsible in testing the gaming systems of all licensees; and
2. The Independent Testing Laboratory shall provide the necessary certification on all gaming related systems for game offerings under these regulations.

C. Requirements for Independent Testing Laboratory Accreditation

1. Eligibility Requirement

The Independent Testing Laboratory should be an internationally recognized testing laboratory presently offering their services to Macau, Singapore, Las Vegas, and other major gaming jurisdictions.

2. Documentary Requirements

a. Basic Documentary Requirements

- i. PAGCOR Application for Registration Form;
- ii. Company profile including list of clients;
- iii. List of products/items being offered including brochures and catalogues (if any);
- iv. Detailed location sketch of company office

b. Legal Documents

- i. Original copy of Certificate of Good Standing issued by Company Registration and Monitoring Department, Securities and Exchange Commission
- ii. Certified True/Machine 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
- iii. Photocopy of the following documents:
 - a. Valid and current Mayor's Permit / municipal license;

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- b. BIR Registration Certificate;
- c. Valid and current licenses required by law (applicable to the line of business)

3. Financial Documents

Certified True Copy of Income Tax Return for the previous or its preceding year and its corresponding audited Financial Statements, stamped "received" by the BIR including photocopy of ITR and AFS filed two (2) years prior to year of application

D. Other Requirements

The company must be willing to undertake that all information and data gathered in the said project shall be privilege and highly confidential exclusively for PAGCOR use only.

- E. The above legal and financial documents if to be submitted by the Independent Testing Laboratories may be substituted with the appropriate equivalent documents issued by the foreign firm's country of origin provided that the documents are in "English" and duly acknowledged or authenticated by the Philippine Consulate therein if translated in English.

Section 3. Probity Checkers

A Probity Checker refers to an entity responsible for the verification of an applicant's identity, to include all officials of the corporate applicant, finances, integrity, competence, and criminality. Accreditation shall be valid for three (3) years from the date of approval of the Board of PAGCOR.

A. Duties of a Probity Checker

- 1. The Probity Checker shall verify the applicant's identity and each of the key officials of the corporate applicant; finances, integrity, competence, and criminal associations; and
- 2. The Probity Checker shall be accountable for the veracity of the results of the probity check that they will provide to PAGCOR, and the confidentiality thereof.

B. Requirements for Probity Checker Accreditation

1. Eligibility Requirement

The Probity Checker to be accredited must be reputable and well known in their field. They must also have great professionalism and integrity.

2. Documentary Requirements

i. Basic Documentary Requirements

- a. PAGCOR Application for Registration Form;

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- b. Company profile including list of clients;
- c. List of products/items being offered including brochures and catalogues (if any); and
- d. Detailed location sketch of company office.

ii. Legal Documents

- a. Original copy of Certificate of Good Standing issued by Company Registration and Monitoring Department, Securities and Exchange Commission;
- b. Certified True/Machine Copy of Registration Certificate from:
 1. Securities and Exchange Commission including Articles of Incorporation / Co-Partnership and By-Laws; or
 2. Department of Trade and Industry.
- c. Photocopy of the following documents:
 1. Valid and current Mayor's Permit / municipal license;
 2. BIR Registration Certificate; and
 3. Valid and current licenses required by law (applicable to the line of business).

iii. Financial Documents

Certified True Copy of Income Tax Return for the previous or its preceding year and its corresponding audited Financial Statements, stamped "received" by the BIR including photocopy of ITR and AFS filed two (2) years prior to year of application.

iv. Other Requirements

The company must be willing to undertake that all information and data gathered in the said project shall be privileged and highly confidential exclusively for PAGCOR use only.

- C. The above legal and financial documents if to be submitted by the foreign probity checker may be substituted with the appropriate equivalent documents issued by the foreign firm's country of origin provided that the documents are in "English" and duly acknowledged or authenticated by the Philippine Consulate therein if translated in English.
- D. PAGCOR shall assign a probity checker randomly prior to issuance or renewal of license.

**REGULATION 10. FINANCIAL REQUIREMENTS, REPORTING, REMITTANCE****Section 1. Application Fee**

The application fee shall be paid upon the advice of OGLD through the issuance of a Deposit Notice and Payment Form. Proofs of payment for application fee form part of the requirements and are requisite to processing of applications and recommendation for board approval. It is the duty of the applicant to make sure to surrender the proofs of payments using the Remittance Form within thirty (30) calendar days from payment with validation from the bank to the OGLD.

Type of Application	Application Fee
A. Internet Gaming License	\$ 100,000.00
B. Gaming Content Provider Authorization Class 1 and Class 2	\$ 100,000.00
C. Support Provider Authorization	\$ 100,000.00

Section 2. Accreditation Fee

A. Local Gaming Agent - \$ 40,000.00 for two (2) years coterminous with the foreign IGL

B. Independent Testing Laboratory - \$ 5,000.00 for three (3) years

C. Probity Checker - \$ 5,000.00 for three (3) years

Section 3. Regulatory Fee

All Internet Gaming Licensees and shall be liable for the payment of monthly regulatory fees based on the following computations, whichever is highest:

a. 2% GGR

The GGR is computed as:

$$\text{GGR} = \text{Total Bets} - \text{Total Payouts}$$

The due date for the collection of regulatory fees shall be every 15th of the succeeding month. Unsettled dues and/or outstanding balances are subject to imposition of a compounded interest rate of 12% per annum until full settlement thereof.

b. Minimum Guaranteed Fee (MGF)

Internet Gaming Licensees shall pay the billed regulatory fee or a Minimum Guaranteed Fee (MGF) of \$100,000.00 per month.

c. Number of Live Tables

Internet Gaming Licensees who manage/ maintain their own live tables shall be billed monthly according to the number of live tables:

Streaming Provider	Number of Live Tables	Regulatory Fee
Tier 1	1-15	\$ 150,000.00
Tier 2	16-25	\$ 250,000.00
Tier 3	26-35	\$ 350,000.00
Tier 4	36-45	\$ 450,000.00
Tier 5	46-55	\$ 550,000.00

Section 4. Authorization Fee

- a. Authorized Gaming Content Providers shall be liable for the payment of monthly regulatory fees based on the following:

Class 1 - Number of live tables at \$10,000.00 per table following the rates in Section 3 (c) of this Regulation.

Class 2 - Fixed monthly authorization fee of \$75,000.00

- b. Authorized Support Providers shall be billed a fixed monthly minimum authorization fee of \$75,000.00.

Section 5. Administrative Fee

Internet Gaming Licensees shall be billed a monthly administrative fee the amount of which shall be relative to the area occupied by their operational site/s:

Area	Administrative Fee
10,000 sqm.	\$ 25,000.00
10,001-15,000 sqm.	\$ 50,000.00
15,001-20,000 sqm.	\$ 75,000.00
20,001-25,000 sqm.	\$ 100,000.00

Authorized Gaming Content Providers, and Authorized Support Providers shall be billed a monthly administrative fee in the amount of \$10,000.00.

Section 6. Performance Bond

Internet Gaming Licensees, Authorized Gaming Content Providers, Authorized Support Providers, and Local Gaming Agents are subject to posting a performance bond prior to the release of license or authorization. A performance bond is a monetary requirement which shall guarantee completion and fulfillment of contract and obligations with PAGCOR. The performance bond is refundable upon expiration/cancellation of the license, subject to the settlement of any outstanding obligation.



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Internet Gaming Licensee	\$ 300,000.00 or Two (2) months Live Table Fees
Authorized Gaming Content Provider Class 1	\$ 300,000.00 or Two (2) months Live Table Fees
Authorized Gaming Content Provider Class 2	\$ 300,000.00
Authorized Support Provider	\$ 300,000.00
Local Gaming Agent	\$ 300,000.00
Independent Testing Laboratory	\$ 5,000.00
Probity Checker	\$ 5,000.00

A. Guidelines on Performance Bond

1. The performance bond is non-transferrable, unless otherwise approved by the Board.
2. The performance bond shall be used to cover for any unpaid financial liabilities of the licensee/authorized entity/accredited entity.
3. If the performance bond is less than the licensee's/authorized entity's/accredited entity's accounts payable to PAGCOR, the remaining amount after forfeiture of the performance bond is still due and demandable to the licensee.
4. The licensee/authorized entity/accredited entity shall replenish its performance bond within three (3) banking days in the event of usage to cover for unsettled accountabilities with PAGCOR incidental to its operations.
5. The rules on forfeiture of the performance bond are laid down in Section 6 (C) and Section 11 (e) of this Regulation.

B. Processing of Refund

1. The licensee/authorized entity/accredited entity shall submit to the OGLD a letter-request for the refund of the performance bond, surrender the certificate of license, including the following documentary requirements:
 - a. Official Receipt of the performance bond;
 - b. General Information Sheet, if foreign-based, a document equivalent to the same;
 - c. Notarized Board Resolution and/or Secretary's Certificate authorizing the person to claim and receive the refund or bank details where the performance bond shall be refunded, if issued abroad, the same must be apostilled; and
 - d. Certificate of Tax Clearance from the BIR.
2. Only a licensee/authorized entity/accredited entity who is clear of all financial obligations with PAGCOR is entitled to a refund.
3. All requests for refund shall be subject to the approval of the Board.
4. Board-approved requests for refund shall be forwarded to the Accounting Department for their appropriate action.
5. The refund of the performance bond is subject to completion of documents which may be prescribed by PAGCOR.

C. Forfeiture of Performance Bond

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- a. Upon cancellation of a license or authorization, the performance bond of the licensee/authorized provider shall be forfeited in favor of PAGCOR, and the former adhere to the following guidelines within thirty (30) days from the receipt of the Notice/Order of Cancellation of License or Authorization, unless approved to be extended for meritorious reasons:
1. The licensee/authorized provider shall remove all physical signages, logos, symbols, emblems, stickers, and other advertising and promotional collaterals within its premises. The licensee/authorized provider shall do the same for its website, mobile applications, web advertising and other virtual expression or presence in social media and the internet.
 2. All regulated gaming equipment and paraphernalia shall be accounted for and store in a secure location while awaiting approval for disposal.
 3. The licensee/authorized provider should file a formal request for disposal of above regulated assets. Physical disposal shall be applied according to any of the following means:
 - i. Return/ Ship out to original supplier
 - ii. Destruction
 - iii. Transfer/Sale to another licensee/authorized provider
 - iv. Donation to PAGCOR
 4. Once duly approved and advised by PAGCOR, licensee/authorized provider shall promptly carry out all undertakings required to implement disposal within the prescribed timeframe, including processing permits/approvals by concerned government offices, coordination with authorities, engagement of third-party providers and the like. All expenses incurred to properly dispose regulated gaming items according to these guidelines shall be for the account of the licensee/authorized provider.
 5. Storage media of computer servers, surveillance services, audio/video records and all other digital and analog recording or forage shall in the same principle be purge, erased, and/or destroyed within the prescribed timeframe in the presence of the assigned PAGCOR Monitoring Team, who shall witness, document, and certify the activity.
 6. In case the licensee/authorized provider fails to dispose regulated gaming assets within the prescribed timeframe, the same shall be impounded or confiscated in favor of PAGCOR.
- b. In the event of cancellation of a license/authorization, the OGLD shall:
1. Advise/coordinate with concerned corporate departments on the request for disposal of regulated gaming assets by the licensee/authorized provider.
 2. Inspect the licensee/authorized providers premises for full compliance to the proper disposal of regulated gaming equipment and paraphernalia and certify the same.
 3. Advise Accounting Department to implement the final forfeiture upon approval by the Board.

Section 7. Additional Site/Transfer of Site Fee

- a. Application for additional site or transfer of operating site to a building other than that of the existing operating site shall be \$10,000.00 inclusive of inspection fee and printing of one (1) certificate for one floor.

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- b. Additional or transfer of operating site within the same building shall be \$5,000.00 per floor for every 3,000 sqm of floor area.
- c. Additional site which shall result in exceeding the maximum area of 25,000 square meters shall require the submission of proof of compelling reasons for such expansion subject to the approval of the Board.

Section 8. License Reprinting/Certified True Copy of Certificates

- a. Request for Certified True Copy (CTC) of certificates shall be \$100.00 per document.
- b. PAGCOR shall impose an additional fee of Three Thousand US Dollars (\$3,000.00) for requests for certificate reprinting.

Section 9. Shipment Clearance Fee

A shipment processing fee of One Thousand Pesos (Php 1,000.00) shall be charged to the applicant for each Shipment Clearance Request to cover for the administrative costs during evaluation and preparation of all documentary requirements.

Section 10. Permit to Possess Gaming Paraphernalia (PTP)

A licensee/authorized provider who intends to possess gaming tables, gaming equipment and gaming paraphernalia shall apply for a PTP. This certificate is coterminous with the license and may be renewed thereafter. The PTP is site-specific and is issued for the operating site where the gaming tables, gaming equipment and/or gaming paraphernalia are located.

In cases when the gaming tables are transferred to another operating site, the PTP issued for the previous operating site will thus be considered null and void.

Accordingly, the licensee shall apply for a new PTP bearing the correct operating site address, subject to the rules on change of address or operating site.

- a. The application fee for the PTP is \$100,000.00 valid for two (2) years and is coterminous with the license/authorization.
- b. For other kinds of applications for PTP, the following shall apply:
 - 1. For the additional site/floor of PTP, the rates for additional floor fee shall apply
 - 2. For the transfer of site/floor of PTP, the rates for transfer of floor fee shall apply.
- c. Once the license or authorization is expired or cancelled, the licensee/authorized provider may request for a grace period or an extension of the PTP only for the purpose of decommissioning and/or disposing of the gaming tables, equipment and/or paraphernalia.

**Section 11. Billing and Collection of Regulatory Fee**

The following procedure shall apply in the billing and collection of licensees' regulatory fee:

- a. The billing shall be submitted until every 3rd of the month to the AD, copy furnished the OGLD.
- b. AD is given until every 8th of the month to reconcile the submitted billing report and send to the Licensees their respective billing statements.
- c. The Licensees are given until every 15th of the month to settle their billing.
- d. For protests on the billed regulatory fee, the following shall apply:

1. The Licensee must first settle the billed amount prior to the filing of protest with AD.
2. AD shall process the filed protest according to its existing policies, rules, and procedures pertinent to the same.
3. Protests filed 15 days after the deadline of payment shall no longer be considered.

- e. For cases when the licensee fails to settle its regulatory fee for one (1) month, the following shall apply:

1. For Accounting Department (AD)

- i. Upon due evaluation by the AD, a Notice of Delinquency shall be issued to the concerned licensee. This notice shall be different and separate from the monthly billing statements sent by the AD to all licensees.
- ii. If the licensee still fails to settle its financial obligations on the given deadline, AD shall effect the forfeiture of the posted performance bond, subject to the latter's internal rules and procedures.
- iii. AD shall inform the licensee of the application of the bond as well as the requirement to replenish the same in full within three (3) banking days from forfeiture.
- iv. AD shall likewise inform the OGLD of the forfeiture for the latter's monitoring.

2. For OGLD

- i. OGLD shall monitor compliance of the licensee with the requirement to replenish the performance bond in full within three (3) banking days from its forfeiture.
- ii. Pending replenishment of the performance bond, all transactions of the concerned licensee with this office shall be held in abeyance.
- iii. Failure to replenish the performance bond in full shall warrant the suspension of license.
- iv. Upon bond replenishment, OGLD shall notify the AD for the latter's reference and future action.

- f. Collection of the corresponding cash penalty for demerits imposed:



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1. Upon issuance of a Notice of Demerit, the licensee is given fifteen (15) working days from receipt thereof to settle the equivalent cash penalty.
 2. Requests for reconsideration of the Notice of Demerit shall be allowed within fifteen (15) working days from receipt of the Notice, subject to the following requisites:
 - i. Letter of reconsideration specifying date of receipt and citing reasons for the request;
 - ii. Supporting documents; and
 - iii. A non-refundable/ non-transferrable reconsideration fee of \$ 500.00.
 3. In case no request for reconsideration is made and no reconsideration fee has been paid within the allowable period, the Notice of Demerit shall become final.
 4. Once it has become final, OGLD shall notify the licensee of the forfeiture of the equivalent cash penalty from the performance bond, copy furnished AD.
 5. The licensee whose bond has been forfeited shall be required to replenish the same within three (3) banking days from the date of forfeiture. Pending replenishment, all transactions of the licensee shall be deferred.
 6. Continued non-compliance for thirty (30) calendar days from the issuance of the additional demerit points shall result in the suspension of license.
- g. Procedures in the processing of requests for reconsideration
1. All letters of reconsideration must be filed within fifteen (15) working days from receipt of the Notice of Demerit.
 2. The OGLD shall resolve the request for reconsideration within fifteen (15) working days from receipt thereof and payment of the reconsideration fee.
 3. The licensee shall be furnished a copy of the resolution to lift the demerits or deny the request.
 4. Once denied, no further reconsideration shall be entertained. The licensee shall be given seven (7) working days to settle the cash penalty, otherwise, the same shall be forfeited from the performance bond pursuant to these regulations.

Section 12. Issuance of Deposit Notice and Payment Form

- a. FOCAS-OGLD is the unit solely tasked with the issuance of deposit notices. The Deposit Notice and Payment Form or OG Form 13 authorizes the applicant to proceed with the payment for application/s filed with the OGLD. The Deposit Notice and Payment Form or OG Form 13 shall contain:
1. Name of licensee/ applicant;
 2. Type of Application;
 3. Particulars of Payment;
 4. Amount to be paid;
 5. Reference Number;
 6. Authorized OGLD Signatory on the Form/Signature/Position/Date; and
 7. Validity period of the Deposit Notice and Payment Form
- b. All deposit notices are valid only for thirty (30) days upon date of issuance, unless otherwise provided.

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- c. All proofs of payment together with the deposit notice issued must be surrendered to the OGLD for proper accounting within thirty (30) days after payment.
- d. Failure to submit proof of payment within one (1) year shall result in the forfeiture of the amount deposited in favor of the PAGCOR.

Section 13. Proof of Payment

Proof of payment must be surrendered to the OGLD within thirty (30) days from payment, together with a copy of the deposit notice issued to the applicant. This forms part of the requirement for applications for license.

- a. Original copy of proof of payment must be attached to the Payment Remittance Form containing the following pertinent information is acceptable:
 - 1. Date of Payment;
 - 2. Amount Paid;
 - 3. Bank's Validation;
 - 4. Name of Payee; and
 - 5. Reference Number/Description/Particulars of the payment.
- b. Submitted Proof of Payment is subject to verification with the Land Bank of the Philippines.
- c. All fees indicated in this regulation are non-refundable except for the performance bond.
- d. For Bank Wire Money transfer, acknowledgement of the receiving bank is necessary. Mere order/proof of transfer or application for payment will not be accepted.

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REGULATION 11. ANTI-MONEY LAUNDERING AND TERRORIST FINANCING

All Licensees shall comply with the provisions set forth in the Anti-Money Laundering Act (AMLA), as amended, the Terrorism Financing Prevention and Suppression Act (TFPSA), their Implementing Rules and Regulations (IRRs), the 2021 AML/CTF Guidelines for Designated Non-Financial Business and Persons, and other regulatory issuances of the Anti-Money Laundering Council (AMLC).

Accordingly, they shall comply with documentary requirements, compliance checking requirements, and other submissions as may be required by the Anti-Money Laundering Council, and its equivalent regulating unit in PAGCOR, covering the overall money laundering and terrorism financing (ML/TF) risk management and control framework of the licensees.

OGLD shall be copy furnished in all submissions.

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REGULATION 12. RESPONSIBLE GAMING

The licensee shall institute a Responsible Gaming Program in accordance with PAGCOR's Responsible Gaming Code of Practice.

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REGULATION 13. MISCELLANEOUS PROVISIONS

Section 1. Repeal

All prior rules, regulations, and guidelines which are inconsistent with the provisions of these Regulations are hereby repealed or deemed modified accordingly.

Section 2. Separability Clause

If, for any reason, any provision of these rules is declared unconstitutional or contrary to law, the other parts, or provisions hereof which are not affected thereby shall continue to be in full force and effect.

Section 3. Effectivity

These rules shall become effective upon approval by the PAGCOR Board of Directors. Upon becoming effective, these rules shall be applied to all applicants for license and authorization and all licensees and authorized providers to the extent that they are applicable.