



**I-Gaming Licensing and Regulation Group  
Electronic Gaming Licensing Department**

# **REGULATORY FRAMEWORK FOR OFFENSES AND PENALTIES**

**(Remote Gaming Operations)**

**Rev. No: 1**

**Effectivity: 31 JUL 2024**

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## **EXECUTIVE SUMMARY**

This Regulatory Framework for Offenses and Penalties shall govern and administer offenses/violations attributed to the conduct of PAGCOR licensed Operators, accredited Service Providers, Contractees or Licensees of Integrated Resorts.

This Regulatory Framework shall form part of the Gaming License issued by PAGCOR to a qualified Operator for the establishment and operation of a gaming venue and of the terms and conditions governing the accreditation of Service Provider for each game offering duly regulated and sanctioned by PAGCOR, i.e., traditional bingo games, electronic bingo (eBingo) games, electronic (eCasino) games, sports betting, specialty games, online Poker games, numeric games or any suite of games that may be allowed by PAGCOR in the future and operation of online gaming platform by licensees.

The provisions of this Regulatory Framework shall apply prospectively and shall repeal previous issuances the independent provisions of which are inconsistent with the same.

By virtue of the foregoing, the provisions stated herein are laid down as the Regulatory Framework for Offenses and Penalties for Remote Gaming Operations.

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## **I. GENERAL GUIDELINES**

### **Section 1. General guidelines**

- (a) Based on the nature of the offense, each offense will correspond to penalty/fine. Major offenses will be accorded a corresponding penalty and will be collected from the Operator/Service Provider or deducted from the Performance Cash Deposit posted by the erring Operator/Service Provider.
  
- (b) In the event of non-compliance with the guidelines prescribed in the regulatory frameworks and any subsequent amendment/addendum thereto, EGLD shall issue a "Show Cause" to the concerned Operator/Service Provider requiring it to provide an explanation and/or comply within fifteen (15) days, unless otherwise stated, from receipt of the same except for cases that cannot be complied with/ addressed, as determined by EGLD.
  
- (c) If the Operator/Service Provider is found to be non-compliant or the Operator/Service Provider fails to comply with Item (b) above, corresponding penalty shall be imposed as outlined under this regulatory framework. EGLD shall issue an electronic "Notice of Non-compliance" or "Imposition of Penalty" to the said erring entity. The decision on actions to be taken against the Operator/Service Provider, if any, is at EGLD's sole discretion. However, EGLD may elevate to the PAGCOR's Board of Directors for a decision on any major offenses, as may be determined by EGLD.

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- (d) The Operator's privilege to operate a gaming venue may be revoked pursuant to the provisions stated in the *Regulatory Framework for the Issuance of Gaming License for the Establishment of Gaming Venue*.
- (e) The Service Provider's privilege to maintain and to provide the Electronic Gaming System (EGS) and Online Gaming Platform (OGP) may be revoked depending on the severity of the infraction and/or the attending circumstances thereof.

## **II. TABLE OF OFFENSES AND CORRESPONDING PENALTIES** **FOR GAMING VENUE OPERATORS**

A written warning shall be issued to the gaming venue operator for the first offense committed for each specific violation. For succeeding offenses, the applicable penalty or fine will be as follows:

| Item / Description                                                                           | Penalty / Fine                             | Remarks                                                                                                                                         |
|----------------------------------------------------------------------------------------------|--------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| Allowing prohibited individual and unregistered player to stay and play in the gaming venue. |                                            | Refer to Gaming Licensing and Development Department's Responsible Gaming Code of Practice.                                                     |
| Late remittance and/or non-remittance of PAGCOR Share within the prescribed period.          | 25% of the total amount due for remittance | Penalty shall be imposed on a per transaction basis (per offense).<br><br>Continuous non-remittance of PAGCOR Share as evaluated by EGLD may be |

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| Item / Description                                                                                                                                    | Penalty / Fine                                              | Remarks                                                                                                                                                                                                                                                                                           |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                       |                                                             | subject to suspension or revocation of License.                                                                                                                                                                                                                                                   |
| Non-payment of player's winnings.                                                                                                                     | PhP100,000.00 or amount of the winnings, whichever is lower | Players Winnings shall include winnings on raffle draws / jackpots.                                                                                                                                                                                                                               |
| Making any unauthorized deduction from winnings or redeemed balances of players.                                                                      | PhP100,000.00 or amount of the winnings, whichever is lower |                                                                                                                                                                                                                                                                                                   |
| Unauthorized suspension of operations without just cause (including failure to resume operations after the approved/allowed period of non-operation). | PhP50,000.00                                                | Penalty is per day of offense.<br><br>Notwithstanding the penalties imposed for each day of offense, continuous unauthorized suspension of operations, as defined under Article XIV of the <i>Regulatory Framework for the Gaming Venue Operations</i> , may cause the revocation of the License. |
| Implementation of brand / suite of games without prior approval from EGLD.                                                                            | PhP50,000.00                                                |                                                                                                                                                                                                                                                                                                   |

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| Item / Description                                                                                                                             | Penalty / Fine | Remarks                                                                                                         |
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| Failure to restore or update the Performance Cash Deposit (PCD) at its original level within thirty (30) calendar days from receipt of notice. | PhP50,000.00   | Penalty is for every month of non-compliance, i.e. 30 days.<br><br>Pro-rated on a daily basis.                  |
| Unauthorized commencement of operation of the gaming venue.                                                                                    | PhP200,000.00  |                                                                                                                 |
| Non-compliance with the manual and/or electronic submission of documentary requirements on time.                                               | PhP80,000.00   | If documents pertain to gaming venue, the penalty of PhP80,000.00 shall be imposed on a per gaming venue basis. |
| Failure to submit the annual Business Permit.                                                                                                  | PhP100,000.00  | Penalty is per year of offense.                                                                                 |
| Failure to submit on time the renewal application.                                                                                             | PhP30,000.00   |                                                                                                                 |
| Failure to notify EGLD within 30 days from the occurrence of the change in composition of Board members.                                       | PhP30,000.00   |                                                                                                                 |
| 95% or less operational electronic gaming terminals or machines for a period of seven (7) consecutive days.                                    | PhP30,000.00   | Penalty is for every month of non-compliance, i.e. 30 days.<br><br>Pro-rated on a daily basis.                  |

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| Item / Description                                                                                             | Penalty / Fine | Remarks                                                                                        |
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| Non-compliance with the installation of the required minimum number of electronic gaming terminals or machines | PhP30,000.00   | Penalty is for every month of non-compliance, i.e. 30 days.<br><br>Pro-rated on a daily basis. |
| Unauthorized reduction / addition / transfer / movement of terminals without prior approval from PAGCOR.       | PhP50,000.00   |                                                                                                |
| Unauthorized operation of electronic gaming terminals / machines without prior notification to EGLD.           | PhP50,000.00   |                                                                                                |
| Portable gaming terminal/s is/are found outside the gaming venue.                                              | PhP100,000.00  |                                                                                                |
| Procurement of gaming equipment and paraphernalia without prior approval.                                      | PhP200,000.00  |                                                                                                |
| Failure to maintain gaming venue standards on CCTV requirements and guidelines.                                | PhP20,000.00   | The penalty shall be on a per offense basis.                                                   |

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| Item / Description                                                                                                                                                                                         | Penalty / Fine | Remarks |
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| Implementation of marketing and/or promotions, including any form of advertisements, without prior approval from PAGCOR.                                                                                   | PhP20,000.00   |         |
| Any act not covered by the above which undermines PAGCOR's regulatory authority or any other relevant communication or memorandum issued by PAGCOR, and/or any law, local or national, of the Philippines. | PhP30,00.00    |         |

**III. TABLE OF OFFENSES AND CORRESPONDING PENALTIES**  
**FOR SERVICE PROVIDERS**

| Violation                                                                                                                | Offense         | Penalty                      |
|--------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------------|
| Unauthorized operation of gaming system, including remote gaming platform websites, applications, and/or other channels. | 1 <sup>st</sup> | Warning                      |
|                                                                                                                          | 2 <sup>nd</sup> | PhP250,000.00                |
|                                                                                                                          | 3 <sup>rd</sup> | PhP500,000.00 and Suspension |
|                                                                                                                          | 4 <sup>th</sup> | Revocation                   |

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| Violation                                                                                                                           | Offense           | Penalty                      |
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| Failure to integrate with PAGCOR's third party audit platform within the prescribed period.                                         | 1 <sup>st</sup>   | Warning                      |
|                                                                                                                                     | 2 <sup>nd</sup>   | PhP100,000.00                |
|                                                                                                                                     | 3 <sup>rd</sup>   | PhP200,000.00                |
|                                                                                                                                     | 4 <sup>th</sup> + | PhP500,000.00 and Suspension |
| Non-adherence to the prescribed processes and operational standards as provided for in any of the applicable regulatory frameworks. | 1 <sup>st</sup>   | Warning                      |
|                                                                                                                                     | 2 <sup>nd</sup>   | PhP100,000.00                |
|                                                                                                                                     | 3 <sup>rd</sup>   | PhP200,000.00                |
|                                                                                                                                     | 4 <sup>th</sup> + | PhP300,000.00 and Suspension |
| Implementation of game parameter settings other than the PAGCOR-approved settings, e.g., min/max bet and RTP %.                     | 1 <sup>st</sup>   | Warning                      |
|                                                                                                                                     | 2 <sup>nd</sup>   | PhP100,000.00                |
|                                                                                                                                     | 3 <sup>rd</sup>   | PhP200,000.00                |
|                                                                                                                                     | 4 <sup>th</sup> + | PhP300,000.00 and Suspension |
| Accepting bets or sales outside the Philippines.                                                                                    | 1 <sup>st</sup>   | PhP500,000.00 and Suspension |
|                                                                                                                                     | 2 <sup>nd</sup>   | Revocation                   |
| Implementation of marketing promotions, including any form of advertisements, without prior approval from PAGCOR.                   | 1 <sup>st</sup>   | Warning                      |
|                                                                                                                                     | 2 <sup>nd</sup>   | PhP100,000.00                |
|                                                                                                                                     | 3 <sup>rd</sup>   | PhP200,000.00                |
|                                                                                                                                     | 4 <sup>th</sup> + | PhP300,000.00 and Suspension |
| Non-reporting and/or concealment of player transactions from any of the                                                             | 1 <sup>st</sup>   | Warning                      |
|                                                                                                                                     | 2 <sup>nd</sup>   | PhP100,000.00                |

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| Violation                                                                                                                                   | Offense                                                                                                             | Penalty                      |
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| registered remote gaming platform websites.                                                                                                 | 3 <sup>rd</sup>                                                                                                     | PhP200,000.00                |
|                                                                                                                                             | 4 <sup>th</sup> +                                                                                                   | PhP300,000.00 and Suspension |
| Contracting an entity without Gaming License or EGLD's approval to implement the system and games.                                          | 1 <sup>st</sup>                                                                                                     | Warning                      |
|                                                                                                                                             | 2 <sup>nd</sup>                                                                                                     | PhP100,000.00                |
|                                                                                                                                             | 3 <sup>rd</sup>                                                                                                     | PhP200,000.00                |
|                                                                                                                                             | 4 <sup>th</sup> +                                                                                                   | PhP300,000.00 and Suspension |
| Operation of game content/s without prior PAGCOR approval.<br><br>Penalty is per game content.                                              | 1 <sup>st</sup>                                                                                                     | Warning                      |
|                                                                                                                                             | 2 <sup>nd</sup>                                                                                                     | PhP100,000.00                |
|                                                                                                                                             | 3 <sup>rd</sup>                                                                                                     | PhP200,000.00                |
|                                                                                                                                             | 4 <sup>th</sup> +                                                                                                   | PhP300,000.00 and Suspension |
|                                                                                                                                             | Note: All income resulting from the operation of unauthorized game content/s shall be collected in favor of PAGCOR. |                              |
| Access and play in the remote gaming platform by banned and unregistered personalities.                                                     | 1 <sup>st</sup>                                                                                                     | PhP250,000.00                |
|                                                                                                                                             | 2 <sup>nd</sup>                                                                                                     | PhP500,000.00 and Suspension |
|                                                                                                                                             | 3 <sup>rd</sup>                                                                                                     | Revocation                   |
| Non-issuance or delayed issuance of player's winnings and/or account balance or any portion thereof (in behalf of the registered Operator). | 1 <sup>st</sup>                                                                                                     | PhP25,000.00                 |
|                                                                                                                                             | 2 <sup>nd</sup>                                                                                                     | PhP50,000.00                 |
|                                                                                                                                             | 3 <sup>rd</sup> +                                                                                                   | PhP100,000.00                |
| Noncompliance with the submission of                                                                                                        | 1 <sup>st</sup>                                                                                                     | Warning                      |

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| Violation                                                                                                                                                                                                 | Offense           | Penalty                                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------------------------------------------------------------------------------------------------------------|
| documentary requirements on time.                                                                                                                                                                         | 2 <sup>nd</sup>   | PhP100,000.00                                                                                                           |
|                                                                                                                                                                                                           | 3 <sup>rd</sup>   | PhP200,000.00                                                                                                           |
|                                                                                                                                                                                                           | 4 <sup>th</sup> + | PhP300,000.00<br>and Suspension                                                                                         |
| Suspension of electronic gaming system, registered remote gaming platform website, without prior notice with PAGCOR.                                                                                      | 1 <sup>st</sup>   | PhP25,000.00                                                                                                            |
|                                                                                                                                                                                                           | 2 <sup>nd</sup>   | PhP50,000.00                                                                                                            |
|                                                                                                                                                                                                           | 3 <sup>rd</sup> + | PhP100,000.00                                                                                                           |
| Failure to restore or update the Performance Cash Deposit at its original level within thirty (30) calendar days from receipt of notice.                                                                  | 1 <sup>st</sup> + | PhP300,000.00<br><br>The penalty is for every month of non-compliance, i.e. 30 days.<br><br>Pro-rated on a daily basis. |
| Any act not covered by the above that undermines PAGCOR's regulatory authority or any other relevant communication or memorandum issued by PAGCOR, and/or any law, local or national, of the Philippines. | 1 <sup>st</sup>   | Warning                                                                                                                 |
|                                                                                                                                                                                                           | 2 <sup>nd</sup>   | PhP30,000.00                                                                                                            |
|                                                                                                                                                                                                           | 3 <sup>rd</sup>   | PhP50,000.00                                                                                                            |
|                                                                                                                                                                                                           | 4 <sup>th</sup> + | PhP100,000.00                                                                                                           |

#### **IV. ASSESSMENT OF PENALTIES**

##### **Section 1. General guidelines**

- (a) Any violation of the provisions of all regulatory frameworks not covered by the Table of Offenses in Articles II and III above may, as determined

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by EGLD, result to issuance of either warning or imposition of a fixed penalty of PhP30,000.00.

- (b) PAGCOR may issue additional list of offenses with corresponding penalties, as deemed necessary.
- (c) Upon termination of gaming venue operations, voluntary or otherwise, the total amount of unpaid imposed penalties will be deducted from the Performance Cash Deposit (PCD).
- (d) Upon termination of accreditation of Service Provider, voluntary or otherwise, the total amount of unpaid imposed penalties will be deducted from the PCD.
- (e) The Operator/Service Provider must pay to PAGCOR the corresponding regulatory sanction or penalty within a period of fifteen (15) days from the receipt of the notice of imposition of penalty, unless otherwise stated. Interest amounting to twelve percent (12%) per annum shall be imposed on any amount which remains unpaid after fifteen (15) days from receipt of the notice, pro-rated on a daily basis.

## **V. MISCELLANEOUS PROVISIONS**

1. Penalties paid to PAGCOR must be submitted to PAGCOR-Fund Management Department (FMD), copy furnish EGLD, together with the duly accomplished Payment Processing Request Form (EG Form No. 2) for issuance of Official Receipt (O.R.) and proper recording.

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2. The Operator/Service Provider must secure an O.R. from PAGCOR-FMD, as proof of its payment of the penalties. A copy of which shall be submitted to EGLD as proof of payment.
3. PAGCOR may increase or decrease the penalties, as deemed necessary.
4. This regulatory framework shall repeal previous issuances the independent provisions of which are inconsistent with the same.