

AMENDMENTS TO THE REGULATORY MANUALS

Amendments to the Gaming Site Regulatory Manuals (GSRM) version 3.0 for Bingo Games:

A. Regulation 22: Financial Reporting and Remittance Guidelines

Section 2. Remittance to PAGCOR	
FROM	TO
<p>(a) The Operator shall remit the PAGCOR Share twice weekly, every Monday (to cover the amount due from Wednesday to Saturday) and every Thursday (to cover the amount due to PAGCOR from Sunday to Tuesday), provided however that the amount due to PAGCOR corresponding to the remaining days up to the end of the month shall be remitted not later than two (2) days following the end of the month without the need for prior demand. If the remittance day falls on a Saturday, Sunday or holiday, remittance shall be done on the following banking/working day. The Operator shall use for remittance the Report on Gross Gaming Revenue and PAGCOR Share for Electronic Bingo and/or Report on Gross Sales and PAGCOR Share for Traditional Bingo, as the case may be, along with the corresponding attachments as required by CMED.</p>	<p>(a) The Operator shall remit the PAGCOR Share <u>weekly, every Monday</u> to cover the amount due from <u>Sunday to Saturday</u>. If the remittance day falls on a holiday, remittance shall be done on the following banking/working day. The Operator shall use for remittance the <u>Weekly Report on Gross Gaming Revenue and PAGCOR Share for Electronic Bingo and/or Weekly Report on Gross Sales and PAGCOR Share for Traditional Bingo</u>, as the case may be, along with the corresponding attachments as required by CMED, submitted every Sunday. <u>Trading days not covered by the Weekly GS/GGR and PAGCOR Share Report by the end of the month shall be reported and remitted in accordance with the following:</u></p> <ol style="list-style-type: none"> 1. <u>Four (4) days or more not covered by the previous Weekly Remittance Period shall be reported on the first day of the following month and remitted the next working/banking day.</u> 2. <u>If the last week of the month has three (3) days or less:</u> <ol style="list-style-type: none"> i. <u>The last complete (7 days) weekly remittance period shall not be reported and remitted until the month ends.</u> ii. <u>Remaining days of the month shall be reported along with the previous week's remittance period on the first day of the following month, and remitted the next working/banking day.</u>

FROM	TO
<p>(d) The Operator shall not offset any negative PAGCOR Share (PS) within the month. Any offsetting of PS shall be done only after consolidation and reconciliation of the monthly GGR and PS, taking into consideration any corrections and adjustments made at the end of the month. Offsetting of the resulting over remittance for the current month, if any, shall be applied by the Operator on the following month/s.</p>	<p>(d) The offsetting of negative PAGCOR Share shall be as follows:</p> <ol style="list-style-type: none"> 1. The Operator shall offset any negative PAGCOR Share on <u>the next remittance period</u>. Any remaining negative balances shall be applied on the succeeding remittance period/s until the negative amount is fully recovered. 2. In the event of a <u>negative Monthly Gross Gaming Revenue</u>, total amount for offsetting shall be equivalent to the total amount remitted for the month. Offsetting of the negative balances shall be done on the <u>first remittance period of the following month</u>. Any over offsetting of negative PAGCOR Share for the month due to erroneous reports and incorrect payments shall be settled <u>not later than the 5th day of the following month</u>.
<p>(g) In addition to the imposition of the interest charge, any delay or default in the remittance of said amount, after the lapse of five (5)-day grace period, shall subject the Operator to the following administrative sanctions:</p> <ol style="list-style-type: none"> 1. Automatic suspension of the Operator's operation of Bingo games to commence the day following the non-remittance of amount due to PAGCOR. However, the Operator may be allowed to resume its operation only upon full payment of the required amount. A formal clearance/notice shall be issued by PAGCOR to the Operator prior to resumption of operation. 2. Imposition of thirty thousand pesos (PhP30,000.00) penalty and five (5) demerit points. 	<p>(g) In addition to the imposition of the interest charge, any delay or default in the remittance of said amount, after the lapse of five (5)-day grace period, shall subject the Operator to the following administrative sanctions:</p> <ol style="list-style-type: none"> 1. Automatic suspension of the Operator's operation of Bingo games to commence the day following the non-remittance of amount due to PAGCOR. However, the Operator may be allowed to resume its operation only upon full payment of the required amount. A formal clearance/notice shall be issued by PAGCOR to the Operator prior to resumption of operation. 2. Imposition of <u>sixty thousand pesos (PhP60,000.00) penalty and ten (10) demerit points</u>.

Section 3. Operator's computation of PAGCOR Share

FROM	TO
<p>Acceptance by PAGCOR of its share as computed by the Operator does not preclude PAGCOR from assessing the Operator a different amount should its audit and verification lead to such a conclusion. Such additional assessments shall be billed to the Operator and shall be settled on the next scheduled remittance day.</p>	<p>(a) Acceptance by PAGCOR of its share as computed by the Operator does not preclude PAGCOR from assessing the Operator a different amount should its audit and verification lead to such a conclusion.</p> <p>(b) Verified <u>underpayments</u> due to erroneous reports and incorrect payments to PAGCOR shall be remitted on the <u>same remittance day</u>.</p> <p>(c) Verified <u>over payments</u> due to erroneous reports and incorrect payments to PAGCOR shall be offsetted on the succeeding remittance period/s.</p> <p>(d) Verified <u>underpayment for the month</u> after reconciliation shall be settled not later than the 5th day of the following month.</p> <p>(e) Verified <u>underpayment for the month after reconciliation</u> shall be offsetted starting the first remittance period of the following month.</p>

Section 4. Proof of remittance to PAGCOR

FROM	TO
<p>The Operator shall comply with the submission of documentary requirements as proof of remittance (such as bank-validated duplicate deposit slip) of the amount due to PAGCOR if deposited directly to the PAGCOR Bingo bank account cited in Item (f) under Section 2 above.</p>	<p>The Operator shall comply with the submission of documentary requirements as proof of remittance (such as bank-validated duplicate deposit slip) of the amount due to PAGCOR if deposited directly to the PAGCOR Bingo bank account cited in Item <i>(h)</i> under Section 2 above. <i>In addition, the Operator shall indicate the actual amount deposited or remitted to PAGCOR on the Weekly Gross Sales/ Gross Gaming Revenue and PAGCOR Share Report, subject to validation of PMT.</i></p>

Section 5. Operator's documentation and reporting requirements	
FROM	TO
(a) The Operator shall file with PAGCOR not later than the third (3rd) day of the succeeding calendar month a Monthly Report of Sales for Traditional Bingo and Monthly Gross Gaming Revenue Report for Electronic Bingo, as applicable, along with corresponding attachments duly signed by the Operator or its authorized representative showing in detail the true and correct amount of gross receipts from the sale of bingo cards/tickets, computed GGR and PAGCOR Share/s for the month, and the amount of PAGCOR Share due to PAGCOR, if any.	(a) The Operator shall file with PAGCOR not later than the third (3rd) day of the succeeding calendar month a <u>Monthly Report of Sales</u> for Traditional Bingo and <u>Monthly Gross Gaming Revenue Report</u> for Electronic Bingo, as applicable, along with corresponding attachments duly signed by the Operator or its authorized representative showing in detail the true and correct amount of gross receipts from the sale of bingo cards/tickets, computed GGR and PAGCOR Share/s for the month, <u>the amount remitted for the month</u> , and the amount of PAGCOR Share due to PAGCOR, if any. <i>Any adjustments for the month shall already be reflected on the Monthly Gross Sales Report and Monthly Gross Gaming Revenue Reports.</i>

B. Regulation 24: List of Offenses and Corresponding Demerits and Penalties

Section 2. Table of offenses

Item / Description	Sanction	Demerit Points	Penalty	Remarks
KEY PROVISIONS				
FROM				
Non-Remittance of PAGCOR Share	Penalty + Demerit	5	PhP 30,000.00	Continuous non-remittance of PAGCOR Share shall be subject to suspension or revocation of License as prescribed in Item (f) under Section 2 of Regulation 22
TO				
Non-Remittance of PAGCOR Share	Penalty + Demerit	10	PhP 60,000.00	Continuous non-remittance of PAGCOR Share shall be subject to suspension or revocation of License as prescribed in Item (g) and (h) under Section 2 of Regulation 22

**Amendments to the Gaming Site Regulatory Manuals (GSRM)
version 3.0 for Electronic Games:**

A. Inclusion of Section 5 to Regulation 22 - Financial Reporting and Remittance Guidelines

Section 5. Operator's remittance of its obligation to PAGCOR under operation of Electronic Games provided by PAGCOR-accredited Service Providers

- (a) The Operator shall remit the PAGCOR Share weekly, every Monday to cover the amount due from Sunday to Saturday. If the remittance day falls on a holiday, remittance shall be done on the following banking/working day. The Operator shall use for remittance the Weekly Report on Gross Gaming Revenue and PAGCOR Share, as the case may be, along with the corresponding attachments as required by CMED, submitted every Sunday.

Trading days not covered by the Weekly GGR and PAGCOR Share Report by the end of the month shall be reported and remitted in accordance with the following:

1. Four (4) days or more not covered by the previous Weekly Remittance Period shall be reported on the first day of the following month and remitted the next working/banking day.
 2. If the last week of the month has three (3) days or less:
 - i. The last complete (7 days) weekly remittance period shall not be reported and remitted until the month ends.
 - ii. Remaining days of the month shall be reported along with the previous week's remittance period on the first day of the following month, and remitted the next working/banking day.
- (b) The amount due to PAGCOR shall be computed based on the gross gaming revenue (GGR) of day/s within a particular remittance period covered. In the event that total players' winnings/prizes exceed total collection within a particular remittance period covered, Operator shall not be bound to remit any amount to PAGCOR for that particular remittance period only.
- (c) Consolidation and reconciliation of Gross Gaming Revenue and PAGCOR Share for electronic gaming operations shall be on a monthly basis using the Monthly Gross Gaming Revenue Report for Electronic Gaming.
- (d) The offsetting of negative PAGCOR Share shall be as follows:
1. The Operator shall offset any negative PAGCOR Share on the next remittance period. Any remaining negative balances shall be applied on the succeeding remittance period/s until the negative amount is fully recovered.
 2. In the event of a negative Monthly Gross Gaming Revenue, total amount for offsetting shall be equivalent to the total amount remitted for the month. Offsetting of the negative balances shall be done on the first remittance period of the following month. Any over offsetting of negative PAGCOR Share for the month due to erroneous reports and incorrect payments shall be settled not later than the 5th day of the following month.

- (e) Failure of the Operator to remit the amount due to PAGCOR on time will entitle PAGCOR to an interest rate of twelve percent (12%) per annum on all remittances made after the prescribed remittance schedule up to the time of payment, prorated on a daily basis.
- (f) In addition to the imposition of the interest charge, any delay or default in the remittance of said amount, after the lapse of five (5)-day grace period, shall subject the Operator to the following administrative sanctions:
 1. Automatic suspension of the Operator's operation of Electronic games to commence the day following the non-remittance of amount due to PAGCOR. However, the Operator may be allowed to resume its operation only upon full payment of the required amount. A formal clearance/notice shall be issued by PAGCOR to the Operator prior to resumption of operation.
 2. Imposition of thirty thousand pesos (PhP60,000.00) penalty and ten (10) demerit points.
- (g) Failure to remit the amount due to PAGCOR within thirty (30) days from remittance due date shall be a ground for the revocation of the License.
- (h) Amounts due to PAGCOR shall be remitted to PAGCOR OPEX Savings Account No. 3402-1036-70 maintained at the Land Bank of the Philippines (LBP) UN Avenue, Manila Branch.
- (i) The Operator shall dutifully settle all its tax obligation/s resulting from the operation of its gaming site, including income and franchise taxes, as applicable, and shall report to CMED all taxes paid and proof of payment thereof within fifteen (15) days from payment or deadline of payment of said taxes, whichever comes first.

B. Inclusion of additional item to Section 2 – Table of Offenses, Regulation 24 - List of Offenses and Corresponding Demerits and Penalties

Item/Description	Sanction	Demerit Points	Penalty	Remarks
Non-Remittance of PAGCOR Share from Operators under operation of Electronic Games provided by accredited Service Providers	Penalty + Demerit	10	PhP 60,000.00	Continuous non-remittance of PAGCOR Share shall be subject to suspension or revocation of License as prescribed in Items (f-g) under Section 5 of Regulation 22