



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
National Office Building
Quezon City
PERMIT TO OPERATE



ELTRD-(T)-001-05-24-54473
May 21, 2024

APEX PACIFIC CORPORATION
846 Warehouse KLM West Service Road
Marcelo Green Village, Parañaque City 1700
TIN: 647-969-218-00000

Gentlemen:

After verification and evaluation of the documents submitted, please be informed that your request for a permit to engage in business as importer of Vapor Product, for sale to domestic market and to be stored at your warehouse located at 846 Warehouse KLM West Service Road, Marcelo Green Village, Parañaque City 1700, is hereby granted. For administrative purposes, you shall be identified as Importer of Vapor Product with Assessment No. A9-(E)-05-24-03493.

The Surety Bond issued by Pacific Union Insurance Company with Importer's Bond No. BAT2-2024-SU-G(16)-00072462-00 in the amount of One Hundred Thousand Pesos (₱100,000.00) has been approved to the satisfaction of this Office and registered in the Disbursement and Bonding Section, General Services Division, National Office Bldg., Diliman, Quezon City under Registry No. _____ dated _____. In this connection, you are hereby required to cite the registry number in every communication/transaction affecting this surety bond.

Please be informed that after six (6) months of operation, if the amount of the initial bond is less than the amount of the total excise tax paid for the period, the amount of the bond shall be adjusted to twice the tax actually paid for the period. For succeeding years of operation, the amount of the surety bond shall be based on the actual total excise tax paid during the year immediately preceding the year of operation.

It is understood that the aforesaid surety bond shall remain in full force and effect as long as you are engaged in the business as importer of Vapor Product. Upon retirement, said surety bond may be cancelled after such time as this Office is fully satisfied that you have paid all taxes due the government and complied with the requirements of all internal revenue laws and regulations.

In addition, the following shall be complied with, in the conduct of your business operations:

1. An application for registration of your brand of imported Vapor Product shall be filed with the Chief, Excise LT Regulatory Division (ELTRD) prior to the importation of the said product, to be accompanied by the exact replica of the label, and the artwork of the secondary containers (ream and master case) of the said product bearing the name and address of the foreign manufacturer, as well as your company's name as the importer/distributor of the said product, address and assigned Assessment Number; and the phrase "FOR EXPORT TO THE PHILIPPINES; TAX AND DUTY PAID" pursuant to the provisions of Sec. 4 (C) (2) of Revenue Regulations (RR) No. 14-2022, as clarified under Revenue Memorandum Circular (RMC) 26-2006;

2. A duly notarized Importer's Sworn Statement for each brand of Vapor Product and its variant indicating therein your company's name, address, TIN, Assessment No. as importer, complete root name of the brand as well as the complete brand name with modifiers, complete specifications of the brand detailing the specific measurements, weights, manner of packaging, name(s) of the region(s) where the brand is/are to be marketed, wholesale price per case and suggested retail price per pack (both expressed in gross and in net of VAT and excise tax), detailed importation costs and all other expenses incurred or to be incurred until the product is finally sold per case, applicable rate of excise tax per pack and the corresponding excise and value-added taxes per case shall be submitted to the ELTRD prior to importation.

An updated Sworn Statement of the imported brand(s) shall be submitted on or before the end of the months of June and December of each year. However, in case there is a change in the importation costs or the actual selling price of the imported brand of Vapor Product, the updated Sworn Statement shall be submitted at least five (5) days before the actual release of the imported products from the customs custody;

3. As prescribed under existing revenue rules and regulations, an Official Register Book (ORB) shall be installed and maintained in your office where all your transactions shall be properly recorded. A monthly transcript sheet thereof in duplicate copies shall be submitted to the Large Taxpayers Performance Monitoring and Programs Division (LTPMPD), 2nd Flr., BIR National Office Bldg., Diliman, Quezon City, on or before the eighth (8th) day of the month immediately following the month of operation and every month thereafter. In the meantime that the ORB has not yet been officially installed, a monthly report containing the information prescribed in the ORB shall be submitted instead;
4. An Excise Taxpayer's Removal Declaration (ETRD), or any other form prescribed by this Bureau shall be used on every removal/transfer of imported Vapor Product from your warehouse, duly signed by the assigned Revenue Officer On-Premise (ROOP);
5. A Sworn Statement of the volume and amount of sales, including the name, address and Tax Identification Number (TIN) of customer(s) per brand of imported Vapor Product, summarized on a monthly basis shall be submitted to the LTPMPD within twenty-five (25) days immediately after the end of each taxable quarter, whether fiscal or calendar;
6. A permit to import Vapor Product and an Authority to Release Imported Goods (ATRIG) shall be secured from ELTRD by electronically filing an Application for ATRIG via the Philippine National Single Window (PNSW) System prior to the release of the imported article from the customs' custody;
7. Prior to the initial importation of the aforesaid brand of Vapor Product, an Internal Revenue Stamp shall be ordered using the stamp ordering module of the Internal Revenue Stamp Integrated System (IRSIS) as prescribed under RR No. 18-2021. The internal revenue stamp shall be affixed at the upper portion of the immediate container of the Vapor Product overlapping the intended opening of the immediate container in such a manner as to effectively sealed the container and prevent the removal of Vapor Product without breaking the said stamp, before the immediate container is wrapped in cellophane or transparent wrapper. However, for containers of Vapor Product with pictogram, the internal revenue stamp may be affixed at the side overlapping the intended opening of the immediate container in a manner as to effectively sealed the container and prevent the removal of the Vapor Product prescribed under existing laws, rules and regulations. For transitory transactions and

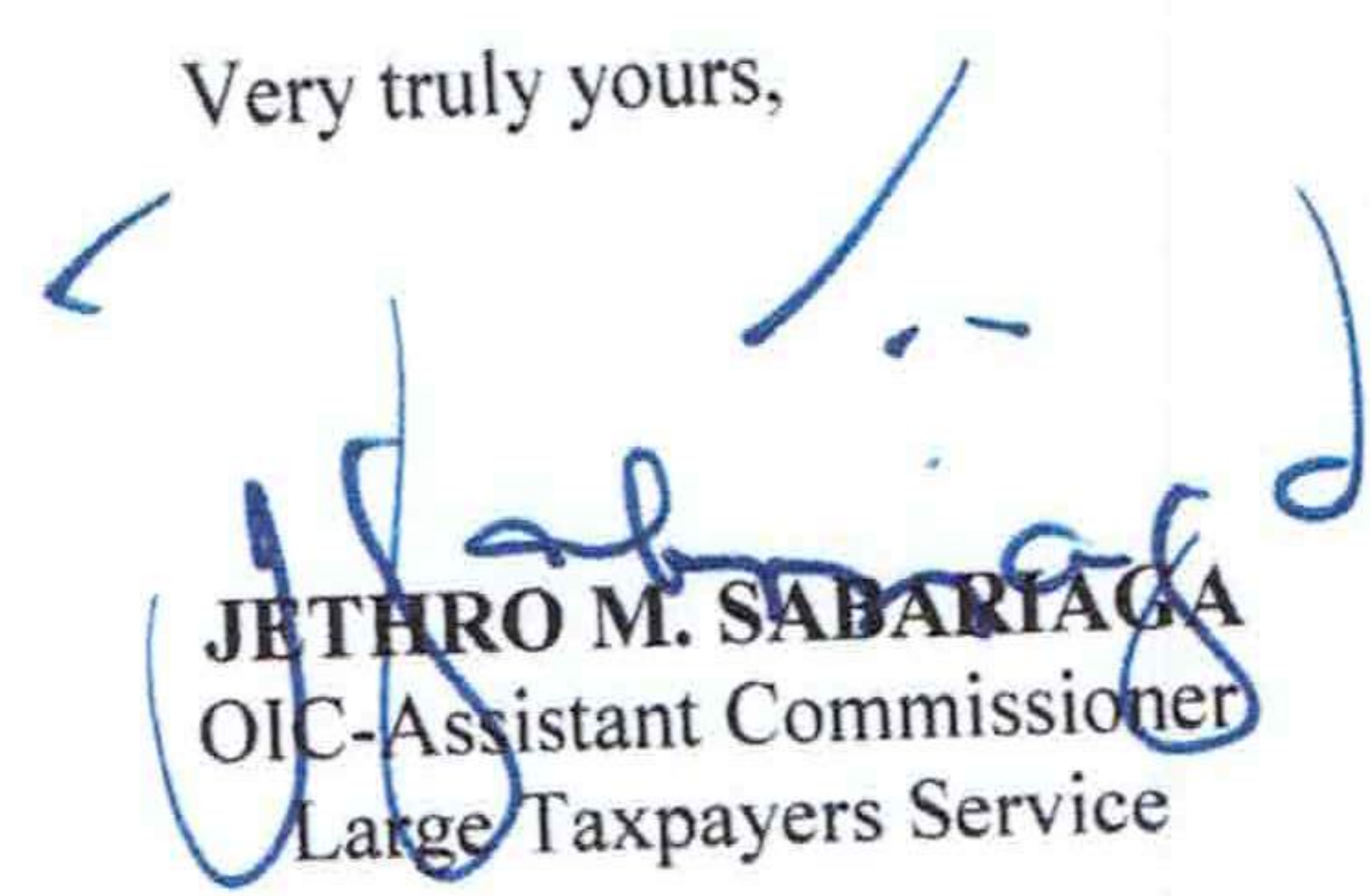
non-availability of stamps in IRSIS, BIR Form No. 0605 shall be used as excise tax payment; and

8. Your business establishment and/or warehouse shall be subject to inspection by any of our Revenue Officers, at any time, to protect the interest of the government.

Non-compliance with or violation of any of the enumerated conditions as well as any of the existing revenue laws, rules and regulations pertinent to your operations shall be a valid ground for the immediate revocation of this permit.

Please be guided accordingly.

Very truly yours,


JETHRO M. SABARIAGA
OIC-Assistant Commissioner
Large Taxpayers Service