



REPUBLIC OF THE PHILIPPINES  
SECURITIES AND EXCHANGE COMMISSION  
Ground Floor, Secretariat Building, PICC  
City Of Pasay, Metro Manila

COMPANY REG. NO. 159950

**CERTIFICATE OF FILING OF AMENDED BY-LAWS**

KNOW ALL PERSONS BY THESE PRESENTS:

THIS IS TO CERTIFY that the Amended By-Laws of

**CROWN ASIA CHEMICALS CORPORATION**  
(Formerly: Crown Asia Compounders Corporation)

copy annexed, adopted on November 29, 2018 by majority vote of the Board of Directors and by the vote of the stockholders owning or representing at least two-thirds of the outstanding capital stock, and certified under oath by the Corporate Secretary and majority of the said Board was approved by the Commission on this date pursuant to the provisions of Section 48 of the Corporation Code of the Philippines Batas Pambansa Blg. 68, approved on May 1, 1980, and copies thereof are filed with the Commission.

IN WITNESS WHEREOF, I have set my hand and caused the seal of this Commission to be affixed to this Certificate at Pasay City, Metro Manila, Philippines, this 29th day of March, Twenty Nineteen.

  
DANIEL P. GABUYO  
Assistant Director  
SO Order 1188 Series of 2018

JV/qba



**OFFICIAL RECEIPT**  
Republic of the Philippines  
DEPARTMENT OF FINANCE  
SECURITIES AND EXCHANGE COMMISSION  
Secretariat Building, PICC Complex  
Roxas Boulevard, Pasay City, 1307



Accountable Form No. 51  
Revised 2006

**ORIGINAL**

**DATE**

March 19, 2019

No. **1767375**

**PAYOR**

CROWN ASIA CHEMICALS CORPORATION  
GUILGUINTO BULACAN

NATURE OF COLLECTION	ACCOUNT CODE	RESPONSIBILITY CENTER	AMOUNT
LRF (A0823)	131	CRMD	10.00
AMENDED BY LAWS		CRMD	1,000.00
<b>TOTAL</b>			<b>PHP 1,010.00</b>

**AMOUNT IN WORDS**

ONE THOUSAND TEN PESOS AND 0/100

Received	<input type="checkbox"/> Cash	Received the Amount Stated Above
	<input type="checkbox"/> Treasury Warrant	
	<input type="checkbox"/> Check	
	<input type="checkbox"/> Money Order	
Treasury Warrant, Check, Money Order Number		 COLLECTING OFFICER
Date of Treasury Warrant, Check, Money Order		
		O.R. No. <b>1767375</b>

**NOTE:** Write the number and date of this receipt on the back of treasury warrant, check or money order received.

Shiena,  
Peace T.O.  
kgf  
2/21

# COVER SHEET

COMPANY REGISTRATION AND MONITORING DEPARTMENT

Nature of Application

Amended By-Laws

SEC Registration Number

1 5 9 9 5 0

Former Company Name

C R O W N   A S I A   C H E M I C A L S  
C O R P O R A T I O N

AMENDED TO:  
New Company Name

Principal Office (No./Street/Barangay/City/Town/Province)

K M .   3 3   M A C   A R T H U R   H I G H W A Y   B O .  
T U K T U K A N ,   G U I G U I N T O ,   B U L A C A N

Company's Email Address

Company's Telephone Number/s

Company's Facsimile Number/s

Name of Contact Person

JASON C. NALUPTA

CONTACT PERSON INFORMATION

Email Address

icn@tvvlaw.com

Facsimile Number/s

632-0905

635-4703

Contact Person's Address

To be Accomplished by CRMD Personnel

Assigned Processor

Document I.D.

Received by Corporate Filing and Records Division (CFRD)

Forwarded to:

Corporate and Partnership Registration Division  
Green Lane Unit  
Financial Analysis and Audit Division  
Licensing Unit  
Compliance Monitoring Division



**MARKETS & SECURITIES REGULATION DEPARTMENT**

18 February 2019

**CROWN ASIA CHEMICALS CORPORATION**  
Km. 33, Mac Arthur Highway  
Bo. Tuktukan, Guiguinto  
Bulacan

ATTENTION: **JASON C. NALUPTA**  
Corporate Secretary

**Subject : REQUEST FOR COMMENT/RECOMMENDATION**

Gentlemen:

This is in connection with your request for comment/or recommendation relative to company's proposed application of **Amendment to its Amended By-laws** embodying:

- Article I, Section 1, Regular Meetings
- Article III, Section 2, Election and Term
- Article III, Section 3, Vacancies
- Article III, Sections 5, Disqualifications
- Article IV-references to different committees, except the Executive
- Article V, Section 2, Chairman of the Board
- Article V, Section 4, President
- Article VIII - The provision is restated in light of the relocation of the ground for disqualification previously part thereof.


We do not interpose any objection provided that once the application has been approved, CROWN ASIA CHEMICALS CORPORATION Inc. shall file a duly accomplished **Current Report (SEC Form 17-C)** disclosing therein the Commission's approval of said amendments with the Commission's Central Receiving and Records Division, within five (5) days from the approval of the Amended Articles of Incorporation and By-Laws.

However, considering that the amendment on the Amended By-Laws relate to matters that are of significance to good corporate governance practice, please refer the same to Corporate Governance and Finance Department for its comments.

Our Department nonetheless defers to the discretion of the Commission's Company Registration and Monitoring Department (CRMD) considering that it has primary jurisdiction over registration of corporations and partnerships in general, as well as amendments to Articles of Incorporation and By-laws. Furthermore, our comments or recommendations are limited merely to this Department's regulatory requirements and does not cover the substance of the application with respect to compliance with the Corporation Code of the Philippines.

This comment is without prejudice to the prerogative of this Department to act later against the subject entity, if warranted, to ensure full compliance with the provisions of the Securities Regulation Code, its implementing rules and regulations, and other pertinent laws, rules and regulations, as may be necessary and applicable under the circumstances.

Very truly yours,

  
**VICENTE GRACIANO P. FELIMONIO, JR.**  
Director



**CORPORATE GOVERNANCE AND FINANCE DEPARTMENT**

27 February 2019

**Mr. Jason C. Nalupta**  
Corporate Secretary  
**Crown Asia Chemicals Corporation**  
Km. 33, Mac Arthur Highway  
Bo. Tuktukan, Guiguinto  
Bulacan

**Re : Request for Comment on Application for Amended By-laws**

**Dear Mr. Nalupta:**

This refers to the company's request for comments on its application for Amended By-laws with the following proposed changes:

1. Article II, Section 1 to:
  - Regular Meetings – changing the date of annual stockholders' meeting from "Third Thursday of May" to "Second Thursday of May"
2. Article III, Sections 2, 3 and 5 to:
  - Section 2 – Election and Term – providing that the nomination of Directors shall be done by the appropriate committee of the Board
  - Section 3 – Vacancies – providing that the nomination of the directors shall be done by the appropriate committee of the Board
  - Section 5 – Disqualifications – inclusion of having interest in any business similar to or in competition with the business of the corporation as an additional ground for disqualification
3. Article IV to:
  - References to different committees, except the Executive Committee, have been deleted and are now referred to under the section on "Other Committees"
4. Article V, Sections 2 and 4 to:
  - Section 2 – Chairman of the Board – addition of: (i) liason between the Board and Management, and (ii) adviser to senior management, as part of the responsibilities of the Chairman. The Chairman may also assume executive positions in the Corporation
  - Section 4 – President – The phrase "shall be Chief Executive Officer" has been removed
5. Article VIII to:
  - The provision is restated in light of the relocation of the ground for disqualification previously part thereof

The Department interposes no objection to the same.

✉ G/F North Wing Hall, Secretariat Building, PICC Complex, Vicente Sotto Street, 1307 Pasay City  
(+632) 584-0923/(+632) 584-5554

However, please note that SEC Memorandum Circular No. 8 Series of 2018 requires all publicly-listed companies to have an Audit Committee composed only of board members. The dissolution thereof as provided for in Article IV (B) is contrary to the aforementioned rule, to wit:

**"B. Other Committees**

The Board of Directors may, by resolution, create other committees that the Board may deem necessary in the management of the Corporation's affairs, or as may be required by law or by rules and regulations issued by the Securities and Exchange Commission, including, but not limited to the following:


- a) Audit Committee
- b) Corporate Governance Committee
- c) Board Risk Oversight Committee
- d) Related Party Transactions Committee

The Committees of the Board of Directors shall have such powers and functions, and shall be composed of members, as shall be provided in the Corporation's Manual on Corporate Governance. The Committees may likewise perform such other powers and functions as may be delegated to them by the Board. All such committees shall keep a record of their proceedings and report the same to the Board, whenever required. **The Board shall have the power to appoint and remove the members of such committees and may at any time, with or without cause, dissolve any of such committees."**

Further, with regards to the proposed change in Article V, Section 2, please be advised that good corporate governance practice recommends that the Chairperson of the Board be independent, meaning that it is recommended that he/she does not hold any executive position in the corporation.

This is without prejudice to any comments and/or findings of other relevant Departments of the Commission and to any future action of the Department against the corporation, if warranted, to ensure compliance with the provisions of the Corporation Code, Securities and Regulations Code, their implementing rules and regulations and other pertinent laws, rules and regulations, as may be necessary and applicable under the circumstances.

Very truly yours,

  
RACHEL ESTHER J. GUMTANG-REMALANTE  
Officer-in-Charge

SECURITIES AND EXCHANGE COMMISSION  
COMD  
MAR 19 2019  
RECEIVED

## DIRECTORS' CERTIFICATE

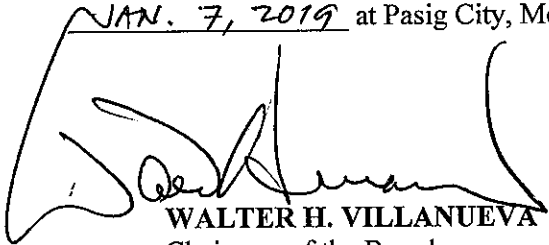
KNOW ALL MEN BY THESE PRESENTS:

The undersigned, being the majority of the members of the Board of Directors and the Corporate Secretary of **CROWN ASIA CHEMICALS CORPORATION (Formerly: Crown Asia Compounders Corporation)** (the "Corporation"), a corporation duly organized and existing under the laws of the Philippines, with principal office address at Km. 33 MacArthur Highway, Bo. Tuktukan, Guiguinto, Bulacan, under oath, do hereby certify that the attached instrument is a true and correct copy of the Amended By-Laws of the Corporation reflecting the following amendments:

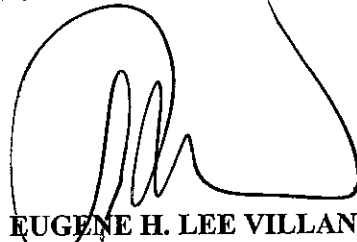
- a) Change in corporate name from "Crown Asia Compounders Corporation" to "Crown Asia Chemicals Corporation" to reflect the change of corporate name which was approved by the Securities and Exchange Commission on 29 September 2014;
- b) Article II, Section 1, Regular Meetings – changing the date of annual stockholders' meeting from "THIRD Thursday of May" to "SECOND Thursday of May";
- c) Article III, Section 2, Election and Term – providing that the nomination of Directors shall be done by the APPROPRIATE COMMITTEE of the Board;
- d) Article III, Section 3, Vacancies – providing that the nomination of Directors shall be done by the APPROPRIATE COMMITTEE of the Board;
- e) Article III, Section 5, Disqualifications – inclusion of "having interest in any business similar to or in competition xxx with the business of the Corporation" as an additional ground for disqualification;
- f) Article IV – references to the different committees, except the Executive Committee, have been deleted and are now referred to under the section on "Other Committees";
- g) Article V, Section 2, Chairman of the Board – addition of: (i) liaison between the Board and Management, and (ii) adviser to senior management, as part of the responsibilities of the Chairman. The Chairman may also assume executive positions in the Corporation;
- h) Article V, Section 4, President – The phrase "shall be the Chief Executive Officer" has been removed;
- i) Article VIII – The provision is restated in light of the relocation of the ground for disqualification previously part thereof.

The foregoing amendments to the By-Laws were approved and adopted by at least a majority of the members of the Board of Directors in a meeting held on 29 November 2018 at Rm. 1810 President Tower Condominium, 81 Timog Avenue, Quezon City, pursuant to the delegation by the stockholders of the power to amend the By-Laws made on October 17, 2012.

IN ATTESTATION OF THE ABOVE, this Certificate has been signed this  
JAN. 7, 2019 at Pasig City, Metro Manila.



**WALTER H. VILLANUEVA**  
Chairman of the Board  
TIN: 103-075-172



**EUGENE H. LEE VILLANUEVA**  
Director / President  
TIN: 103-074-400



**TITA P. VILLANUEVA**  
Director / EVP-CFO  
TIN: 103-075-164



**NICASIO T. PEREZ**  
Director / Treasurer  
TIN: 103-075-123



**DERRICK P. VILLANUEVA**  
Director  
TIN: 237-620-113

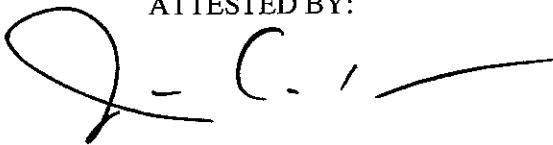


**MARIE THERESE G. SANTOS**  
Director  
TIN: 123-299-982



**BEDE LOVELL S. GOMEZ**  
Director  
TIN: 165-940-061

ATTESTED BY:



**JASON C. NALUPTA**  
Corporate Secretary  
TIN: 908-541-534



SUBSCRIBED AND SWORN to before me this JAN 07 2019 at Pasig City, Metro Manila, affiants exhibiting to me their Community Tax Certificates (CTC) and Competent Evidence of Identity (CEI), to wit:

Name	CTC No. / Date / Place of Issue	CEI/TIN
Walter H. Villanueva		103-075-172
Eugene H. Lee Villanueva		103-074-400
Tita P. Villanueva		103-075-164
Nicasio T. Perez		103-075-123
Derrick P. Villanueva		103-074-852
Marie Therese G. Santos		123-299-982
Bede Lovell A. Gomez		165-940-061
Jason C. Nalupta	09951395 / 01.05.2018 / Manila	SSS No. 33-5258550-0

Doc. No. 60;  
Page No. 13;  
Book No. 11;  
Series of 2019.

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**PATRICIA ANN M. CRUZ**  
Notary Public for Cities of Pasig and San Juan  
and in the Municipality of Pateros  
Appointment No. 182 (2018-2019)  
Commission Expires on December 31, 2019  
2704 East Tower, PSE Centre, Exchange Road  
Ortigas Center, 1605 Pasig City  
PTR No 2705652 / 01.09.2018 / Mandaluyong  
IBP LRN No 016261 / 06 17 19 Manila II  
Roll of Attorneys No 68370  
MCLEC No. VI-0009727 / 07.03.18

REPUBLIC OF THE PHILIPPINES     )  
PASIG CITY                                     ) S.S.

## SECRETARY'S CERTIFICATE

**JASON C. NALUPTA**, of legal age, Filipino, with office address at 2704 East Tower, Philippine Stock Exchange Centre, Exchange Road, Ortigas Center, Pasig City, Metro Manila, under oath, does hereby certify that:

1. I am the duly elected and qualified Corporate Secretary of **CROWN ASIA CHEMICALS CORPORATION (Formerly: Crown Asia Compounders Corporation)** (the "Corporation"), a corporation organized and existing under the laws of the Philippines, with principal office address at Km. 33 MacArthur Highway, Bo. Tuktukan, Guiguinto, Bulacan;

2. During the joint special meeting of the stockholders and Board of Directors of the Corporation held on 17 October 2012, at least a majority of the members of the Board of Directors, and the stockholders owning more than 2/3 of the issued and outstanding capital stock of the Corporation who were present and/or represented by proxy, approved the following resolution:

"RESOLVED, that the Stockholders of **CROWN ASIA COMPOUNDERS CORPORATION** (the 'Corporation') delegate, as they hereby delegate, to the Board of Directors the power to amend or repeal the Corporation's By-Laws, or adopt a new one, subject to, and in accordance with, Article 48 of the Corporation Code."

3. Pursuant to the foregoing delegation by the stockholders of the power to amend the By-Laws, during the meeting of the Board of Directors of the Corporation held on 29 November 2018, at which meeting a quorum was present and acted throughout, the following resolutions were unanimously approved:

"RESOLVED, that the Board of Directors of **CROWN ASIA CHEMICALS CORPORATION (Formerly: Crown Asia Compounders Corporation)** (the 'Corporation') approves the amendment of the Corporation's By-Laws as follows:

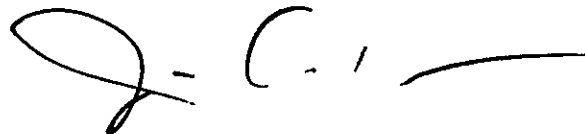
- a) Change of corporate name from "Crown Asia Compounders Corporation" to "Crown Asia Chemicals Corporation" to reflect the change of corporate name which was approved by the Securities and Exchange Commission on 29 September 2014;
- b) Article II, Section 1, Regular Meetings – changing the date of annual stockholders' meeting from 'THIRD Thursday of May' to 'SECOND Thursday of May';
- c) Article III, Section 2, Election and Term – providing that the nomination of Directors shall be done by the APPROPRIATE COMMITTEE of the Board;

REPUBLIC OF THE PHILIPPINES )  
PASIG CITY ) S.S.

### SECRETARY'S CERTIFICATE

**JASON C. NALUPTA**, of legal age, with office address at 2704 East Tower, Philippine Stock Exchange Centre, Exchange Road, Ortigas Center, Pasig City, being the Corporate Secretary of **CROWN ASIA CHEMICALS CORPORATION (Formerly: Crown Asia Compounders Corporation)** (the 'Corporation'), a corporation duly organized and existing under the laws of the Philippines, under oath, does hereby certify that no action or proceeding has been filed or is pending before any court involving an intra-corporate dispute and/or claim by any person or group against the Board of Directors of the Corporation, individual directors and/or major corporate officers of the Corporation in their capacity as duly elected directors or officers of the Corporation.

IN ATTESTATION OF THE ABOVE, this Certificate has been signed Jan 19 2019  
of January 2019 in Pasig City, Metro Manila.




**JASON C. NALUPTA**  
Corporate Secretary

SUBSCRIBED AND SWORN to before me this JAN 19 2019 day of January 2019 at Pasig City, Metro Manila, affiant exhibiting to me his Community Tax Certificate No. 15405569 issued on 16 January 2018 at Manila, as well as his SSS ID No. 33-5258550-0 as his other competent evidence of identity.

Doc. No. 389 ;  
Page No. 79 ;  
Book No. 11 ;  
Series of 2019.

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**ANN MARGARET K. LORENZO**  
Notary Public for Cities of Pasig and San Juan  
and in the Municipality of Pateros  
Appointment No. 157 (2018-2019)  
Commission Expires on December 31 2019  
2704 East Tower, PSE Centre, Exchange Road  
Ortigas Center, 1605 Pasig City  
PTR No. 2705647 / 01.09.2018 / Mandaluyong  
IBP No. 020584 / 01.03.2018 / RSM  
Roll of Attorneys No. 64875  
MCLE No. VI-0005951 / 01.25.2018

- d) Article III, Section 5, Disqualifications – inclusion of ‘having interest in any business similar to or in competition xxx with the business of the Corporation’ as an additional ground for disqualification;
- e) Article IV – references to the different committees, except the Executive Committee, have been deleted and are now referred to under the section on ‘Other Committees’;
- f) Article V, Section 2, Chairman of the Board – addition of: (i) liaison between the Board and Management, and (ii) adviser to senior management, as part of the responsibilities of the Chairman. The Chairman may also assume executive positions in the Corporation;
- g) Article V, Section 4, President – The phrase ‘shall be the Chief Executive Officer’ has been removed;
- h) Article VIII – The provision is restated in light of the relocation of the ground for disqualification previously part thereof.

“**RESOLVED, FURTHER**, that the President and/or the Corporate Secretary of the Corporation are hereby authorized, for and on behalf of the Corporation, to execute any and all documents and undertake any and all acts necessary to effect the foregoing amendments to the Corporation’s By-Laws.”

JAN 19 2019

IN ATTESTATION OF THE ABOVE, this Certificate was signed this \_\_\_\_ day of January 2019 at Pasig City.



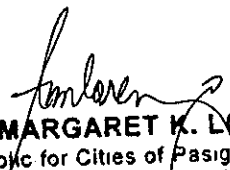
**JASON C. NALUPTA**  
Corporate Secretary

JAN 19 2019

**SUBSCRIBED AND SWORN** to before me this \_\_\_\_ day of January 2019 at Pasig City, Manila, affiant exhibiting to me his Community Tax Certificate No. 15405569 issued on 16 January 2018 at Manila, as well as his SSS ID No. 33-5258550-0 as his competent evidence of identity.

Doc. No. 390;  
Page No. 79;  
Book No. m;  
Series of 2019.

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ABKT/JCN/cely/ 1338-2-00

  
**ANN MARGARET K. LORENZO**  
Notary Public for Cities of Pasig and San Juan  
and in the Municipality of Pateros  
Appointment No. 157 (2018-2019)  
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IBP No. 020584 / 01.03.2018 / RSM  
Roll of Attorneys No. 64875  
MCLE No. VI-0005951 / 01.25.2018

**AMENDED\***  
**BY-LAWS**  
**OF**

**CROWN ASIA CHEMICALS CORPORATION<sup>1</sup>**  
**(Formerly: Crown Asia Compounders Corporation)**

**ARTICLE I**  
**SUBSCRIPTION, ISSUANCE AND TRANSFER OF SHARES**

*Section 1. Subscriptions* - Subscribers to the capital stock of the Corporation shall pay to the Corporation the subscription value or price of the stock in accordance with the terms and conditions prescribed by the Board of Directors. Unpaid subscriptions shall not earn interest unless determined by the Board of Directors.

*Section 2. Certificates<sup>2</sup>* - Each stockholder shall be entitled to one or more certificates for such fully-paid stock subscription in his name in the books of the Corporation. The certificates shall contain the matters required by law and the Articles of Incorporation. They shall be in such form and design as may be determined by the Board of Directors and numbered consecutively. The certificates, which must be issued in consecutive order, shall bear the signature of the President, counter-signed by the Secretary or Assistant Secretary, and sealed with the corporate seal.

The signature by the President and the countersignature by the Secretary or Assistant Secretary may be by an individual signing by such officers or by a facsimile of either or both of their signatures. However, no certificate may be signed by facsimile by the duly authorized signing officers of the Transfer Agent of the Corporation, but the same must be manually signed by the authorized signing officers of the Transfer Agent.

*Section 3. Transfer of Shares* - Subject to the restrictions, terms and conditions in the Articles of Incorporation, shares may be transferred, sold, ceded, assigned or pledged by delivery of the certificates duly endorsed by the stockholders, his attorney-in-fact, or other legally authorized person. The transfer shall be valid and binding on the Corporation only upon recording thereof in the books of the Corporation, cancellation of the certificate surrendered to the Secretary, and issuance of a new certificate to the transferee.

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\* As last amended by at least a majority of the Board of Directors during its meeting on 29 November 2018, pursuant to the authority delegated by the Shareholders on 17 October 2012 empowering the Board of Directors to approve amendments to the Corporation's By-Laws.

<sup>1</sup> Change in corporate name from "Crown Asia Compounders Corporation" to "Crown Asia Chemicals Corporation" was approved by the SEC on 29 September 2014.

<sup>2</sup> Approved by the SEC on 25 January 2013.

No shares of stock against which the Corporation holds unpaid claim shall be transferable in the books of the Corporation.

All certificates surrendered for transfer shall be stamped "Cancelled" on the face thereof, together with the date of cancellation, and attached to the corresponding stub with the certificate book.

*Section 4. Lost Certificates* - In case any certificate for the capital stock of the Corporation is lost, stolen, or destroyed, a new certificate may be issued in lieu thereof in accordance with the procedure prescribed under Section 73 of the Corporation Code.

*Section 5. Fractional shares* - No certificate shall be issued evidencing ownership of a fractional part of a share.

## ARTICLE II MEETINGS OF STOCKHOLDERS

*Section 1. Regular Meetings*<sup>3</sup> - The regular meetings of stockholders, for the purpose of electing directors and for the transaction of such business as may properly come before the meeting, shall be held at the principal office on the second Thursday of May of each year, if a legal holiday, then on the day following.

*Section 2. Special Meeting* - The special meetings of stockholders, for any purpose or purposes, may at any time be called by any of the following: (a) Board of Directors, at its own instance, or at the written request of stockholders representing a majority of the subscribed capital stock entitled to vote; (b) Chairman, or in his absence, the Vice-chairman of the Board of Directors; or (c) President.

*Section 3. Place of Meeting* - Stockholders' meetings, whether regular or special, shall be held in the principal office of the Corporation or at any place designated by the Board of Directors in the city or municipality where the principal office of the Corporation is located.

*Section 4. Notice of Meeting*<sup>4</sup> - Notices for regular or special meetings of stockholders may be sent by the Secretary by personal delivery or by electronic mail, postage, telephone or by written message at least fifteen (15) days prior to the date of the meeting to each stockholder of record at his last known post office address or by publishing the notice in a newspaper of general circulation. The notice shall state the place, date and hour of the meeting,

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<sup>3</sup> As last amended by at least a majority of the Board of Directors during its meeting on 29 November 2018 pursuant to the authority delegated by the Shareholders on 17 October 2012 empowering the Board of Directors to approve the amendment of the Corporation's By-Laws.

<sup>4</sup> Approved by the SEC on 25 January 2013.

and the purpose or purposes for which the meeting is called. In case of special meetings, only matters stated in the notice can be the subject of motions or deliberations at such meeting may be waived, expressly or impliedly by any stockholder, in person, or by proxy, before or after the meeting.

When the meeting of stockholders is adjourned to another time or place, it shall not be necessary to give any notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken. At the reconvened meeting, any business may be transacted that might have been transacted on the original date of the meeting.

*Section 5. Quorum* - Unless otherwise provided by law, in all regular or special meeting of stockholders, a majority of the outstanding capital stock must be present or represented in order to constitute a quorum. If no quorum is constituted, the meeting shall be adjourned until the requisite amount of stock shall be present.

*Section 6. Conduct of Meeting* - Meetings of the stockholders shall be presided over by the Chairman of the Board, or in his absence, the Vice-Chairman of the Board, or in his absence, the President, or if none of the foregoing is in office and present and acting, by a chairman to be chosen by the stockholders. The Secretary, or in his absence, the Assistant Secretary, shall act as Secretary of every meeting, but if neither the Secretary, nor the Assistant Secretary is present, the chairman of the meeting shall appoint a secretary of the meeting. The chairman of the meeting may adjourn the meeting from time to time, without notice other than announced at the meeting.

*Section 7. Manner of Voting* - At all meetings of stockholders, a stockholder may vote in person or by proxy executed in writing by the stockholder or his duly authorized attorney-in-fact. Unless otherwise provided in the proxy, it shall be valid only for the meeting at which it has been presented to the secretary.

All proxies must be in the hands of the Secretary not later than ten (10) days before the time set for the meeting. Such proxies filed with the Secretary may be revoked by the stockholders either in an instrument in writing duly presented and recorded with the Secretary at least three (3) days prior to a scheduled meeting or by their personal presence at the meeting. The decision of the Secretary on the validity of proxies shall be final and binding until set aside by a court of competent jurisdiction.

*Section 8. Closing of Transfer Books and Fixing of Record Date* - For the purpose of determining the stockholders entitled to notice of, or to vote at, any meeting of stockholders or any adjournment thereof, or to receive payment of any dividend, or of making a determination of stockholders or any other proper purpose, the Board of Directors may provide that the stock and transfer books be closed for a stated period, but not to exceed, in any case, twenty (20) days. If the stock and transfer books be closed for the purpose of determining stockholders entitled to notice of, or to vote at, a meeting of stockholders, such books shall be closed for at least, ten (10) working days immediately preceding such meeting. In lieu of closing the stock and transfer books, the Board of

Directors may fix in advance a date as the record date for any such determination of stockholders. Such date shall in no case be more than twenty (20) days prior to the date on which the particular action requiring such determination of stockholders is to be taken, except in instance where applicable rules and regulations provide otherwise.

### ARTICLE III BOARD OF DIRECTORS

*Section 1. Powers of the Board* - Unless otherwise provided by law, the corporate powers of the Corporation shall be exercised, all business conducted and all property of the Corporation controlled and held by the Board of Directors to be elected by and from among the stockholders. Without prejudice to such general powers and such other powers as may be granted by law, the Board of Directors shall have the following express powers:

- a) From time to time, to make and change rules and regulations not inconsistent with these By-Laws for the management of the Corporation's business and affairs;
- b) To purchase, receive, take or otherwise acquire in any lawful manner, for and in the name of the Corporation, any and all properties, rights, interest or privileges, including securities and bonds of other corporations, as the transaction of the business of the Corporation may reasonably or necessarily require, for such consideration and upon such terms and conditions as the Board may deem proper or convenient.
- c) To invest the funds of the corporation in another corporation or business of for any other purposes other than those for which the Corporation was organized, whenever in the judgment of the Board of Directors the interests of the Corporation would thereby be promoted, subject to such stockholders' approval as may be required by law;
- d) To incur such indebtedness as the Board may deem necessary and, for such purpose, to make and issue evidence of such indebtedness including, without limitation, notes, deeds of trust, instruments, bonds, debentures, or securities, subject to such stockholder approval as may be required by law and the corporate policy of the Corporation; and/or pledge, mortgage, or otherwise encumber all or part of the properties and rights of the Corporation<sup>5</sup>;

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<sup>5</sup> Approved by the SEC on 25 January 2013.



- e) To guarantee, for and in behalf of the Corporation, obligations of other corporations or entities in which it has lawful interest;
- f) To make provisions of the discharge of the obligations of the Corporation as they mature, including payment for any property, or in stocks, bonds, debentures, or other securities of the Corporation lawfully issued for the purpose;
- g) To impose conditions as the Board may deem convenient, subject to the limitations prescribed by law, regarding the transfer of shares issued in total or partial payment of debts contracted on properties acquired by, or services rendered to the Corporation;
- h) To sell, lease, exchange, assign, transfer or otherwise dispose of any property, real or personal, belonging to the Corporation whenever in the Board's judgment, the Corporation's interest would thereby be promoted;
- i) To establish pension, retirement bonus, profit-sharing, or other types of incentives or compensation plans for the employees, including officers and directors of the Corporation and to determine the persons to participate in any such plans and the amount of their respective participation;
- j) To prosecute, maintain, defend, compromise or abandon any lawsuit in which the Corporation or its officers are either plaintiffs or defendants in connection with the business of the Corporation, and likewise, to grant installments for the payments or settlement of whatsoever debts are due for payment to the Corporation;
- k) To delegate, from time to time, any of the powers of the Board which may lawfully be delegated in the course of the current business or businesses of the Corporation to any standing or special committee, or to any officer or agent, and to appoint any persons to be agents of the Corporation with such powers (including the power to sub-delegate), and upon such terms, as may be deemed fit;
- l) To implement these By-Laws and to act on any matter not covered by these By-Laws provided such matter does not require the approval or consent of the stockholders under any existing law, rules or regulation.

*Section 2. Election and Term*<sup>6</sup> - The Board of Directors, consisting of such number of members as provided for in the Articles of Incorporation, shall be nominated by the appropriate Committee of the Board of Directors, and elected at the annual meeting of the stockholders, to serve for a term of ONE (1) YEAR or until their successors shall have been duly elected and qualified; provided, however, that at least two (2) members of the Board of Directors, or at least twenty percent (20%) of the total number of members thereof, whichever is the lesser, but in no case less than two, shall be independent as hereinafter defined. It shall be the responsibility of the Chairman of the Stockholder's Meeting to inform all stockholders in attendance of the mandatory requirement of electing independent directors.

*Section 3. Vacancies*<sup>7</sup> - Any vacancy occurring in the Board of Directors other than by removal by the stockholders or by expiration of term, may be filled by the vote of at least a majority of the remaining directors, if still constituting a quorum, upon the nomination of the appropriate Committee of the Board of Directors; otherwise, the vacancy must be filled by the stockholders at a regular or at any special meeting of stockholders called for the purpose, provided that specific slots for independent directors shall not be filled by unqualified nominees. A director so elected to fill a vacancy shall be elected only for the unexpired term of his predecessor in office.

Any directorship to be filled by reason of an increase in the number of directors shall be filled only by an election at a regular or at a special meeting of stockholders duly called for the purpose, or in the same meeting authorizing the increase of directors if so stated in the notice of the meeting.

The vacancy resulting from the removal of a director by the stockholders in the manner provided by law may be filled by election at the same meeting of stockholders without further notice, or at any regular or at any special meeting of stockholders called for the purpose, after giving notice as prescribed in this By-Laws.

*Section 4. Qualifications*<sup>8</sup> - Each director shall possess all of the following qualifications:

- (a) a holder of at least one (1) share of stock of the Corporation;
- (b) at least a holder of a Bachelor's Degree or a substitute for such formal education, with adequate competence and understanding

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<sup>6</sup> As last amended by at least a majority of the Board of Directors during its meeting on 29 November 2018 pursuant to the authority delegated by the Shareholders on 17 October 2012 empowering the Board of Directors to approve the amendment of the Corporation's By-Laws.

<sup>7</sup> As last amended by at least a majority of the Board of Directors during its meeting on 29 November 2018 pursuant to the authority delegated by the Shareholders on 17 October 2012 empowering the Board of Directors to approve the amendment of the Corporation's By-Laws.

<sup>8</sup> Approved by the SEC on 25 January 2013.

of business;

- (c) of legal age; and,
- (d) proven to possess integrity and probity.

*Section 5. Disqualifications*<sup>9</sup>. – The following persons shall be disqualified from being elected as members of the Board of Directors:

- (a) Any person finally convicted judicially of an offense involving corruption, fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false oath, perjury, or other fraudulent acts;
- (b) Any person finally found by the Securities and Exchange Commission (SEC) or a court or other administrative body to have willfully violated, or willfully aided, abetted, counseled, induced, or procured the violation of, any provision of the Securities Regulation Code, the Corporation Code, or any other law administered by the SEC or the Bangko Sentral ng Pilipinas (BSP);
- (c) Any person judicially declared to be insolvent;
- (d) Any person found guilty by final judgment by a foreign court or equivalent financial regulatory authority of acts, violations, or misconduct similar to any of the acts, violations, or misconduct listed in the foregoing paragraphs;
- (e) Any person convicted by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Corporation Code committed within five (5) years prior to the date of his election or appointment; and,
- (f) Any person, or any of said person's relatives within the fourth (4<sup>th</sup>) civil degree of consanguinity, who has such interest in any capacity in any business similar to or in competition, whether direct or indirect, with the business of the Corporation, its clients, and/or suppliers.

<sup>9</sup> As last amended by at least a majority of the Board of Directors during its meeting on 29 November 2018 pursuant to the authority delegated by the Shareholders on 17 October 2012 empowering the Board of Directors to approve the amendment of the Corporation's By-Laws.

*Section 6. Additional Requirements for Independent Directors*<sup>10</sup> – In addition to the forgoing qualifications and disqualifications, a director nominated and elected as independent director shall likewise meet the following requirements:

- (a) Is not a director/officer of the Corporation or of its related companies or any of its substantial shareholders, except when said director is an independent director of any of the foregoing;
- (b) Does not own more than two percent (2%) of the shares of the Corporation and/or of its related companies or any of its substantial shareholders;
- (c) Is not related to any director, officer, or substantial shareholder of the Corporation, or any of its related companies or of its substantial shareholders. For this purpose, the term 'relatives' shall include the spouse, parent, child, brother, sister, and the spouse of such child, brother, or sister;
- (d) Is not acting as a nominee or representative of any director or substantial shareholder of the Corporation, and/or any of its related companies and/or any of its substantial shareholders, pursuant to a Deed of Trust or under any contract or arrangement;
- (e) Has not been employed in any executive capacity by the Corporation, any of its related companies and/or by any of its substantial shareholder within the last five (5) years;
- (f) Is not retained as professional adviser by the Corporation, and/or any of its related companies and/or any of its substantial shareholders within the last five (5) years;
- (g) Is not retained as professional adviser, either personally or through his firm or any similar entity, by the Corporation, any of its related companies and/or any of its substantial shareholders; or
- (h) Has not engaged and does not engage in any transaction with the Corporation and/or with any of its related companies and/or through a firm of which he is a partner and/or a company of which he is a director or substantial shareholder, other than transactions which are conducted at arms'-length and are not material.

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<sup>10</sup> Approved by the SEC on 25 January 2013.

For purposes of the foregoing, a "related company" of the Corporation shall be any of the following: (i) its parent company, (ii) its subsidiaries, or (iii) subsidiaries of its parent company. Also, a "substantial shareholder" shall mean any person who, directly or indirectly, beneficially owns more than ten percent (10%) of any class of security issued by the Corporation.

*Section 7. Organizational Meeting; Notice<sup>11</sup>.* – The Board of Directors shall meet for the purpose of organization, the election of officers, and the transaction of other business, as soon as practicable after each annual election of directors and on the same day and at the same place at which regular meetings of the Board of Directors are held. Notice of such meeting need not be given. Such meeting may be held at any other time or place, which shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors or in a consent and waiver of notice thereof signed by all the directors.

*Section 8. Regular Meetings<sup>12</sup>.* – Regular meetings of the Board of Directors shall be held once every quarter of the year on such dates and at such times and places as the Chairman of the Board, or in his absence, the President, or upon the request of a majority of the directors and shall be held at such places as may be designated in the notice.

*Section 9. Special Meetings<sup>13</sup>.* – Special meetings of the Board of Directors shall be held when called by the Chairman of the Board, or the President, or by the Secretary at the request of any two (2) of the directors.

*Section 10. Notice<sup>14</sup>.* – Notice of the regular or special meeting of the Board, specifying the date, time and place of the meeting, shall be communicated by the Secretary to each director personally, or by telephone, electronic mail or by written message at least five (5) days in the case of a regular meeting and two (2) days in the case of a special meeting prior to the date of the meeting. A director may waive this requirement, either expressly or impliedly.

*Section 11. Quorum* – A majority of the number of directors as fixed in the Articles of Incorporation shall constitute a quorum for the transaction of corporate business and every decision of at least a majority of the directors present at a meeting at which there is a quorum shall be valid as a corporate act, except for the election of officers which shall require the vote of a majority of all the members of the Board.

*Section 12. Conduct of the Meetings* – Meetings of the Board of Directors shall be presided over by the Chairman of the Board, or in his absence, the Vice-Chairman of the Board, or in his absence, the President, or if none of the foregoing is in office and present and acting, by any other director chosen by the Board. The Secretary, or in his absence, the Assistant Secretary, shall act as secretary of every meeting; but if neither the Secretary nor

<sup>11</sup> Approved by the SEC on 25 January 2013.

<sup>12</sup> *Ibid.*

<sup>13</sup> *Ibid.*

<sup>14</sup> *Ibid.*

an Assistant Secretary is present, the Chairman of the meeting, shall appoint a secretary of the meeting.

*Section 13. Videoconference and Teleconference<sup>15</sup>* - Meetings of the Board of Directors may be conducted *via* videoconference or teleconference.

*Section 14. Compensation* - By resolution of the Board, each director, shall receive a reasonable per diem allowance for his attendance at each meeting of the Board. As compensation, the Board shall receive and allocate an amount of not more than ten percent (10%) of the net income before income tax of the corporation during the preceding year. Such compensation shall be determined and apportioned among the directors in such manner as the Board may deem proper, subject to the approval of stockholders representing at least a majority of the outstanding capital stock at a regular or special meeting of the stockholders.

## ARTICLE IV COMMITTEES

### *A. Executive Committee*

The Board of Directors may, by resolution or resolutions passed by a majority of all its members, create an Executive Committee whose members shall be appointed by the Board. At least three (3) members of the Executive Committee shall be members of the Board. Except as provided in Section 35 of the Corporation Code and the qualifications and limitations the Board may impose, the Executive Committee shall have and exercise all such powers as may be delegated to it by the Board, including powers of management and other prerogatives.

The Executive Committee shall keep regular minutes of its proceedings and report the same to the Board whenever required. The Board shall have the power to change the members of the Executive Committee at any time, to fill vacancies therein and to discharge or dissolve such committee either with or without cause.

### *B. Other Committees<sup>16</sup>*

The Board of Directors may, by resolution, create other committees that the Board may deem necessary in the management of the Corporation's affairs, or as may be required by law or by rules and regulations issued by the Securities and Exchange Commission, including, but not limited to the following:

<sup>15</sup> Approved by the SEC on 25 January 2013.

<sup>16</sup> As last amended by at least a majority of the Board of Directors during its meeting on 29 November 2018 pursuant to the authority delegated by the Shareholders on 17 October 2012 empowering the Board of Directors to approve the amendment of the Corporation's By-Laws.

- a. Audit Committee
- b. Corporate Governance Committee
- c. Board Risk Oversight Committee
- d. Related Party Transactions Committee

The committees of the Board of Directors shall have such powers and functions, and shall be composed of members, as shall be provided in the Corporation's Manual on Corporate Governance. The committees may likewise perform such other powers and functions as may be delegated to them by the Board. All such committees shall keep a record of their proceedings and report the same to the Board, whenever required. The Board shall have the power to appoint and remove the members of such committees and may at any time, with or without cause, dissolve any of such committees.

## ARTICLE V OFFICERS

*Section 1. Election/Appointment* - Immediately after their election, the Board of Directors shall formally organize by electing the Chairman, the President, the Treasurer, and the Secretary, at said meeting. The Board may also appoint a Vice-Chairman, an Executive Vice-President, one or more Vice-Presidents, Assistant Vice-President(s), Assistant Treasurer and Assistant Secretaries, all of whom need not be directors of the corporation, and who shall be referred to as by-laws officers.

The Board may, from time to time, appoint such other officers as it may determine to be necessary or proper.

Any two (2) or more positions may be held concurrently by the same person, except that no one shall act as President and Treasurer or Secretary at the same time.

*Section 2<sup>17</sup>. Chairman of the Board* - The Chairman of the Board of Directors (i) shall preside at the meetings of the Board of Directors and the stockholders, (ii) act as liaison between the Corporation's senior management and the Board of Directors and its committees, and (iii) advise the Corporation's senior management on matters relating to the Corporation's operations. He may be an executive of the Corporation and shall exercise such powers and perform such duties as the Board of Directors may assign to him.

*Section 3. Vice-Chairman* - If a Vice-Chairman of the Board is appointed, he shall preside at the meetings of the directors and of the stockholders, in the absence of the Chairman. He shall exercise such powers and perform such duties and functions as the Board of Directors may, from time to time, assign to him.

<sup>17</sup> As last amended by at least a majority of the Board of Directors during its meeting on 29 November 2018 pursuant to the authority delegated by the Shareholders on 17 October 2012 empowering the Board of Directors to approve the amendment of the Corporation's By-Laws..

*Section 4<sup>18</sup>. President* - The President, who shall be a director, shall have administration and direction of the day-to-day business affairs of the Corporation. He shall exercise the following functions:

- a) To preside at the meetings of the Board of Directors and of the stockholders in the absence of the Chairman or Vice-Chairman of the Board of Directors;
- b) To initiate and develop corporate objectives and policies and formulate long range projects, plans and programs for the approval of the Board of Directors, including those for executive training, development and compensation;
- c) To have general supervision and management of the business affairs and property of the Corporation;
- d) To ensure that the administrative and operational policies of the Corporation are carried out under his supervision and control;
- e) Subject to guidelines prescribed by law, to appoint, remove, suspend or discipline employees of the Corporation, prescribe their duties, and determine their salaries;
- a) To oversee the preparation of the budgets and the statements of accounts of the Corporation;
- b) To prepare such statements and reports of the Corporation as may be required of him by law;
- h) To represent the Corporation at all functions and proceedings;
- i) Except as otherwise directed by the Board of Directors, to execute on behalf of the Corporation all contracts, agreements, and other instruments affecting the interest of the corporation which require the approval of the Board of Directors, except as otherwise directed by the Board of Directors;
- j) To make reports to the Board of Directors and stockholders;
- k) To sign certificates of stock;
- l) To perform such other duties as are incident to his office or are entrusted to him by the Board of Directors.

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<sup>18</sup> As last amended by at least a majority of the Board of Directors during its meeting on 29 November 2018 pursuant to the authority delegated by the Shareholders on 17 October 2012 empowering the Board of Directors to approve the amendment of the Corporation's By-Laws.



The President may assign the exercise or performance of any of the foregoing powers, duties and functions to any other officer(s), subject always to his supervision and control.

*Section 5. The Executive Vice-President* - In the absence or disability of the President, and if an Executive Vice-President is appointed and is qualified, the Executive Vice-President shall act in his place, exercise his powers and perform such duties as the By-Laws provide. The Executive Vice-president shall also exercise such powers and perform such duties as the Board of Directors or the President may assign to him.

*Section 6. The Vice-President(s)* - If one or more Vice-Presidents are appointed, he/they shall have such powers and shall perform such duties as may from time to time be assigned to him/them by the Board of Directors or by the President.

*Section 7. The Secretary* - The Secretary must be a resident and a citizen of the Philippines. He shall be the custodian of and shall maintain the corporate books and record and shall be the recorder of the corporation's formal actions and transactions. He shall have the following specific powers and duties:

- a) To record or see to the proper recording of the minutes and transactions of all meetings of the directors and the stockholders and to maintain minute books of such meetings in the form and manner required by law;
- b) To keep or cause to be kept record books showing the details required by law with respect to the stock certificates of the corporation, including ledgers and transfer books showing all shares of the corporation subscribed, issued and transferred;
- c) To keep the corporate seal and affix it to all papers and documents requiring a seal, and to attest by his signature all corporate documents requiring the same;
- d) To attend to the giving and serving of all notices of the corporation required by law or these by-laws to be given;
- e) To certify to such corporate acts, countersign corporate documents or certificates, and make reports or statements as may be required of him by law or by government rules and regulations.
- f) To act as the inspector at the election of directors and, as such, to determine the number of shares of stock outstanding and entitled to vote, the shares of stock represented at the meeting, the existence of a quorum, the validity and effect of proxies, and to receive votes, ballots or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots or consents, determine the results, and do

such acts as are proper to conduct the election or vote. The Secretary may assign the exercise or performance of any or all of the foregoing duties, powers and functions to any other person or persons, subject always to his supervision and control.

- g) To perform such other duties as are incident to his office or as may be assigned to him by the Board of Directors or the President.

*Section 8. The Assistant Secretary* - In the absence or disability of the Secretary, the Assistant Secretary shall act in his place and perform his duties. The Secretary may, subject always to his supervision and control, delegate any or all of his powers, duties and functions to the Assistant Secretary. The Assistant Secretary shall also perform such other duties as may, from time to time, be assigned to him by the Board of Directors or the President.

*Section 9. The Treasurer* - The Treasurer of the corporation shall be its chief fiscal officer and the custodian of its funds, securities and property. The Treasurer shall have the following duties:

- a) To keep full and accurate accounts of receipts and disbursements in the books of the corporation.
- b) To have custody of, and be responsible for, all the funds, securities and bonds of the corporation;
- c) To deposit in the name and to the credit of the corporation, in such bank as may be designated from time to time by the Board of Directors, all the moneys, funds, securities, bonds, and similar valuable effects belonging to the corporation which may come under his control;
- d) To render an annual statement showing the financial condition of the corporation and such other financial reports as the Board of Directors, the Chairman, or the President may, from time to time require;
- e) To prepare such financial reports, statements, certifications and other documents which may, from time to time, be required by government rules and regulations and to submit the same to the proper government agencies;
- f) To exercise such powers and perform such duties and functions as may be assigned to him by the President.

*Section 10. The Assistant Treasurer* - In the absence of the Treasurer, the Assistant Treasurer shall act in his place and perform his duties. The Treasurer may, at his request or

in his disability, delegate any or all of his powers, duties and functions to the Assistant Treasurer. The Assistant Treasurer shall also perform such other duties as may, from time to time, be assigned to him by the President.

*Section 11. Term of Office.* – The term of office of all officers shall be for a period of one (1) year and until their successors are duly elected and qualified. Such officers may however be sooner removed for cause.

*Section 12. Vacancies.* – If any of the officers becomes vacant by reason of death, resignation, disqualification, or for any other cause, the Board of Directors, by majority vote, may elect a successor who shall hold office for the unexpired term.

*Section 13. Compensation.* – The by-laws officers shall receive such remuneration as the Board of Directors may determine. All other officers shall receive such remuneration as the Board of Directors may determine upon recommendation of the President. A director shall not be precluded from serving the corporation in any other capacity as an officer, agent, or otherwise and receiving compensation therefore.

## **ARTICLE VI<sup>19</sup>**

### **RESOLUTIONS REQUIRING APPROVAL OF THE STOCKHOLDERS**

Section 1. Approval of the Stockholders - In the following instances, the votes of the stockholders comprising 2/3 of the outstanding capital stock of the Corporation shall be necessary to carry a resolution into effect:

- i. Public listing of the securities of the Corporation;
- ii. Declaration and amount of stock dividends;
- iii. Denial of pre-emptive right;
- iv. Extending or shortening corporate term;
- v. Entering into management contract if a stockholder or stockholders representing the same interest of both the managing and the managed corporations own or control more than 1/3 of the total outstanding capital entitled to vote of the managing corporation: or where a majority of the members of the board of directors of the managing corporation also constitute a majority of the members of the board of the managed corporation;
- vi. Amendment of the Corporation's articles of incorporation;

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<sup>19</sup> Approved by the SEC on 25 January 2013.

- vii. Increase or decrease of the Corporation's outstanding and/or paid-up capital stock, any alteration of its capital structure;
- viii. Incurring, creating or increasing bonded indebtedness;
- ix. Sale, lease, exchange, mortgage, pledge or other disposition of all or substantially all of the corporate property or assets;
- x. Investment of corporate funds in another business or for any purpose other than the primary and/or secondary purpose of the Corporation;
- xi. Dissolution of the Corporation unless it shall have been insolvent or unless otherwise provided in an agreement among all the stockholders.

## **ARTICLE VII INDEMNIFICATION OF DIRECTORS AND OFFICERS**

The Corporation shall indemnify every director or officer, his heirs, executors and administrators against all costs and expenses reasonably incurred by such person in connection with any civil, criminal, administrative or investigative action, suit or proceeding (other than an action by the corporation) to which he may be, or is, made a party by reason of his being or having been a director or officer of the corporation, except in relation to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for negligence or misconduct

In the event of a settlement or compromise, indemnification shall be provided only in connection with such matters covered by the settlement as to which the corporation is advised by counsel that the person to be indemnified did not commit a breach of duty as such director or officer.

The amount payable by way of indemnity shall be determined and paid only pursuant to a resolution adopted by a majority of the members of the Board of Directors.

The costs and expenses incurred in defending the aforementioned action, suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit, or proceedings as authorized in the manner provided for in the preceding paragraph upon receipt of an undertaking by or on behalf of the director or officer to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the corporation as authorized in this Article.

## **ARTICLE VIII<sup>20</sup>**

### **NON-COMPETITION**

As provided in Section 5(f) of Article III of this By-Laws, shareholder's involvement or participation in the business similar to or in competition with the business of the Corporation, its clients, and/or its suppliers shall be a ground for disqualification to sit as a member of the Board of Directors. Any violation of this disqualification shall result in the automatic forfeiture in favor of the Corporation of the shares of the party in breach as liquidated damages, in addition to compensation for other damages that the Corporation may incur as a result thereof.

## **ARTICLE IX**

### **OFFICES**

The principal office of the corporation shall be located in Km. 33 McArthur Hi-way, Bo. Tuktukan, Guiguinto, Bulacan, Philippines. The corporation may have such other branch office, either within or outside the Philippines as the Board of Directors may designate or as the business of the corporation may, from time to time, require.

## **ARTICLE X**

### **AUDIT OF BOOKS, FISCAL YEAR AND DIVIDENDS**

*Section 1. External Auditors* - At the regular stockholders' meeting, the external auditor or auditors of the corporation for the ensuing year shall be appointed. The external auditor or auditors shall examine, verify and report on the earnings and expenses of the corporation and shall certify the remuneration of the external auditor or auditors as determined by the Board of Directors.

*Section 2. Fiscal Year* - The fiscal year of the corporation shall begin on the first day of January and end on the last day of December of each year.

*Section 3. Dividends* - Dividends shall be declared and paid out of the unrestricted retained earnings which shall be payable in cash, property or stock to all stockholders on the basis of outstanding stock held by them, as often and at such times as the Board of Directors may determine and in accordance with law and applicable rules and regulations.

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<sup>20</sup> As last amended by at least a majority of the Board of Directors during its meeting on 29 November 2018 pursuant to the authority delegated by the Shareholders on 17 October 2012 empowering the Board of Directors to approve the amendment of the Corporation's By-Laws.

## ARTICLE XI AMENDMENTS

This by-laws may be amended or repealed by the affirmative vote of at least a majority of the Board of Directors and the stockholders representing a majority of the outstanding capital stock at any stockholders' meeting called for that purpose. However, the power to amend, modify, repeal or adopt new by-laws may be delegated to the Board of Directors by the affirmative vote of stockholders representing not less than two-thirds (2/3) of the outstanding capital stock; provided, however, that any such delegation of powers to the Board of Directors to amend, repeal or adopt new by-laws may be revoked only by the vote of the stockholders representing a majority of the outstanding capital stock at a regular or special meeting.

## ARTICLE XII SEAL

*Section I. Form and Inscriptions* - The corporate seal shall be determined by the Board of Directors.

The foregoing By-Laws were adopted by all the stockholders of the Corporation on the 6th day of February, 1989 at the principal office of the Corporation.

IN WITNESS WHEREOF, we, the undersigned stockholders present at said meeting and voting thereat in favor of the adoption of said by-laws, have hereunto subscribed our names this 6th day of February, 1989 at Km. 33 McArthur Hi-way, Bo. Tuktukan, Guiguinto, Bulacan.

(Sgd.)  
EUGENE VILLANUEVA

(Sgd.)  
WALTER VILLANUEVA

(Sgd.)  
TITA P. VILLANUEVA

(Sgd.)  
NICASIO T. PEREZ

(Sgd.)  
CHRISTIE T. PEREZ

(Sgd.)  
WILSON L. VILLANUEVA

(Sgd.)  
JEFFERSON SY

(Sgd.)  
GLORIA GO

(Sgd.)  
SOFIA P. PO

(Sgd.)  
OSCAR T. PEREZ

(Sgd.)  
MEDA T. PEREZ