



REPUBLIC OF THE PHILIPPINES  
SECURITIES AND EXCHANGE COMMISSION  
SEC Building, EDSA, Greenhills  
City of Mandaluyong, Metro Manila

Company Reg. No. ASO94-084462

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

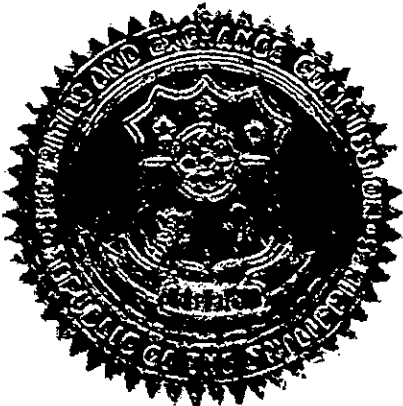
**KNOW ALL MEN BY THESE PRESENTS:**

This is to certify that the Amended By-Laws of

**GLOBAL-ESTATE RESORTS, INC.**  
[Formerly: FIL-ESTATE LAND, INC.]

copy annexed, adopted on January 12, 2011 and February 16, 2011 by the Board of Directors pursuant to the authority duly delegated to it by the stockholders owning at least two-thirds of the outstanding capital stocks on April 19, 2005, certified by a majority of the Board of Directors and countersigned by the Secretary of the Corporation, 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 attached to the other papers pertaining to said corporation.

IN WITNESS WHEREOF, I have set my hand and caused the seal of this Commission to be affixed to this Certificate at Mandaluyong City, Metro Manila, Philippines, this 29<sup>th</sup> the day of March, Twenty Eleven.



  
BENITO A. CATARAN  
Director

Company Registration and Monitoring Department



# COVER SHEET

A S O 9 4 0 0 4 4 6 2

S.E.C. Registration Number

F I L E S T A T E L A N D, I N C.

(Company's Full Name)

7 T H F L O O R R E N A I S S A N C E T O W E R S

M E R A L C O A V E N U E P A S I G C I T Y

(Business Address: No. Street City/ Town/ Province)

ATTY. DOMINIC V. ISBERTO

Contact Person

(632) 8678896

Company Telephone Number

0 9 3 0

Month Day  
fiscal year

Amended By-Laws

FORM TYPE

1st Thursday of March

Month Day  
annual meeting

Registered/Listed

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/ Section

Total Amount of Borrowings

Domestic

Foreign

\*\*\*\*\*

To be accomplished by SEC Personnel concerned

File Number

LCU

Dociment I.D.

Cashier

STAMPS

**AMENDED BY-LAWS**  
**OF**  
**GLOBAL-ESTATE RESORTS, INC.**  
**(Formerly FIL-ESTATE LAND, INC.)**  
**(As amended on January 12, 2011)**

**ARTICLE 1**

**STOCKS AND STOCKHOLDERS**

**Section 1.** Each stockholder who has fully paid in his subscription shall be entitled to one or more certificates setting forth the number of shares of stock in the Corporation registered in his name in the books thereof. The certificates, which must be issued in consecutive order, shall bear the signature of the Chairman of the Board countersigned by the Secretary or Assistant Secretary, and sealed with the corporate seal provided however that where any such certificate is signed by a transfer agent and/or by a registrar duly designated by the Board of Directors, the signatures of the Chairman of the Board, Secretary or Assistant Secretary and the seal of the Corporation upon such certificates may be facsimiles, printed or engraved; provided, further, that the Board of Directors may authorize the transfer agent and/or registrant to use facsimile signatures, whether printed or engraved notwithstanding that the signatures of the officers of the Corporation enumerated herein shall likewise be facsimiles, upon such terms and conditions as the Board may impose. No certificate shall be issued for fractional shares.

**Section 2.** A stock certificate may be transferred, sold, assigned or pledged by written endorsement on the back and the delivery thereof by the transferor to the transferee, but the Corporation shall continue to consider the person in whose name the certificate was issued as owner thereof until such certificate shall have been surrendered to the Secretary for cancellation and replaced by a new certificate in the name of the transferee and until the transfer is recorded in the books of the Corporation so as to show the names of the parties to the transaction, the date of the transfer, the number of the certificate or certificates and the number of the shares transferred.

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

**Section 3.** All certificates so surrendered to the Secretary shall be marked by him with the word "CANCELLED".

**Section 4.** Duplicate of lost or destroyed certificate or new certificates to replace said lost or destroyed certificates may be issued in accordance with the requirements of Section 73 of the Corporation Code.

**Section 5.** 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 for any other purpose, the Board of Directors may provide that the stock and transfer books be closed for a stated period, which shall not be more than sixty (60) days nor less than thirty (30) days before the date of such meeting. In the event that the Board of Directors fails to specify a date for the closing of the stock and transfer books, the closing date shall be deemed to be the thirtieth (30<sup>th</sup>) calendar day prior to the intended date of 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, which shall not be less than twenty (20) days prior to the date on which the particular action requiring such determination of stockholders of record entitled to notice of or to vote or be voted at a meeting of stockholders, shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

## ARTICLE II

### INVESTMENT OF CORPORATE FUNDS

**Section 1.** The funds of the Corporation other than the sums necessary for current expenses shall be invested as may be directed by the Board of Directors in accordance with the Articles of Incorporation and subject to the limitations provided by existing laws.

**Section 2.** All funds of the Corporation shall be deposited in its name in such banks and credit institutions as the Board of Directors may designate.

## ARTICLE III

### BOARD OF DIRECTORS

**Section 1.** Number, Election and Term – The business and property of the Corporation shall be managed by a Board of nine (9) Directors who shall be stockholders and who shall be elected at each annual meeting of the stockholders in the manner provided in these By-Laws for a term of one (1) year and shall serve until the successors are elected and qualified. (As amended on January 12, 2011)

**Section 2.** Qualifications – Each director shall own in his own right at least one (1) share of the capital stock of the corporation.

No person shall qualify or be eligible for nomination or election to the Board of Directors if he is engaged in any business which competes with or is antagonistic to that

of this Corporation. Without limiting the generality of the foregoing, a person shall be deemed to be so engaged:

- a.) If he is an officer, manager or controlling person of or the owner (either of record or beneficiary) of 10% or more of any outstanding class of shares of any corporation engaged in a business which the Board by at least a majority vote determines to be competitive or antagonistic to that of this Corporation.

The immediately preceding paragraph shall not apply to cases where such competing corporation is a parent, subsidiary or affiliate of this Corporation. For purposes of this provision, a parent, subsidiary or affiliate is:

- i. a corporation at least 30% of the capital stock issued and outstanding is owned by this Corporation; or
  - ii. a shareholder, corporate or otherwise, owning at least 30% of the capital stock issued and outstanding of this Corporation; or
  - iii. a corporation which has a shareholder in common with this Corporation where such shareholder owns at least 30% of the capital stock issued and outstanding of both such other corporation and this Corporation, respectively.
- b.) If he is an officer, manager or controlling person of, or the owner (either of record or beneficiary) of 10% or more of any outstanding class of shares of any other company or entity engaged in any line of business of the corporation, when in the judgment of the Board, by at least a majority vote, the laws against combinations in restraint of trade shall be violated by such person's membership in the Board of Director; or
  - c.) If the Board, in the exercise of its judgment in good faith, determines by at least a majority vote that he is the nominee of any person set forth in the first paragraph of (a) or (b).

In determining whether or not a person is controlling person, beneficial owner, or the nominee of another, the Board may take into account such factors as business and family relationship.

Nomination of directors, including independent directors, shall be conducted by the Nomination Committee at least thirty (30) days prior to the date of the annual stockholders' meeting. All recommendations shall be signed by the stockholders making the nomination and should have the written acceptance and conformity of the nominees.

The Nomination Committee shall pre-screen the qualifications and prepare a final list of candidates for directors, specifying the nominated independent directors. For this

purpose, the Nomination Committee shall promulgate such screening policies and parameters to enable it to effectively review the qualification of the nominees.

The Nomination Committee shall prepare a Final List of Candidates in accordance with Part IV (A) and (C) of SRC Rule 12 and other applicable rules, or any subsequent amendments thereof. The Final List of Candidates shall be made available to the Securities and Exchange Commission and to all stockholders through the filing and distribution of the information statement or proxy statement in accordance with applicable rules. The name of the stockholder who nominated the candidate for director or independent director shall be identified in such report. Only nominees whose names appear on the Final List of Candidates shall be eligible for election as directors and independent directors. Nominations made after the issuance of the Final List of Candidates, or during the annual stockholders' meeting, shall not be allowed.

**Section 3. Vacancies** – Any vacancies 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; otherwise, the vacancy must be filled by the stockholders at a regular or at any special meeting of the stockholders called for the purpose. 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 these By-laws.

**Section 4. Meetings** – 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 Vice Chairman or President, may require, 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 5. Notice** – 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, telex, telegram or by written or oral message. A director may waive this requirement, either expressly or impliedly.

**Section 6. 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 for the directors present at a meeting at which there

is a quorum shall be valid as a corporate act, except of the election of officers which shall require the vote of a majority of all the members of the Board.

**Section 7. Conduct of the Meetings** – Meetings of the Board of Directors shall be presided over by the Chairman of the Board, or in his absence, by the Vice Chairman, or in the absence, by 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 shall act as secretary of every meeting, and if not present, the Chairman of the meeting shall appoint a secretary of the meeting.

**Section 8. 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 the five percent (5%) 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.

## ARTICLE IV

### OFFICERS

**Section 1. Election/Appointment** – Immediately after their election, the Board of Directors shall formally organize by electing the Chairman, the Vice Chairman, the President, the Treasurer, and the Secretary, at said meeting. The Board may also appoint an Executive Vice President, one or more Vice Presidents, an Assistant Treasurer, and an Assistant Secretary, all of whom need not be directors of the corporation, and who shall be referred to as the 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. Chairman of the Board** – The Chairman of the Board of Directors shall be the Chief Executive Officer of the Corporation. He shall define the strategic vision of the Corporation and align the operations of the Corporation to said vision. He shall also establish operating policies, guide the Board in formulating company objectives, and assist the corporation in developing the means for attaining those objectives. He shall assist and/or take part in the day-to-day operations of the Corporation. He shall preside at the meetings of the directors and the stockholders. As presiding officer at annual meetings of stockholders, he shall inform all stockholders in attendance of the mandatory requirement of electing independent directors and ensure that independent directors are elected during the meeting. In case of failure to elect independent directors, he shall call a separate election during the same meeting to fill up the

vacancy. He shall sign certificates of stock of the Corporation. He shall also exercise such powers and performs such duties as the Board of Directors may assign to him. (As amended on January 12, 2011)

**Section 3. Vice Chairman** – The Vice-Chairman, who shall be a director, shall preside at the meetings of the directors and stockholders, in the absence of the Chairman. He shall also exercise such powers and perform such duties as the Board of Directors may assign to him.

**Section 4. 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 be directly accountable to the Board of Directors for all overall operations of the business, its current profitability, and long-term growth. He shall exercise the following functions:

- a.) to preside at the meetings of the Board of Directors and of stockholders in the absence of the 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;
- f.) to oversee the preparation of the budgets and the statements of accounts of the Corporation;
- g.) 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.) to execute on behalf of the Corporation all contracts, agreements and other instruments affecting the interests 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; and



k.) to perform such other duties as are incident to his office or are entrusted to him by the Board of Directors.

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

The President shall preside over the meetings of the directors and stockholders in the absence of both the Chairman and the Vice Chairman.

**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.

**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 be assigned to him/them by the Board of Directors or by the President. Any Vice-President authorized for the purposes may also sign with the Secretary or Assistant Secretary any or all certificates of stocks of the *Corporation*.

**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 records, 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 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 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 result, 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 sign certificates of stock; and;
- h.) to perform such other duties as are incident to his office or as may be assigned to him by the Board of Directors or President.

**Section 8.** The Assistant Secretary – In the absence or disability of the Secretary, and if an Assistant Secretary is appointed and is qualified, 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 books 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, and if an Assistant Treasurer is appointed and is qualified, 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, either with or without cause, by the vote or a majority of the whole Board of Directors.

**Section 12.** Vacancies – If any position 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 therefor, or from voting in any resolution fixing the same.

## ARTICLE V

### MEETINGS

**Section 1.** The meetings of stockholders duly constituted shall be competent to transact any business for which it was called. It shall be deemed to represent the entire body of stockholders and shall bind absenting or dissenting stockholders.

**Section 2.** Meetings of stockholders may be regular or special, and shall be held at 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. Annual regular meetings shall be held on the last Thursday of June of each year, if such day be not a holiday, otherwise, they shall be held on the first working day after such date. Special meetings of stockholders may be held at any time by resolution of the Board of Directors or at the request of stockholders representing at least one-third (1/3) of the subscribed and outstanding capital, setting forth the purpose of such meeting in the notice. (As amended on February 16, 2011)

**Section 3.** Regular or Special Meetings of Stockholders shall be called by written notice sent thru the post office, or messengerial services, addressed to each

stockholder at the latter's address appearing in the registry book of the Corporation, not less than ten (10) days prior to the date of such meeting; provided, however, that this requisite may be waived in writing by the stockholders. Publication of notice of meeting in the newspaper in lieu of the written notice shall be allowed when necessary.

Notices of regular or special meeting shall contain, in addition to the date, hour and place of the meeting, a statement of the matters to be taken up at such meeting.

**Section 4.** A majority of the subscribed capital present in person or represented by proxy, shall be required at every meeting to constitute a quorum for the election of directors and for the transaction of any business whatsoever except in those cases in which the Corporation Code requires the affirmative vote of a greater proportion.

In the absence of a quorum, any officer entitled to preside or act as Secretary of such meeting, shall have the power to adjourn the meeting from time to time, until stockholders holding the requisite number of stock shall be present or represented. At any such adjourned meeting at which quorum may be present, any business may be transacted which might have been transacted at the meeting as originally called.

**Section 5.** Any stockholder entitled to vote may be represented by proxy at any regular or special stockholders' meeting. Proxies shall be in writing and signed by the stockholders, but no other formality is required. Proxies for any annual meetings shall be filed and submitted to the Secretary of the Corporation at least five (5) business days prior to the date of such meeting. Unless otherwise provided in the proxy, it shall be valid only for the meeting for which is it intended.

**Section 6.** Each share of stock entitles the person in whose name it is registered in the books of the Corporation to one vote, provided the shares have not been declared delinquent.

**Section 7.** The election of Directors shall be by ballot when requested by a voting stockholder, and each stockholder entitled to vote may cast the vote to which the number of shares he owns entitles him for as many persons as the number of Directors to be elected, multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he may see fit, provided that the whole number of votes cast by his shall not exceed the number of shares owned by him multiplied by the whole number of Directors to be elected.

The Chairman shall appoint two tellers to supervise the election of Directors who shall hold office during the year following the date of their election. No candidate for the office of Director may hold office of the teller.

Only nominees whose names appear on the Final List of Candidates issued by the Nominations Committee shall be eligible for election as directors and independent directors. Nominations made after the issuance of the Final List of Candidates, or during the annual stockholders' meeting shall not be allowed.

**Section 8.** All stockholders meetings shall be presided by the Chairman of the Board, or in his absence by the President.

The minutes of the stockholders meetings shall be signed by the Secretary, with the approval of the Chairman of the meeting.

**Section 9.** For the transaction of business at the annual stockholders' meeting and as far as possible at all other meetings of the stockholders, the following order shall be observed:

1. Secretary's proof of due notice of the meeting and the determination of quorum;
2. Reading and approval for any unapproved minutes;
3. Reports of offices, annual and otherwise;
4. Financial Report and approval of Financial Statements for the preceding year;
5. New business;
  - a. Ratification of all acts and resolution of the Executive Committee and the Board of Directors;
  - b. Any other new business.
6. Transaction of such other matters as may properly come during the meeting;
7. Election of Directors;
8. Election of Auditor;
9. Adjournment.

## **ARTICLE VI**

### **THE AUDIT**

**Section 1.** At each annual meeting held, the stockholders shall elect the External Auditor who shall audit the accounts of the Corporation until the next regular Annual Meeting.

**Section 2.** It shall be the duty of the External Auditor to audit and examine the books of account of the Corporation, and shall certify to the Board of Directors and shareholders the annual balance of said books which shall be prepared at the close of the said year under the direction of the Treasurer. The External Auditor shall also perform such functions provided in the Corporation's Manual on Corporate Governance, or any amendments or supplements thereto. No director or officer of the Corporation, and no firm or corporation of which such officer or director is a member, shall be eligible to discharge the duties of Auditor. The compensation of the Auditor shall be fixed by the Board of Directors.

**Section 3.** A copy of the balance sheet and the report shall be filed in the offices of the Corporation ten (10) days in advance of the date on which the Annual Meeting of stockholders is held and shall be open for inspection by the stockholders.

**Section 4.** The auditor shall receive such remuneration as the Board of Directors may determine.

## ARTICLE VII

### MISCELLANEOUS AND TRANSITORY PROVISIONS

**Section 1.** The seal of the Corporation shall contain the name, principal place of business of the Corporation, and the words "INCORPORATED IN 1994" and said seal is hereby adopted as a corporate seal.

**Section 2.** The power to amend, repeal or modify these By-Laws has been delegated to the Board of Directors of the Corporation; Provided that the delegation of such powers and authority to the Board shall be considered as revoked whenever stockholders owning or representing a majority of the outstanding capital stock shall so vote at a regular or special meeting called for the purpose.

**Section 3.** The calendar year of the Corporation shall commence on the first day of January of each calendar year and end on the 31<sup>st</sup> December of the same year. (As amended on January 12, 2011)

**Section 4.** In the event of any conflict between the provisions of these By-laws and the terms and conditions of the Corporation's Manual on Corporate Governance, or any amendments or supplements thereto, these By-laws shall prevail.

## ARTICLE VIII

### DISTRIBUTION OF PROFITS

**Section 1.** The Board of Directors shall have the discretion, by way of an executive incentive bonus plan to be given during any year, to distribute a portion of the surplus

profits under such terms it may deem appropriate and in an amount not exceeding five (5%) percent of the net profits after tax of the Corporation and before bonus of the calendar year immediately preceding the year in which bonus is to be paid.

**Section 2.** Twenty-five (25%) percent of the net profits after tax of the Corporation shall be made for distribution as dividends to stockholders, subject to the discretion of the Board of Directors to reduce said amount when, in its judgment, said action may be deemed necessary and/or convenient for the business of the Corporation or to meet contingencies that might arise in the course of its business.

## **ARTICLE IX**

### **INDEMNIFICATION OF DIRECTORS AND OFFICERS**

The Corporation shall indemnify every director, officer, his heirs, execution and administrators against all costs and expenses reasonably incurred by such person in connection with any civil, criminal, administrative or investigate action, suit or proceeding to which he may be, or is made a party by reason of his being or having been a director or officer, 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 such a breach of duty.

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 proceeding as authorized in the manner provided for in the proceeding paragraph upon receipt of an undertaking by or in behalf of the director or officer to repay such amount unless it shall be ultimately be determined that he is to be indemnified by the Corporation as authorized in these By-Laws.

## **ARTICLE X**

### **ADOPTION CLAUSE**

Adopted this 23<sup>rd</sup> day of December 1994 at the principal office of the corporation at Pasig, Metro Manila, Philippines, by the undersigned stockholders representing all of the outstanding stock of the Corporation.

(Signed)  
**FERDINAND T. SANTOS**  
Stockholder/Director

(Signed)  
**NOEL M. CARIÑO**  
Stockholder/Director

(Signed)  
**ROBERT JOHN L. SOBREPEÑA**  
Stockholder/Director

(Signed)  
**ENRIQUE A. SOBREPEÑA**  
Stockholder/Director

(Signed)  
**SABRINA T. SANTOS**  
Stockholder/Director

(Signed)  
**JOEL M. CARIÑO**  
Stockholder/Director

ATTEST:

(Signed)  
**SABRINA T. SANTOS**  
Corporate Secretary