

March 9, 2011

**PHILIPPINE STOCK EXCHANGE, INC.**

Ayala Tower, Ayala Avenue  
Makati City

Attention: **Ms. Janet A. Encarnacion**  
*Head, Disclosure Department*

Ladies and Gentlemen:

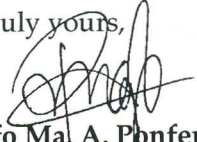
Re: Issuance of Shares

We write in connection with your letter dated 4 March 2011, on the above-referenced matter. In compliance therewith, Alphaland Corporation (the "Company") hereby submit the enclosed Comprehensive Corporate Disclosure.

We hope you find everything in order.

Thank you very much.

Very truly yours,

  
**Rodolfo Ma. A. Pinferrada**  
Corporate Information Officer

## COMPREHENSIVE CORPORATE DISCLOSURE

### a. Copies of all agreements duly executed that are relevant to the transaction

Masrickstar Corporation (“Masrickstar”), Alphaland Holdings (Singapore) Pte. Ltd. (“Alphaland Holdings”), Boerstar Corporation (“Boerstar”) and Azurestar Corporation (“Azurestar”) (collectively referred to as the “Shareholders”) discussed and agreed as a matter of principle that the deposits of approximately PHP4,081,502,649.51 that was being provided to Alphaland Corporation (the “Company”) would subsequently be converted into shares. Thus, the conversion of the advances into common shares is merely fulfilling what had been agreed upon amongst the Shareholders.

A total of Four Hundred Eight Million One Hundred Fifty Thousand Two Hundred Sixty Four (408,150,264) shares in favor of the Shareholders of the Company will be issued at the same subscription price of Ten Pesos (Php10.00) per share payable through the conversion of previously made deposits as follows:

Shareholders	Deposits for Future Subscription (in Php)	New Shares Issued
Masrickstar Corporation (“Masrickstar”)	1,000,000,000.00	100,000,000
Alphaland Holdings (Singapore) Pte. Ltd. (“Alphaland Holdings”)	2,591,722,331.74	259,172,233
Boerstar Corporation (“Boerstar”)	408,150,264.97	40,815,026
Azurestar Corporation (“Azurestar”)	81,630,052.80	8,163,005
<b>Total</b>	<b>4,081,502,649.51</b>	<b>408,150,264</b>

The appropriate Deeds of Subscription with each of the foregoing Shareholders will be executed upon compliance with all legal and regulatory requirements (including shareholder approval of the issuance).

### b. Nature and description of the proposed transaction

The transaction is a simple issuance of shares in favor of the Shareholders in consideration of the deposits for future subscription previously made by them in favor of the Company. The shares were issued at a subscription price of Php10.00 per share. The new shares will eventually be subject of an additional listing application with the Philippine Stock Exchange (the “Exchange”). However, the issuances are not yet final as of the date of this disclosure as the Company will seek the approval and ratification of its stockholders during the annual stockholders’ meeting to be held this May 2011. The Shareholders understand that among the conditions that may be imposed by the Exchange on their listing application would be a lock-up period of 180 days.

**c. Reason and purpose of the transaction including the benefits which are expected to be accrued to the listed issuer as a result of the transaction**

The issuances of new shares to the Shareholders have permanently erased any potential liability of the Company of having to pay back the Shareholders for infusing the cash into the Company.

**d. The aggregate value of the consideration**

The 408,150,264 shares will be issued in consideration for all of the PHP4,081,502,649.51 worth of deposits for future subscription made by the Shareholders in favor the Company.

**e. The basis upon which the consideration was determined**

The issue price for the new shares of the company is ₱10.00 per share. The Company and the Shareholders decided to use the issue price previously agreed upon by them last November 2009, when these Shareholders first became stockholders of the Company. At that time, the Shareholders were already made aware of the need to infuse additional capital into the Company to augment the Company's funding for its various projects.

**f. Detailed work program of the application of the proceeds**

The deposits for future subscription totaling PHP4,081,502,649.51 were made by the Shareholders (in three tranches - July 2010, September 2010 and January 2011). Out of the PHP4,081,502,649.51 in deposits for future subscription converted into common shares, only Php1,933,683,223.78 were contributed in 2011. The deposits were used or will be used by the Company to augment general corporate requirements and the funding of its various projects, namely:

1. Alphaland Southgate Tower and Mall
2. Alphaland Makati Place (including The City Club)
3. Alphaland Makati Tower
4. Alphaland Bay City (including the Marina Club)
5. Alphaland Balesin Island Club
6. Boracay Gateway Country Club
7. Shangri-la at the Fort
8. Alphaland Heavy Equipment Corporation

**g. Effect in the listed company before and after the transaction on the following:**

- **Capital structure of the Issuer before and after the transaction**

The following table presents a tabular summary of the changes in the capital structure of the Company upon obtaining the stockholders' approval for the issuances in the Annual Meeting to be held in May of this year:

	Before the Transaction	After the Transaction
Authorized Capital Stock	₱5,000,000,000.00	₱5,000,000,000.00
Capital Stock	5,000,000,000 shares	5,000,000,000 shares
Subscribed (with full voting rights, inclusive of treasury)	1,576,595,987 shares	1,984,746,251 shares
Issued Shares (fully-paid and certificated, inclusive of treasury)	1,429,220,287 shares	1,837,370,551 shares
Treasury	423,900 shares	423,900 shares
Outstanding (Subscribed Shares, exclusive of treasury)	1,576,172,087 shares	1,984,322,351 shares
Par Value per share	₱ 1.00	₱ 1.00

Shareholders	Before Transaction		After Transaction	
	Number of Subscribed Shares	%	Number of Subscribed Shares	%
Masrickstar Corporation	609,472,340	42.66%	709,472,340	35.75%
Alphaland Holdings (Singapore) Pte. Ltd.	507,893,616	35.55%	767,065,849	38.66%
Boerstar Corporation	126,973,404	8.89%	167,788,430	8.46%
RVO Capital Ventures Corporation	142,656,748	9.98%	142,656,748	7.19%
Azurestar Corporation	25,394,681	1.78%	33,557,686	1.69%
D.M. Wenceslao & Associates, Inc.	147,375,700	9.35%	147,375,700	7.43%
Public	16,405,598	1.15%	16,405,598	0.83%
<b>Total Shares Subscribed</b>	<b>1,576,172,087</b>	<b>100.00%</b>	<b>1,984,322,351</b>	<b>100.00%</b>

#### h. Additional information on Shareholders

Attached with this disclosure are the following:

Annex "A"	Background of the Shareholders
Annex "B"	Memorandum of Memorandum and Articles of Association of Alphaland Singapore
Annex "C"	Articles of Incorporation and By-Laws of Masrickstar
Annex "D"	Articles of Incorporation and By-Laws of Boerstar
Annex "E"	Articles of Incorporation and By-Laws of Azurestar
Annex "F"	Audited Financial Statements of Masrickstar
Annex "G"	Audited Financial Statements of Boerstar
Annex "H"	Audited Financial Statements of Azurestar

**i. The interest which directors to the parties to the transaction have in the transaction**

Alphaland Holdings (Singapore) is an existing shareholder of the Company, owning 35.55% of the current outstanding capital stock of the Company. One of its directors, Mr. Craig Webster, is also a director of the Company.

Masrickstar is an existing shareholder of the Company, owning 42.66% of the current outstanding capital stock of the Company.

Boerstar is an existing shareholder of the Company, owning 8.89% of the current outstanding capital stock of the Company.

Azurestar is an existing shareholder of the Company, owning 1.78% of the current outstanding capital stock of the Company.

**j. Statement as to the steps to be taken to safeguard the interests of the shareholders**

As disclosed, the Company will seek stockholders' approval for the transaction during the annual shareholders' meeting this coming May 2011.

**k. Other relevant information**

The new shares to be issued will not form part of the proposed follow-on offering to the public (the "Follow On Offering") which will take place sometime in the 3rd quarter of 2011 or at the appropriate time as may be determined by the Company's management. To be clear, it is the intention of management to include only primary shares (out of the Company's authorized but unissued capital) in the Follow On Offering.

Aside from the foregoing, the Company has no other relevant information to disclose at this time.

## Annex "A" : Background of the Shareholders

### Masrickstar Corporation

<b>Masrickstar Corporation</b> <b>17<sup>th</sup> Floor Tower 1 The Enterprise Center</b> <b>6766 Ayala Avenue, Makati City</b>		<b>Percentage of Ownership before  the transaction:  42.66%</b>
<b>Nature of Business:</b>	Masrickstar Corporation is a Philippine holding company which currently only has investments in the Company.	
<b>Capital Structure:</b>	Authorized Capital Stock : ₱120,000,000.00 Issued and Subscribed Capital : 120,000,000 shares Paid Up Capital Stock : 120,000,000 shares Par Value per Share : ₱1.00	
<b>Ownership Structure :</b>	Rayas Equity Development : 71,999,997 shares Corporation Alphaland Holdings (Singapore) : 47,999,998 shares Pte. Ltd. Roberto V. Ongpin : 1 share Eric O. Recto : 1 share Mario A. Oreta : 1 share  Craig Webster : 2 shares	
<b>Nature of Dealings/affiliation with the Company</b>	Other than being a shareholder, Masrickstar does not have any other dealing/affiliation with the Company	

**Alphaland Holdings (Singapore) Pte. Ltd.**

<b>Alphaland Holdings (Singapore) Pte. Ltd.</b> <b>Registered Office: 8 Cross Street, #11-00 PWC</b> <b>Building, Singapore 048424</b>		<b>Percentage of Ownership before</b> <b>the transaction:</b> <b>35.55%</b>			
<b>Nature of Business:</b>	Other Investment Holding Companies.				
<b>Capital Structure:</b>	Currency	Singapore Dollars			
	Class of Share	Ordinary	Preference	Class A	
	Number of share	-	-	1	
	Issued Share Capital	-	-	1.00	
	Paid-up Share Capital	-	-	1.00	
	Currency	United States Dollars			
	Class of Share	Ordinary	Preference	Class B	
	Number of share	1	58,951,333	2	
	Issued Share Capital	1.00	58,951,333.00	8,000,000.00	
	Paid-up Share Capital	1.00	58,951,333.00	8,000,000.00	
	<b>Ownership Structure :</b>	Ashmore Cayman SPC Limited for and on behalf of the Alphaland Segregated Portfolio	Currency : United States Dollars 1 Ordinary share 58,951,333 preference shares		
		Ashmore Global Special Situations Fund 3 Limited Partnership	Currency : Singapore Dollars 1 Class A share  Currency : United States Dollars 1 Class B Share		
Ashmore Holder PCC No 2 Limited Re Ashmore Asian Recovery Fund		Currency : United States Dollars 1 Class B Share			
<b>Nature of Dealings/affiliation with the Company</b>	Other than being a shareholder, Alphaland Holdings (Singapore) Pte. Ltd. does not have any other dealing/affiliation with the Company.				

**Boestar Corporation**

<b>Boestar Corporation</b> 17 <sup>th</sup> Floor Tower 1 The Enterprise Center 6766 Ayala Avenue, Makati City	<b>Percentage of Ownership before the transaction:</b> 8.89%
<b>Nature of Business:</b>	Boestar Corporation is a holding company which currently has significant investments in ISM Communications Corporation and Atok-Big Wedge Co., Inc. (which are both listed with the PSE).
<b>Capital Structure:</b>	Authorized Capital Stock : ₱1,000,000.00 Issued and Subscribed Capital : 250,000 shares Paid Up Capital Stock : 62,500 shares Par Value per Share : ₱1.00
<b>Ownership Structure :</b>	G.A.M.E. Equities : 224,995 shares Rumber Corporation : 39,706 shares Josephine A. Manalo : 1 share Ma. Lourdes A. Torres : 1 share Brinia A. Flojemon : 1 share Ma. Theresa S. Aguilin : 1 share Eduveges O. Batalan : 1 share
<b>Nature of Dealings/affiliation with the Company</b>	Other than being a shareholder, Boestar does not have any other dealing/affiliation with the Company



**Azurestar Corporation**

<b>Azurestar Corporation</b> 17 <sup>th</sup> Floor Tower 1 The Enterprise Center 6766 Ayala Avenue, Makati City		<b>Percentage of Ownership before the transaction:</b> 1.78%
<b>Nature of Business:</b>	Azurestar Corporation is a holding company which currently has significant investments in other corporations.	
<b>Capital Structure:</b>	Authorized Capital Stock : ₱10,000,000.00 Issued and Subscribed Capital : 2,500,000 shares Paid Up Capital Stock : 625,000 shares Par Value per Share : ₱1.00	
<b>Ownership Structure :</b>	Ma. Lourdes A. Torres : 2,499,996 shares Brinia A. Flojemon : 1 share Maria Theresa S. Aguilin : 1 share Eufrocina L. Henson : 1 share Eduveges O. Batalan : 1 share	
<b>Nature of Dealings/affiliation with the Company</b>	Other than being a shareholder, Azurestar does not have any other dealing/affiliation with the Company	



ANNEX " 77

FOREIGN SERVICE OF THE REPUBLIC OF THE PHILIPPINES

EMBASSY OF THE PHILIPPINES )
Consular Section ) S.S.
Singapore )

CERTIFICATE OF AUTHENTICATION

REICHEL P. QUINONES, Vice Consul

of the Republic of

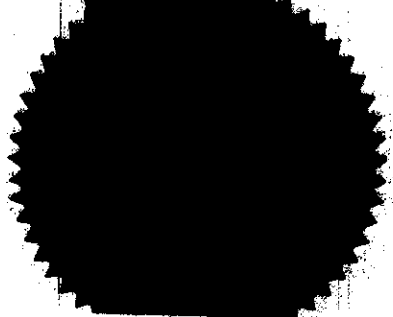
Philippines, Singapore, duly commissioned and qualified, do hereby certify that
CHEN WEN WOAN ANGELA

Content from the annexed instrument has been executed to wit:
CERTIFIED TRUE COPY OF MEMORANDUM AND ARTICLES OF
ASSOCIATION OF ALPHALAND HOLDINGS (SINGAPORE) PTE LIMITED
INCORPORATED ON 05 MARCH 2007

witness that he/she signed the same A Notary Public in Singapore and that
his signature affixed thereto is genuine.

The Notary Public assumes no responsibility for the contents of the annexed document.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Embassy of
the Philippines in Singapore, this 29-Apr-10 day of



REICHEL P. QUINONES

**NOTARIAL CERTIFICATE**

**TO ALL TO WHOM THESE PRESENTS** shall come, I, CHEN WEN WOAN ANGELA Notary Public, duly authorised, residing and practising at Singapore in the Republic of Singapore, DO HEREBY CERTIFY AND ATTEST that the MEMORANDUM AND ARTICLES OF ASSOCIATION OF ALPHALAND HOLDINGS (SINGAPORE) PTE. LIMITED hereunto annexed is a true copy of the Original Document of which it purports to be a copy, I having carefully collated and compared the said Copy with the said Original produced and shown to me and found the same to agree therewith.

**IN FAITH AND TESTIMONY WHEREOF**

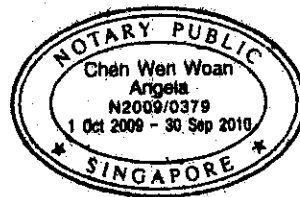
I have hereunto subscribed my name and affixed my Seal of Office at Singapore this 26th day of April, Year Two thousand and ten (2010).

Quod Veritatem Attestor,



NOTARY PUBLIC

Singapore



**THE COMPANIES ACT, CAP. 50**

**PRIVATE COMPANY LIMITED BY SHARES**

**MEMORANDUM**

**AND**

**ARTICLES OF ASSOCIATION**

**OF**

**ALPHALAND HOLDINGS (SINGAPORE) PTE. LIMITED**

**Incorporated on the 5<sup>th</sup> day of March 2007**  
**(Incorporating amendments adopted by Special Resolution passed on 1 August 2008)**

*Lodged in the Office of the Accounting & Corporate Regulatory Authority, Singapore*



**Company No: 200703570N**

**CERTIFICATE CONFIRMING INCORPORATION OF COMPANY**

**This is to confirm that ALPHALAND HOLDINGS (SINGAPORE) PTE. LIMITED is incorporated under the Companies Act (Cap 50), on and from 05/03/2007 and that the company is a PRIVATE COMPANY LIMITED BY SHARES.**

**GIVEN UNDER MY HAND AND SEAL ON 06/03/2007.**



**MOHD SAIFUL BIN AHMAD SININ  
ASST REGISTRAR OF COMPANIES  
ACCOUNTING AND CORPORATE REGULATORY AUTHORITY (ACRA)  
SINGAPORE**



**THE COMPANIES ACT, CAP. 50**

---

**PRIVATE COMPANY LIMITED BY SHARES**

---

**MEMORANDUM OF ASSOCIATION**

*of*

**ALPHALAND HOLDINGS (SINGAPORE) PTE. LIMITED**

---

1. The name of the Company is ALPHALAND HOLDINGS (SINGAPORE) PTE. LIMITED
2. The Registered Office of the Company will be situated in the Republic of Singapore.
3. The liability of the members is limited.
4. The Company shall have the power to increase, sub-divide, consolidate or reduce its capital or to divide the shares forming the capital (increased or reduced) into several classes and to attach thereto respectively preferential, deferred, special or qualified rights, privileges or conditions as regards dividends, repayment of capital, voting or otherwise.

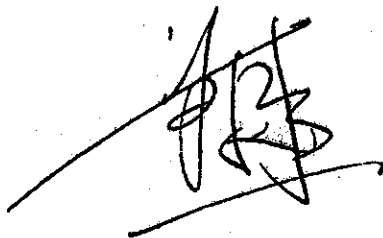
---

NAMES, ADDRESSES AND OCCUPATIONS OF SUBSCRIBERS

---

WOO MAY POH  
476 Ang Mo Kio Avenue 10  
#11-796  
Singapore 560476

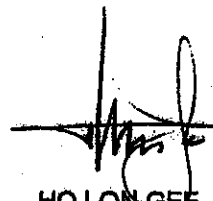
Corporate Secretarial Manager



---

Dated this 2<sup>nd</sup> day of March 2007

Witness to the above signature:



HO LONG GEE  
Certified Public Accountant  
8 Cross Street  
#11-00 PWC Building  
Singapore 048424

THE COMPANIES ACT, CAP. 50

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

ALPHALAND HOLDINGS (SINGAPORE) PTE. LTD.  
(Adopted by Special Resolution passed on 1 August 2008)

PRELIMINARY

1. The regulations contained in Table "A" in the Fourth Schedule to the Companies Act, Cap. 50 shall not apply to the Company, but the following shall, subject to repeal, addition and alteration as provided by the Act or these Articles, be the regulations of the Company.

Table "A" not to apply.

2. In these Articles, if not inconsistent with the subject or context, the words standing in the first column of the Table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof:

Interpretation.

WORDS

MEANINGS

the "Act"	..	The Companies Act, Cap. 50 or any statutory modification, amendment or re-enactment thereof for the time being in force or any and every other act for the time being in force concerning companies and affecting the Company and any reference to any provision of the Act is to that provision as so modified, amended or re-enacted or contained in any such subsequent Companies Act.
these "Articles"	..	These Articles of Association or other regulations of the Company for the time being in force.
the "Company"	..	The abovenamed Company by whatever name from time to time called.
"Business Day"	..	Any day (other than a Saturday or Sunday) on which commercial banks are open for business in Singapore.



"Class A Shareholder"	..	A holder of a Class A Share.
"Class A Shares"	..	The Class A shares in the share capital of the Company carrying the rights and subject to the restrictions set out in these Articles.
"Class B Shareholder"	..	A holder of a Class B Share.
"Class B Shares"	..	The Class B shares in the share capital of the Company carrying the rights and subject to the restrictions set out in these Articles.
"Directors"	..	The Directors for the time being of the Company or such number of them as have authority to act for the Company.
"Director"	..	Includes any person acting as a Director of the Company and includes any person duly appointed and acting for the time being as an Alternate Director.
"Distributable Profits"	..	On any date of determination, the amount certified by the auditors to be the profit available to the Company for distribution as a dividend in compliance with Section 403 of the Act in respect of the period to which the then most recent annual audited profit and loss accounts relate.
"Dividend"	..	Includes bonus.
"Dividend Payment Date"	..	Such date(s) as may be fixed by the Directors for the payment of a dividend.
"electronic communication"	..	<p>Communication transmitted (whether from one (1) person to another, from one (1) device to another, from a person to a device or from a device to a person):</p> <p>(a) by means of a telecommunication system; or</p> <p>(b) by other means but while in an electronic form,</p> <p>such that it can (where particular conditions are met) be received in legible form or be made legible following receipt in non-legible form.</p>
"Member"	..	A member of the Company.
"Month"	..	Calendar month.
"Office"	..	The Registered Office of the Company for the time being.

"Ordinary Resolution"	..	A resolution not being a Special Resolution which is, or which is to be, passed by a majority of Members as, being entitled to do so, vote in person or by proxy at a General Meeting.
"Ordinary Shareholder"	..	A holder of an Ordinary Share.
"Ordinary Shares"	..	The ordinary shares in the share capital of the Company carrying the rights, privileges, benefits and subject to the restrictions set out in these Articles.
"Paid Up"	..	Includes credited as paid up.
"Preference Shareholders"	..	The registered holders of the Redeemable Preference Shares, and "Preference Shareholder" means any one of them.
"Redeemable Preference Shares"	..	The redeemable preference shares in the capital of the Company carrying the rights, privileges and benefits set out in these Articles.
"Redeemed Shares"	..	Has the meaning ascribed to it in Clause 6B(1)(c)(i).
"Redemption Amount"	..	In relation to a Redeemable Preference Share, on any date of determination, an amount equivalent to the aggregate of any and all distributions of income or capital, including without limitation, all Distributable Profits, which the Company is permitted to distribute to its shareholders under law and which is approved by the Directors for distribution, divided by the total number of Redeemable Preference Shares issued and outstanding;
"Redemption Date"	..	Has the meaning ascribed to it in Clause 6B(1)(c)(i).
"Redemption Notice"	..	Has the meaning ascribed to it in Clause 6B(1)(c)(i).
"Register"	..	The Register of Members.
"Seal"	..	The Common Seal of the Company or in appropriate cases the Official Seal or duplicate Common Seal.
"Secretary"	..	The Secretary or Secretaries appointed under these Articles and shall include any person entitled to perform the duties of Secretary temporarily.
"Singapore"	..	The Republic of Singapore.
"Special Resolution"	..	Has the meaning given in Section 184 of the Act.

"Telecommunication system"	..	Has the meaning as in the Telecommunications Act (Chapter 323) or any statutory modification, amendment or re-enactment thereof for the time being in force.
"Treasury share"	..	Has the meaning given in Section 4 of the Act.
"S"	..	The lawful currency from time to time of the Republic of Singapore.
"US\$" and "US Dollars"	..	The lawful currency from time to time of the United States of America.
"Writing" and "Written"	..	Includes printing, lithography, typewriting and any other mode of representing or reproducing words in a visible form, including electronic communication.
"Year"	..	Calendar Year.

Words denoting the singular number only shall include the plural and vice versa.

Words denoting the masculine gender only shall include the feminine gender.

Words denoting persons shall include corporations.

Save as aforesaid, any word or expression used in the Act and the Interpretation Act, Cap. 1 shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

The headnotes and marginal notes are inserted for convenience only and shall not affect the construction of these Articles.

## BUSINESS

3. Subject to the provisions of the Act, any branch or kind of business may be undertaken by the Directors at such time or times as they shall think fit, and further may be suffered by them to be in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the Directors may deem it expedient not to commence or proceed with such branch or kind of business.

Any branch or kind of business may be undertaken by Directors.

## PRIVATE COMPANY

4. The Company is a private company, and accordingly:

- (a) the number of the Members of the Company (not including persons who are in the employment of the Company or of its subsidiary and persons who having been formerly in the employment of the Company or of its subsidiary were while in the employment and have continued after the determination of that employment to be Members of the Company) shall be limited to fifty Provided that for the purposes of this provision where two (2) or more persons hold one (1) or more shares in the Company jointly they shall be treated as a single Member; and
- (b) the right to transfer the shares of the Company shall be restricted in the manner hereinafter appearing.

Limited number of members and restrictions on the transfer of shares.

## SHARES

5. Except as is otherwise expressly permitted by the Act, the Company shall not give, whether directly or indirectly and whether by means of the making of a loan, the giving of a guarantee, the provision of security, the release of an obligation or the release of a debt or otherwise, any financial assistance for the purpose of, or in connection with, the acquisition or proposed acquisition of shares or units of shares in the Company or its holding company.

Prohibition of dealing in its own shares.

6. Save as provided by Section 161 of the Act, no shares may be issued by the Directors without the prior approval of the Company in General Meeting but subject thereto and to the provisions of these Articles, the Directors may allot or grant options over or otherwise dispose of the same to such persons on such terms and conditions and at such time as the Company in General Meeting may approve.

Issue of Shares.

6A(1). The Company may allot and issue the Class A Shares, at such issue price and on such terms and conditions as the Directors may determine, which shall carry the same rights, benefits and privileges and shall rank pari passu for participation of the profits and assets of the Company and in all other respects with the Class B Shares and issued in consideration of the payment of subscription monies denominated in S\$.

Class A Shares,  
Class B Shares  
and Ordinary  
Shares.

6A(2). The Company may allot and issue the Class B Shares, at such issue price and on such terms and conditions as the Directors may determine, which shall carry the same rights, benefits and privileges and shall rank pari passu for participation of the profits and assets of the Company and in all other respects with the Class A Shares and issued in consideration of the payment of subscription monies denominated in US\$.

6A(3). The Company may allot and issue the Ordinary Shares, at such issue price and on such terms and conditions as the Directors may determine, which shall carry the rights, benefits and privileges as set out in these Articles and shall rank in priority to the Class A Shares and the Class B Shares on a return of capital, by or on liquidation, dissolution or winding up of the Company (other than upon a redemption of the Redeemable Preference Shares or pursuant to a purchase of shares by the Company) and issued in consideration of the payment of subscription monies denominated in US\$.

6A(4). Capital

On a return of capital by, or on liquidation, dissolution or winding up of, the Company or otherwise (but not on redemption of the Redeemable Preference Shares or pursuant to a purchase of shares by the Company), the assets of the Company available for distribution among its Members shall be applied as follows:

- (a) first, in paying to the Ordinary Shareholders, pari passu as between themselves in respect of each Ordinary Share which is fully Paid Up, US\$1 for every US\$100,000,000,000 of capital available for distribution;
- (b) second, in paying to the Class A Shareholders and the Class B Shareholders, pari passu as between themselves in respect of each Class A Share and Class B Share which is fully Paid Up, US\$1 for every US\$100,000,000,000 of capital available for distribution; and
- (c) thereafter, the surplus of such assets and profits shall be distributed in accordance with the provisions of Article 6B(1)(b).

6A(5). Dividends

The Class A Shareholders, Class B Shareholders and Ordinary Shareholders shall not be entitled to any dividend or distribution in any form, whether pursuant to these Articles or otherwise.

6A(6). Voting

- (a) The Class A Shares shall carry no voting rights and the Class A Shareholders shall not be entitled to receive notice of or attend any General Meeting of the Company, unless:
  - (i) preferential dividend (if any) or any part thereof due on the Class A Shares remains in arrear and unpaid for at least 12 months;
  - (ii) the resolution in question varies the rights attached to the Class A Shares; or
  - (iii) the resolution in question is for the winding up of the Company.

- (b) The Class B Shares shall carry no voting rights and the Class B Shareholders shall not be entitled to receive notice of or attend any General Meeting of the Company, unless:
- (i) preferential dividend (if any) or any part thereof due on the Class B Shares remains in arrear and unpaid for at least 12 months;
  - (ii) the resolution in question varies the rights attached to the Class B Shares; or
  - (iii) the resolution in question is for the winding up of the Company.
- (c) Each Ordinary Share shall confer on the holder thereof the right to receive notice of and to attend and vote at a General Meeting of the Company.
- (d) Where an Ordinary Shareholder is entitled to vote on any resolution, then at the relevant General Meeting or class meeting, on a show of hands, every Ordinary Shareholder who is present in person or by proxy or (being a corporation) by a duly authorised representative shall have one vote and on a poll every Ordinary Shareholder who is present in person or by proxy or attorney or (being a corporation) by a duly authorised representative shall have one vote for each Ordinary Share held.
- (e) Where a holder of Class A Shares is entitled to vote on any resolution, then at the relevant General Meeting or class meeting, on a show of hands, every holder of Class A Shares who is present in person or by proxy or (being a corporation) by a duly authorised representative shall have one vote and on a poll every holder of Class A Shares who is present in person or by proxy or attorney or (being a corporation) by a duly authorised representative shall have one vote for each Class A Share held.
- (f) Where a holder of Class B Shares is entitled to vote on any resolution, then at the relevant General Meeting or class meeting, on a show of hands, every holder of Class B Shares who is present in person or by proxy or (being a corporation) by a duly authorised representative shall have one vote and on a poll every holder of Class B Shares who is present in person or by proxy or attorney or (being a corporation) by a duly authorised representative shall have one vote for each Class B Share held.

6A(7). Transfer

- (a) Subject to Article 6A(10) and sub-paragraphs (b) and (c) below, no Class A Shareholder or Class B Shareholder may transfer all or any of his Class A Shares or Class B Shares in any circumstance.

- (b) The Company shall, at any time by written notice to the Class A Shareholders or Class B Shareholders, be entitled to direct all the Class A Shareholders or Class B Shareholders to transfer their Class A Shares or, as the case may be, Class B Shares to a party specified by the Company at a price of US\$1 in aggregate for all of the Class A Shares or, as the case may be, the Class B Shares, payable to the Class A Shareholders and Class B Shareholders on a pro rata basis.
- (c) To give effect to the transfer required pursuant to sub-paragraph (b) above, the Company may appoint any person to execute a form(s) of transfer on behalf of each holder of the Class A Shares or, as the case may be, the Class B Shares in favour of such third party. Payment of all and any amounts due in respect of the Class A Shares or, as the case may be, the Class B Shares shall be made within twenty-one (21) days of the date of the transfer of such Class A Shares or, as the case may be, Class B Shares to the third party.

6A(8). Meetings of Class A Shareholders

Subject to applicable laws, one (1) Class A Shareholder shall constitute the quorum at a meeting of the Class A Shareholders. The provisions of these Articles relating to General Meetings, notice of and proceedings at General Meetings and votes of Members shall (subject to and except to the extent inconsistent with this Article 6A) apply *mutatis mutandis* to any separate class meeting of the Class A Shareholders.

6A(9). Meetings of Class B Shareholders

Subject to applicable laws, one (1) Class B Shareholder shall constitute the quorum at a meeting of the Class B Shareholders. The provisions of these Articles relating to General Meetings, notice of and proceedings at General Meetings and votes of Members shall (subject to and except to the extent inconsistent to this Article 6A) apply *mutatis mutandis* to any separate class meetings of the Class B Shareholders.

6A(10). No Variation of Rights

Notwithstanding Article 9, the issue by the Company of shares which rank in any respect *pari passu* with, in priority to or with preferred rights to the Class A Shares and/or the Class B Shares and/or the Ordinary Shares shall not be deemed to constitute a variation or abrogation of the rights attached to the Class A Shares and/or the Class B Shares and/or the Ordinary Shares, as the case may be.

- 6A(11). The Class A Shares and Class B Shares shall be in registered form and the Company shall maintain a Register of Class A Shares and Register of Class B Shares respectively.

6B(1). The Company may allot and issue the Redeemable Preference Shares, at such issue price and on such terms and conditions as the Directors may determine, which shall carry the following rights, benefits and privileges and be subject to the following provisions:

Redeemable  
Preference  
Shares.

(a) Dividend

- (i) the Preference Shareholders shall be entitled to all dividends which may be declared by the Company from time to time out of the Distributable Profits in priority to any dividend or distribution in favour of holders of any other classes of shares in the Company;
- (ii) the entitlement of the Preference Shareholders are non-cumulative such that where no dividends are declared then no dividend shall accrue or become payable; and
- (iii) any dividends paid to the Preference Shareholders shall be paid in US Dollars by either (aa) cheque drawn on a licensed bank and despatched to the Preference Shareholders at their respective addresses appearing in the Register of Preference Shareholders, or (bb) by wire transfer of immediately available funds, to an account specified by the Preference Shareholder at least three (3) Business Days prior to the Dividend Payment Date, together with any relevant tax vouchers, if tax is deducted or withheld.

(b) Capital

On a return of capital by, or on liquidation of, the Company or otherwise (but not on redemption of the Redeemable Preference Shares or pursuant to a purchase of shares by the Company), the assets of the Company available for distribution among the Members of the Company shall be applied as follows:

- (i) first, in paying to the Ordinary Shareholders any amounts which may be due to them pursuant to Article 6A(4);
- (ii) second, in paying to the Class A Shareholders and the Class B Shareholders any amounts which may be due to them pursuant to Article 6A(4); and
- (ii) third, the balance of such assets and profits shall belong to and be distributed among the Preference Shareholders.

(c) Redemption

- (i) Subject to the satisfaction of all applicable provisions of the Act and all other applicable laws and regulations, the Company may in accordance with this Article 6B(1)(c)(i) and on such terms and conditions as the Directors may



determine, at any time redeem pro-rata amongst the Preference Shareholders, in whole or in part, the Redeemable Preference Shares which are issued and outstanding and have not been previously redeemed and held by each Preference Shareholder by giving to such Preference Shareholder notice (the "Redemption Notice") of such redemption, which notice shall be irrevocable. Every Redemption Notice shall specify the date fixed for redemption (which shall be a date (being a Business Day) falling not later than ninety (90) days from the date of the Redemption Notice (in respect of those Redeemable Preference Shares to be redeemed, the "Redemption Date")) and the number of Redeemable Preference Shares proposed to be redeemed (the "Redeemed Shares"). Upon receipt of a Redemption Notice from such Preference Shareholder, the Company shall redeem the Redeemed Shares of that Preference Shareholder on the Redemption Date. The redemption of the Redeemed Shares under this Article 6B(1)(c)(i) shall be at the Redemption Amount. Upon redemption, such Redeemed Share shall be deemed to have been cancelled.

- (ii) On or before any date fixed for redemption of any Redeemed Shares, each Preference Shareholder whose Redeemable Preference Shares are to be redeemed shall be bound to deliver to the Company the share certificates in respect of those Redeemed Shares (or an appropriate form of indemnity), in order that the same may be cancelled. On the Redemption Date, the Company shall pay to each such Preference Shareholder (or in the case of joint holders, to the holder whose name stands first in the Register of Preference Shareholders) the Redemption Amount (such payment to be made in US Dollars by either (aa) cheque drawn on a licensed bank and despatched to each such Preference Shareholder at their respective addresses appearing in the Register of Preference Shareholders, or (bb) by wire transfer of immediately available funds, to an account specified by the Preference Shareholder at least three (3) Business Days prior to the Redemption Date, together with any relevant tax vouchers, if tax is deducted or withheld).

(d) Default in Payment or Partial Payment

If by reason of any provision of the Act, the Company is unable to make payment of any amount due in respect of the Redeemable Preference Shares (whether in respect of dividends, the Redemption Amount or otherwise) then the Company shall from time to time (subject to the maximum amount and extent permitted by law, and on the earliest date on which such payments may lawfully be made) make payments on account of the amount so owing on a pro-rata

basis until such amount has been paid in full and such payments shall be applied in the following order: (i) firstly, in payment of all dividends which have been declared but which remain unpaid; and (ii) secondly, in payment of any Redemption Amounts which remain unpaid as at the date of such payment.

(e) Voting Rights

- (i) Each Redeemable Preference Share shall confer on the holder thereof the right to receive notice of, and to attend and vote at a General Meeting of the Company.
- (ii) Where the Preference Shareholders are entitled to vote on any resolution, then, at the relevant General Meeting or class meeting, on a show of hands every Preference Shareholder who is present in person or by proxy or attorney or (being a corporation) by a duly authorised representative shall have one vote and on a poll every Preference Shareholder who is present in person or by proxy or attorney or (being a corporation) by a duly authorised representative shall have one vote for each Redeemable Preference Share held.

(f) No Conversion Rights

The Redeemable Preference Shares are non-convertible.

(g) Meetings

Subject to applicable laws, any two (2) Preference Shareholders shall constitute the quorum at and shall constitute a meeting of the Preference Shareholders, or in the event there being only one (1) Preference Shareholder, such Preference Shareholder or its duly authorised representative shall constitute a quorum. The provisions of these Articles relating to General Meetings of the Company, notice of and proceedings at General Meetings and votes of Members shall (subject to and except to the extent inconsistent with this Article 6B) apply *mutatis mutandis* to any separate class meeting of the Preference Shareholders.

(h) Further Redeemable Preference Shares

Without prejudice to the generality of Article 6B(4) below, the issue by the Company of shares which rank in any respect *pari passu* with, or in priority to the Redeemable Preference Shares, shall be deemed to constitute a variation of the rights attached to the Redeemable Preference Shares save that the creation or issue of additional Redeemable Preference Shares shall not constitute a variation or abrogation of the rights attached to any existing Redeemable Preference Shares.

(i) Transfers, Registration and Replacement

The Redeemable Preference Shares will be in registered form and the Company shall maintain a Register of Preference Shareholders. The provisions of these Articles relating to the registration, transfer, transmission, certificates and replacement thereof applicable to the shares of the Company (other than Class A Shares and Class B Shares) shall apply *mutatis mutandis* to the Redeemable Preference Shares.

(j) Substitution Securities

In the event of a winding-up or dissolution of the Company pursuant to reconstruction, amalgamation, merger or consolidation then the resultant corporate entity responsible for the liabilities of the Company with respect of the Redeemable Preference Shares shall issue such securities in substitution and replacement of the Redeemable Preference Shares and on such terms as shall be approved by the Preference Shareholders and provided that the terms of such securities in substitution are no less favourable than the terms of the Redeemable Preference Shares. As a condition to any such winding-up or dissolution, the Company shall procure that the resultant corporate entity shall (in favour of the Preference Shareholders) undertake to comply with the provisions of Articles 6B(1) to 6B(6) (both inclusive).

(k) Payments

All payments or distributions with respect to the Redeemable Preference Shares held jointly by two or more persons shall be paid or made to whichever of such persons is named first in the Register of Preference Shareholders and the making of any payment or distribution in accordance with this Article 6B(1)(k) shall discharge the liability of the Company in respect thereof.

(l) Prescription

Any Preference Shareholder who has failed to claim dividends, distributions or other property or rights within six (6) years of their having been made available to him will not thereafter be able to claim such dividends, distributions or other property or rights which shall be forfeited and shall revert to the Company. The Company shall retain such distributions or other property or rights but shall not at any time be a trustee in respect of any dividends, distributions or other property or rights nor be accountable for any income or other benefits derived therefrom.

6B(2). All Redeemable Preference Shares shall be fully paid-up upon allotment and issue.

6B(3). The Company shall comply with the provisions of the Act relating to the redemption of the Redeemable Preference Shares.

6B(4). The Company shall not in any way vary, abrogate, devalue, dilute or otherwise limit the rights of the Preference Shareholders as set out in these Articles 6B(1) to 6B(6) (both inclusive) without a Special Resolution of the Preference Shareholders, passed in a separate class meeting of the Preference Shareholders.

6B(5). Any notice or other document may be given by the Company to any Preference Shareholder either personally or by sending it through the post in a prepaid letter or by cable, telex, facsimile transmission, telegram or other tangible and legible form of electronic or similar form of communication addressed to such Preference Shareholder at his address as appearing in the Register of Preference Shareholders. All notices with respect to any Redeemable Preference Shares to which persons are jointly entitled shall be given to whichever of such person is named first in the Register of Preference Shareholders, and notice so given shall be sufficient notice to all the holders of such Redeemable Preference Shares. Any notice or other document, if sent by post, shall be deemed to have been served or delivered at the time when the letter containing the same is posted, and in proving such service it shall be sufficient to prove that the letter containing the notice or document was properly addressed and served by prepaid post. Any notice or other document, if served by cable, telex, facsimile transmission, telegram or other tangible and legible form of electronic or similar form of communication shall be deemed to have been served upon receipt thereof. Production of a copy of a notice sent by telex, facsimile transmission or other tangible and legible form of electronic or similar form of communication bearing an acknowledgement of successful transmission in accordance with normal procedures under the system in use shall be sufficient proof of receipt thereof.

6B(6). In the event of any conflict or inconsistency between the provisions of this Article 6B and the other provisions of these Articles, then (in favour of the Preference Shareholders) the provisions of this Article 6B shall prevail.

7. The rights attached to shares issued upon special conditions shall be clearly defined in the Memorandum of Association or these Articles. Without prejudice to any special right previously conferred on the holders of any existing shares or class of shares but subject to the Act and these Articles, shares in the Company may be issued by the Directors and any such shares may be issued with such preferred, deferred, or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Directors determine.

Special rights.

8. If at any time the share capital is divided into different classes, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may subject to the provisions of the Act, whether or not the Company is being wound up, be varied or abrogated with the sanction of a Special Resolution passed at a separate General Meeting of the holders of shares of the class and to every such Special Resolution the provisions of Section 184 of the Act shall with such adaptations as are necessary apply. To every such separate General Meeting the provisions of these Articles relating to General Meetings shall *mutatis mutandis* apply;

Variation of rights.

but so that the necessary quorum shall be two (2) persons (unless all the shares of the class are held by one (1) person whereupon no quorum is applicable) at least holding or representing by proxy or by attorney one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy or by attorney may demand a poll Provided always that where the necessary majority for such a Special Resolution is not obtained at the Meeting, consent in writing if obtained from the holders of three-fourths of the issued shares of the class concerned, within two (2) months of the Meeting shall be as valid and effectual as a Special Resolution, carried at the Meeting.

9. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall, unless otherwise expressly provided by the terms of issue of the shares of that class or by these Articles as are in force at the time of such issue, be deemed to be varied by the creation or issue of further shares ranking equally therewith.

Creation or issue of further shares with special rights.

10. The Company may exercise the powers of paying commissions or brokerage on any issue of shares at such rate or amount and in such manner as the Directors may deem fit. Such commissions or brokerage may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other.

Power to pay commission and brokerage

11. If any shares of the Company are issued for the purpose of raising money to defray the expenses of the construction of any works or the provisions of any plant which cannot be made profitable for a long period, the Company may, subject to the conditions and restrictions mentioned in the Act pay interest on so much of the share capital as is for the time being paid up and may charge the same to capital as part of the cost of the construction or provision.

Power to charge interest on capital.

12. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by these Articles or by law otherwise provided) any other rights in respect of any share, except an absolute right to the entirety thereof in the registered holder.

Exclusion of equities.

13. If two (2) or more persons are registered as joint holders of any share any one (1) of such persons may give effectual receipts for any dividend payable in respect of such share and the joint holders of a share shall, subject to the provisions of the Act, be severally as well as jointly liable for the payment of all instalments and calls and interest due in respect of such shares. Such joint holders shall be deemed to be one (1) Member and the delivery of a certificate for a share to one (1) of several joint holders shall be sufficient delivery to all such holders.

Joint holders

14. No person shall be recognised by the Company as having title to a fractional part of a share or otherwise than as the sole or a joint holder of the entirety of such share.

Fractional part of a share.

15. If by the conditions of allotment of any shares the whole or any part of the amount of the issue price thereof shall be payable by instalments every such instalment shall, when due, be paid to the Company by the person who for the time being shall be the registered holder of the share or his personal representatives, but this provision shall not affect the liability of any allottee who may have agreed to pay the same

Payment of instalments.

16. The certificate of title to shares in the capital of the Company shall be issued under the Seal in such form as the Directors shall from time to time prescribe and shall bear the autographic or facsimile signatures of at least one (1) Director and the Secretary or some other person appointed by the Directors, and shall specify the number and class of shares to which it relates and the amounts paid thereon. The facsimile signatures may be reproduced by mechanical or other means provided the method or system of reproducing signatures has first been approved by the Auditors of the Company.

Share certificates.

17. Every person whose name is entered as a Member in the Register shall be entitled within two (2) months after allotment or within one (1) month after the lodgement of any transfer to one (1) certificate for all his shares of any one (1) class or to several certificates in reasonable denominations each for a part of the shares so allotted or transferred. Where a Member transfers part only of the shares comprised in a certificate or where a Member requires the Company to cancel any certificate or certificates and issue new certificates for the purpose of subdividing his holding in a different manner the old certificate or certificates shall be cancelled and a new certificate or certificates for the balance of such shares issued in lieu thereof and the Member shall pay a fee not exceeding \$2/- for each such new certificate as the Directors may determine.

Entitlement to certificates.

18. If any certificate or other document of title to shares or debentures be worn out or defaced, then upon production thereof to the Directors, they may order the same to be cancelled and may issue a new certificate in lieu thereof. For every certificate so issued there shall be paid to the Company the amount of the proper duty, if any, with which such certificate is chargeable under any law for the time being in force relating to stamps together with a further fee not exceeding \$2/- as the Directors may determine. Subject to the provisions of the Act and the requirements of the Directors thereunder, if any certificate or document be lost or destroyed or stolen, then upon proof thereof to the satisfaction of the Directors and on such indemnity as the Directors deem adequate being given, and on the payment of the amount of the proper duty with which such certificate or document is chargeable under any law for the time being in force relating to stamps together with a further fee not exceeding \$2/- as the Directors may determine, a new certificate or document in lieu thereof shall be given to the person entitled to such lost or destroyed or stolen certificate or document.

New certificates may be issued.

#### RESTRICTION ON TRANSFER OF SHARES

19. Subject to the restrictions of these Articles, any Member may transfer all or any of his shares, but every transfer must be in writing and in the usual common form, or in any other form which the Directors may approve. The instrument of transfer of a share shall be signed both by the transferor and by the transferee, and by the witness or witnesses thereto and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof. Shares of different classes shall not be comprised in the same instrument of transfer.

Form of transfer.

20. All instruments of transfer which shall be registered shall be retained by the Company, but any instrument of transfer which the Directors may refuse to register shall (except in any case of fraud) be returned to the party presenting the same.

Retention of transfers.

21. No share shall in any circumstances be transferred to any infant or bankrupt or person of unsound mind. Infant, bankrupt or unsound mind.
22. The Directors may, in their absolute discretion, decline to register any transfer of shares on which the Company has a lien or to a person of whom they do not approve but shall in such event, within one (1) month after the date on which the transfer was lodged with the Company, send to the transferor and transferee notice of the refusal. If the Directors refuse to register a transfer they shall within one (1) month of the date of application for the transfer by notice in writing to the applicant state the facts which are considered to justify the refusal to register the transfer. Directors' power to decline to register.
23. The Directors may decline to register any instrument of transfer unless: Instrument of transfer.
- (a) such fee not exceeding \$2/- or such other sum as the Directors may from time to time require under the provisions of these Articles, is paid to the Company in respect thereof; and
- (b) the instrument of transfer is deposited at the Office or at such other place (if any) as the Directors may appoint accompanied by the certificates of the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person so to do.
24. The Company shall provide a book to be called "Register of Transfers" which shall be kept under the control of the Directors, and in which shall be entered the particulars of every transfer of shares. Register of Transfers.
25. The Register may be closed at such times and for such periods as the Directors may from time to time determine not exceeding in the whole thirty days in any year. Closure of Register.

#### TRANSMISSION OF SHARES

26. In case of the death of a Member, the survivor or survivors, where the deceased was a joint holder, and the executors or administrators of the deceased, where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares, but nothing herein shall release the estate of a deceased Member (whether sole or joint) from any liability in respect of any share held by him. Transmission on death.
27. Any person becoming entitled to a share in consequence of the death or bankruptcy of any Member may, upon producing such evidence of title as the Directors shall require, be registered himself as holder of the share upon giving to the Company notice in writing of such desire or transfer such share to some other person. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer executed by such Member. Persons becoming entitled on death or bankruptcy of Member may be registered.

- |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                       |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|
| <p>28. Save as otherwise provided by or in accordance with these Articles a person becoming entitled to a share in consequence of the death or bankruptcy of a Member shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share except that he shall not be entitled in respect thereof to exercise any right conferred by membership in relation to Meetings of the Company until he shall have been registered as a Member in respect of the share.</p> | <p>Rights of unregistered executors and trustees.</p> |
| <p>29. There shall be paid to the Company in respect of the registration of any probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares, such fee not exceeding \$2/- as the Directors may from time to time require or prescribe.</p>                                                                                                                                                                                                | <p>Fee for registration of probate etc.</p>           |

### CALLS ON SHARES

- |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|
| <p>30. The Directors may from time to time make such calls as they think fit upon the Members in respect of any moneys unpaid on their shares and not by the terms of the issue thereof made payable at fixed times, and each Member shall (subject to receiving at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Directors may determine.</p>                                                                                                               | <p>Calls on shares.</p>             |
| <p>31. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <p>Time when made.</p>              |
| <p>32. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum due from the day appointed for payment thereof to the time of actual payment at such rate not exceeding ten per cent. (10%) per annum as the Directors determine, but the Directors shall be at liberty to waive payment of such interest wholly or in part.</p>                                                                                                                                                                                         | <p>Interest on calls.</p>           |
| <p>33. Any sum which by the terms of issue of a share becomes payable upon allotment or at any fixed date, shall for all purposes of these Articles be deemed to be a call duly made and payable on the date, on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of the Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.</p>                                                                                                                           | <p>Sum due on allotment.</p>        |
| <p>34. The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the times of payments.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <p>Power to differentiate.</p>      |
| <p>35. The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon the shares held by him and such payments in advance of calls shall extinguish, so far as the same shall extend, the liability upon the shares in respect of which it is made, and upon the moneys so received or so much thereof as from time to time exceeds the amount of the calls then made upon the shares concerned the Company may pay interest at such rate not exceeding ten per cent. (10%) per annum as the Member paying such sum and the Directors agree upon.</p> | <p>Payment in advance on calls.</p> |



## FORFEITURE AND LIEN

36. If any Member fails to pay in full any call or instalment of a call on the day appointed for payment thereof, the Directors may at any time thereafter serve a notice on such Member requiring payment of so much of the call or instalment as is unpaid together with any interest and expenses which may have accrued. Notice requiring payment of calls.
37. The notice shall name a further day (not being less than fourteen days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the shares on which the call was made will be liable to be forfeited. Notice to state time and place.
38. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before the forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder. Forfeiture on non-compliance with notice.
39. A share so forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto, or to any other person, upon such terms and in such manner as the Directors shall think fit, and at any time before a sale, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit. To give effect to any such sale, the Directors may, if necessary, authorise some person to transfer a forfeited or surrendered share to any such person as aforesaid. Sale of shares forfeited.
40. A Member whose shares have been forfeited or surrendered shall cease to be a Member in respect of the shares, but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were payable by him to the Company in respect of the shares with interest thereon at ten per cent. (10%) per annum (or such lower rate as the Directors may approve) from the date of forfeiture or surrender until payment, but such liability shall cease if and when the Company receives payment in full of all such money in respect of the shares and the Directors may waive payment of such interest either wholly or in part. Rights and liabilities of Members whose shares have been forfeited or surrendered.
41. The Company shall have a first and paramount lien and charge on every share (not being a fully paid share) registered in the name of each Member (whether solely or jointly with others) and on the dividends declared or payable in respect thereof for all calls and instalments due on any such share and interest and expenses thereon but such lien shall only be upon the specific shares in respect of which such calls or instalments are due and unpaid and on all dividends from time to time declared in respect of the shares. The Directors may resolve that any share shall for some specified period be exempt from the provisions of this Article. Company's lien.
42. The Company may sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after notice in writing stating and demanding payment of the sum payable and giving notice of intention to sell in default, shall have been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or Sale of shares subject to lien.

bankruptcy. To give effect to any such sale, the Directors may authorise some person to transfer the shares sold to the purchaser thereof.

43. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

Application of proceeds of such sales.

44. A statutory declaration in writing that the declarant is a Director of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts stated therein as against all persons claiming to be entitled to the share, and such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together with the certificate of proprietorship of the share under Seal delivered to a purchaser or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share.

Title to shares forfeited or surrendered or sold to satisfy a lien.

#### ALTERATION OF CAPITAL

45. The Company in General Meeting may from time to time by Ordinary Resolution increase its capital by the allotment and issue of new shares.

Power to increase capital

46. Subject to any special rights for the time being attached to any existing class of shares, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the General Meeting resolving upon the creation thereof shall direct and if no direction be given as the Directors shall determine subject to the provisions of these Articles and in particular (but without prejudice to the generality of the foregoing) such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company or otherwise.

Rights and privileges of new shares.

47. Unless otherwise determined by the Company in General Meeting any original shares for the time being unissued and any new shares from time to time to be created shall before issue be offered in the first instance to all the then holders of any class of shares in proportion as nearly as may be to the amount of capital held by them. In offering such shares in the first instance to all the then holders of any class of shares the offer shall be made by notice specifying the number of shares offered and limiting the time within which the offer if not accepted will be deemed to be declined and after the expiration of that time or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company and the Directors may dispose of or not issue any such shares which by reason of the proportion borne by them to the number of holders entitled to any such offer or by reason of any other difficulty in apportioning the same cannot, in the opinion of the Directors, be conveniently offered under this Article.

Issue of new shares to Members.

48. Except so far as otherwise provided by the conditions of issue or by these Articles all new shares shall be subject to the provisions of these Articles with reference to allotments, payment of calls, lien, transfer, transmission, forfeiture and otherwise. New shares otherwise subject to provisions of Articles.
49. The Company may by Ordinary Resolution: Power to consolidate, cancel and subdivide shares.
- (a) consolidate and divide all or any of its share capital;
  - (b) cancel any shares which, at the date of the passing of the resolution, have been forfeited and diminish the amount of its share capital by the number of shares so cancelled;
  - (c) subdivide its shares or any of them (subject nevertheless to the provisions of the Act) provided always that in such subdivision the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and
  - (d) subject to the provisions of these Articles and the Act, convert any class of shares into any other class of shares.
50. (a) The Company may by Special Resolution reduce its share capital in any manner and with and subject to any incident authorised and consent required by law. Power to reduce capital.
- (b) Subject to and in accordance with the provisions of the Act, the Company may authorise the Directors in General Meeting to purchase or otherwise acquire ordinary shares issued by it on such terms as the Company may think fit and in the manner prescribed by the Act. All shares purchased by the Company other than those shares that are to be held in treasury in accordance with the provisions of these Articles and the Act shall be cancelled.
51. Shares that the Company purchases or otherwise acquires may be held as treasury shares in accordance with the provisions of these Articles and the Act. Treasury shares.
52. Where the shares purchased or otherwise acquired are held as treasury shares by the Company, the Company shall be entered in the Register as the Member holding the shares. Ownership of treasury shares.
53. The Company shall not exercise any right in respect of the treasury shares other than as provided by the Act. Subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Act. Rights of treasury shares.

#### STOCK

54. The Company may by Ordinary Resolution convert any paid up shares into stock and may from time to time by like resolution reconvert any stock into paid up shares Power to convert into stock.

55. The holders of stock may transfer the same or any part thereof in the same manner and subject to the same Articles as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances admit but no stock shall be transferable except in such units as the Directors may from time to time determine.

Transfer of stock.

56. The holders of stock shall, according to the number of stock units held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except as regards dividend and return of capital and the assets on winding up) shall be conferred by any such aliquot part of stock which would not if existing in shares have conferred that privilege or advantage; and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.

Rights of shareholders.

57. All such of the provisions of these Articles as are applicable to paid up shares shall apply to stock and the words "share" and "shareholder" or similar expressions herein shall include "stock" or "stockholder".

Interpretation.

#### GENERAL MEETINGS

58. (a) Subject to the provisions of the Act and Article 59 hereof, the Company shall in each year hold a general meeting as its Annual General Meeting in addition to any other meetings in that year and not more than fifteen months shall elapse between the date of one (1) Annual General Meeting of the Company and that of the next. Provided that so long as the Company holds its First Annual General Meeting within eighteen months of its incorporation, it need not hold it in the year of its incorporation or in the following year.
- (b) All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.
- (c) The time and place of any General Meeting shall be determined by the Directors.
59. (a) The Company shall dispense with the holding of Annual General Meetings in accordance with the provisions of the Act if a resolution to this effect is passed at a General Meeting by all Members as, being entitled to do so, vote in person or by proxy present at the General Meeting.
- (b) Notwithstanding a resolution referred to in Article 59(a) being passed to dispense with the holding of Annual General Meetings, any Member may by notice given to the Company in accordance with the requirements of the Act require an Annual General Meeting to be held for that year. The Company shall proceed to convene the Annual General Meeting in accordance with these Articles but shall not be required to convene Annual General Meetings for the subsequent years unless a notice by a Member to require the Company to do so has been received.

Annual General Meeting.

Extraordinary General Meetings.

Time and place.

Dispensation of Annual General Meetings.

- (c) Where a resolution referred to in Article 59(a) has been passed to dispense with the holding of Annual General Meetings, any reference in the Act to a deed, act or thing which is required to be done in Annual General Meetings shall be regarded as being done if a resolution or resolutions of the Members has or have been passed by written means in accordance with these Articles to the effect that such deed, act or thing has been done, and any reference in the Act to the date or conclusion of an Annual General Meeting shall, unless an Annual General Meeting is held, be regarded as the date of expiry of the period within which the Annual General Meeting is required by law to be held.

60. The Directors may, whenever they think fit, convene an Extraordinary General Meeting and Extraordinary General Meetings shall also be convened on such requisition or, in default, may be convened by such requisitionists, as provided by Section 176 of the Act. If at any time there are not within Singapore sufficient Directors capable of acting to form a quorum at a meeting of Directors, any Director may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors.

Calling  
Extraordinary  
General Meetings.

#### NOTICE OF GENERAL MEETINGS

61. Subject to the provisions of the Act as to special notice, at least fourteen days' notice in writing (exclusive both of the day on which the notice is served or deemed to be served and of the day for which the notice is given) of every General Meeting shall be given in the manner hereinafter mentioned to such persons (including the Auditors) as are under the provisions herein contained entitled to receive notice from the Company. Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:

Notice of  
Meetings.

- (a) in the case of an Annual General Meeting by all the Members entitled to attend and vote thereat; and
- (b) in the case of an Extraordinary General Meeting by that number or majority in number of the Members having a right to attend and vote thereat as is required by the Act.

62. (a) Every notice calling a General Meeting shall specify the place and the day and hour of the Meeting, and there shall appear with reasonable prominence in every such notice a statement that a Member entitled to attend and vote is entitled to appoint a proxy to attend and to vote instead of him and that a proxy need not be a Member of the Company.

(b) In the case of an Annual General Meeting, the notice shall also specify the Meeting as such.

(c) In the case of any General Meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of the business; and if any resolution is to be proposed as a Special Resolution or as requiring special notice, the notice shall contain a statement to that effect.

Contents  
of notice.

63. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:

Routine business.

- (a) Declaring dividends;
- (b) Reading, considering and adopting the balance sheet, the reports of the Directors and Auditors, and other accounts and documents required to be annexed to the balance sheet;
- (c) Appointing Auditors and fixing the remuneration of Auditors or determining the manner in which such remuneration is to be fixed; and
- (d) Fixing the remuneration of the Directors proposed to be paid under Article 96.

#### PROCEEDINGS AT GENERAL MEETINGS

64. Where there are two (2) or more Members of the Company, no business shall be transacted at any General Meeting unless two (2) Members are present to form a quorum. In the event of a corporation being beneficially entitled to the whole of the issued capital of the Company or there being only one (1) Member of the Company, who is entitled to vote on the resolution(s) being tabled at a General Meeting, then one (1) person representing such corporation or as the case may be, the sole Member who is entitled to vote on the resolution(s) being tabled at a General Meeting, shall be a quorum and shall be deemed to constitute a Meeting and, if applicable, the provisions of Section 179 of the Act shall apply. For the purpose of this Article, "Member" includes a person attending by proxy or by attorney or as representing a corporation which is a Member.

Quorum.

65. If within half an hour from the time appointed for the Meeting a quorum is not present, the Meeting if convened on the requisition of Members shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the Directors may determine, and if at such adjourned Meeting a quorum is not present within fifteen minutes from the time appointed for holding the Meeting, the Meeting shall be dissolved. No notice of any such adjournment as aforesaid shall be required to be given to the Members.

Adjournment  
if quorum not  
present.

66. The Chairman of the Board of Directors shall preside as Chairman at every General Meeting. If there be no such Chairman or if at any Meeting he be not present within fifteen minutes after the time appointed for holding the Meeting or be unwilling to act, the Members present shall choose some Director to be Chairman of the Meeting or, if no Director be present or if all the Directors present decline to take the Chair, one (1) of their number present, to be Chairman.

Chairman.

67. The Chairman may, with the consent of any Meeting at which a quorum is present (and shall if so directed by the Meeting) adjourn the Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place. When a Meeting is adjourned for thirty days or more, notice of the adjourned Meeting shall be given as in the case of the original Meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned Meeting.

Adjournment.

68. At any General Meeting a resolution put to the vote of the Meeting shall be decided on a show of hands unless a poll be (before or on the declaration of the result of the show of hands) demanded by at least one (1) Member present in person or by proxy or by attorney or in the case of a corporation by a representative and entitled to vote thereat Provided always that no poll shall be demanded on the election of a Chairman or on a question of adjournment. Unless a poll be so demanded (and the demand be not withdrawn) a declaration by the Chairman that a resolution has been carried or carried unanimously or by a particular majority or lost and an entry to that effect in the minute book shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution. A demand for a poll may be withdrawn.

Method of voting.

69. If a poll be duly demanded (and the demand be not withdrawn) it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the Chairman may direct and the result of a poll shall be deemed to be the resolution of the Meeting at which the poll was demanded. The Chairman may, and if so requested shall, appoint scrutineers and may adjourn the Meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

Taking a poll.

70. If any votes be counted which ought not to have been counted or might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the same Meeting or at any adjournment thereof and not in any case unless it shall in the opinion of the Chairman be of sufficient magnitude.

Votes counted in error.

71. In the case of equality of votes, whether on a show of hands or on a poll, the Chairman of the Meeting at which the show of hands takes place or at which the poll is demanded shall not be entitled to a casting vote.

Chairman's casting vote.

72. A poll demanded on any question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the Meeting) and place as the Chairman may direct. No notice need be given of a poll not taken immediately.

Time for taking a poll.

73. The demand for a poll shall not prevent the continuance of a Meeting for the transaction of any business, other than the question on which the poll has been demanded.

#### VOTES OF MEMBERS

74. Subject to these Articles and to any special rights or restrictions as to voting attached to any class of shares hereinafter issued on a show of hands every Member who is present in person or by proxy or attorney or in the case of a corporation by a representative shall have one (1) vote and on a poll every such Member shall have one (1) vote for every share of which he is the holder.

Voting rights of Members.

75. Where there are joint registered holders of any share any one (1) of such persons may vote and be reckoned in a quorum at any Meeting either personally or by proxy or by attorney or in the case of a corporation by a representative as if he were solely entitled thereto and if more than one (1) of such joint holders be so present at any Meeting that one (1) of such persons so present whose name stands first in the Register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased Member in whose name any share stands shall for the purpose of this Article be deemed joint holders thereof.

Voting rights of joint holders.

76. A Member of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental disorders may vote whether on a show of hands or on a poll by his committee, curator bonis or such other person as properly has the management of his estate and any such committee, curator bonis or other person may vote by proxy or attorney, Provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Office not less than forty eight hours before the time appointed for holding the Meeting.

Voting rights  
of Members of  
unsound mind.

77. Subject to the provisions of these Articles every Member shall be entitled to be present and to vote at any General Meeting either personally or by proxy or by attorney or in the case of a corporation by a representative and to be reckoned in a quorum in respect of shares fully paid and in respect of partly paid shares where calls are not due and unpaid.

Right to vote.

78. No objection shall be raised to the qualification of any voter except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered and every vote not disallowed at such Meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the Meeting whose decision shall be final and conclusive.

Objections.

79. On a poll votes may be given either personally or by proxy or by attorney or in the case of a corporation by its representative and a person entitled to more than one (1) vote need not use all his votes or cast all the votes he uses in the same way.

Votes on a poll.

80. An instrument appointing a proxy shall be in writing and:

Appointment  
of proxies.

(a) in the case of an individual shall be signed by the appointor or by his attorney; and

(b) in the case of a corporation shall be either under the common seal or signed by its attorney or by an officer on behalf of the corporation.

The Directors may, but shall not be bound to, require evidence of the authority of any such attorney or officer.

81. A proxy need not be a Member of the Company.

Proxy need not  
be a Member.

82. An instrument appointing a proxy or the power of attorney or other authority, if any, must be left at the Office or such other place (if any) as is specified for the purpose in the notice convening the Meeting not less than forty eight hours before the time appointed for the holding of the Meeting or adjourned Meeting (or in the case of a poll before the time appointed for the taking of the poll) at which it is to be used and in default shall not be treated as valid unless the Directors otherwise determine.

Deposit of proxies.

83. An instrument appointing a proxy shall be in the following form with such variations if any as circumstances may require or in such other form as the Directors may accept and shall be deemed to include the right to demand or join in demanding a poll:

Form of proxies.

"ALPHALAND HOLDINGS (SINGAPORE) PTE. LTD."

"I/We  
of



a Member/Members of the abovenamed Company hereby appoint  
of  
or whom failing  
of  
to vote for me/us and on my/our behalf  
at the (Annual, Extraordinary or Adjourned,  
as the case may be) General Meeting of  
the Company to be held on the day  
of and at every adjournment  
thereof."

"As Witness my hand this day of "

An instrument appointing a proxy shall, unless the contrary is stated thereon, be valid as well for any adjournment of the Meeting as for the Meeting to which it relates and need not be witnessed.

84. A vote given in accordance with the terms of an instrument of proxy (which for the purposes of these Articles shall also include a power of attorney) shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy, or of the authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the Office (or such other place as may be specified for the deposit of instruments appointing proxies) before the commencement of the Meeting or adjourned Meeting (or in the case of a poll before the time appointed for the taking of the poll) at which the proxy is used.

Intervening  
death or insanity of  
principal not to  
revoke proxy.

85. Any corporation which is a Member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any Meeting of the Company or of any class of Members of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual Member of the Company.

Corporations  
acting by  
representatives.

#### SHAREHOLDERS' RESOLUTIONS BY WRITTEN MEANS

86. Save for a resolution referred to in Article 59 to dispense with the convening of Annual General Meetings or a resolution for which special notice is required under the Act, any resolution required to be passed by the Members of the Company in General Meeting may be passed by written means in accordance with the provisions of Sections 184A to 184F of the Act and these Articles. Where a resolution is deemed to be duly passed by written means, the requirements as to the procedures in these Articles concerning the giving of notice of General Meetings, proceedings of such General Meetings and voting by Members at such General Meetings shall be deemed to be satisfied.

Passing  
Shareholders'  
Resolutions by  
Written means.

87. A Special Resolution is passed by written means if the resolution indicates that it is a Special Resolution and it has been formally agreed on any date by one (1) or more Members who on that date represent at least seventy-five per cent. (75%) of the total voting rights of all Members who on that date would have the right to vote on that resolution had a General Meeting been convened. An Ordinary Resolution is passed by written means if the resolution does not indicate that it is a Special Resolution and it has been formally agreed on any date by one (1) or more Members who on that date represent a majority of the total voting rights of all Members who on that date would have the right to vote on that resolution at a General Meeting had a General Meeting been convened. For the avoidance of doubt, the requisite number of Members need not give their formal agreement to any Special Resolution or Ordinary Resolution on a single day.

88. For the purpose of Article 87, a resolution is formally agreed by a Member if:

- (a) the Company receives from the Member (or his proxy) a document that (i) is given to the Company in legible form or a permitted alternative form; (ii) indicates the Member's agreement (or agreement on his behalf) to the resolution; and (iii) includes the text of the resolution or otherwise makes clear that it is that resolution that is being agreed to; and
- (b) the Member (or his proxy) had a legible text of the resolution before giving that document.

In this Article 88 and also for the purpose of Article 90, something is "in legible form or a permitted alternative form" if, and only if, it is sent or otherwise supplied (aa) in a form (such as paper document) that is legible before being sent or otherwise supplied and does not change form during that process or (bb) through electronic communication.

89. A resolution of the Company may only be passed by written means if agreement was first sought by the Directors in accordance with Article 90 or under the circumstances described in Section 184B(1)(a)(ii) of the Act. For the avoidance of doubt, other than the requirements stated in Articles 86 to 93 hereof, there is no other condition in the Memorandum of Association or these Articles relating to the passing of resolutions by written means that needs to be satisfied.

90. In seeking the agreement of the Members to pass any resolution by written means, the Directors shall send to each Member who would have the right to vote on that resolution had a General Meeting been convened, a copy of the text of the resolution in legible form or a permitted alternative form. As far as practicable, the Directors shall send the text of the resolution as respects every Member at the same time and without delay, and the provisions of Section 184C of the Act shall apply.

91. Any Member who represents at least five per cent. (5%) of the total voting rights of all Members would have the right to vote on that resolution had a General Meeting been convened, may within seven (7) days after receiving the text of the resolution sent pursuant to Article 90 or the documents referred to in Section 183(3A) of the Act, as the case may be, give notice to the Company requiring that a General Meeting be convened for the purpose of considering, and if thought fit, passing the resolution. Upon receipt of such a notice, the Directors shall proceed to convene a General Meeting in accordance with Articles 61 to 73 hereof.

92. Where a resolution of the Members is passed by written means, the Company shall notify every Member that the resolution has been passed within fifteen days from the date on which a Director or Company Secretary first becomes aware that the resolution has been passed. The Company shall cause a record of the resolution passed by written means and the indication of each Member's agreement (or agreement on his behalf) to be entered in a book in the like manner for recording proceedings of General Meetings in the minute book. Any such record, if purporting to be signed by a Director or the Company Secretary shall be evidence of the proceedings in passing the resolution, and until the contrary is proved, the record shall also be evidence that the requirements of the Act with respect to the proceedings in passing the resolution have been complied with.

93. Notwithstanding anything in these Articles, where there is only one (1) Member of the Company, a resolution passed by written means may be passed by the Member recording the resolution and signing the record.

### DIRECTORS

94. Subject to the other provisions of Section 145 of the Act, the Company shall have at least one (1) Director being a natural person of full age and capacity who is ordinarily resident in Singapore and unless otherwise determined by a General Meeting, there shall be no maximum number of Directors holding office at any time.

Number of  
Directors.

95. A Director need not be a Member and shall not be required to hold any share qualification unless and until otherwise determined by the Company in General Meeting but shall be entitled to attend and speak at General Meetings. Where the Company only has one (1) Member, the sole Member may also be the sole Director of the Company Provided that the requirements in Article 94 are complied with.

Qualification.

96. Subject to Section 169 of the Act, the remuneration of the Directors shall be determined from time to time by the Company in General Meeting, and shall be divisible among the Directors in such proportions and manner as they may agree and in default of agreement equally, except that in the latter event any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for the proportion of remuneration related to the period during which he has held office.

Remuneration  
of Directors.

97. The Directors shall be entitled to be repaid all travelling or such reasonable expenses as may be incurred in attending and returning from meetings of the Directors or of any committee of the Directors or General Meetings or otherwise howsoever in or about the business of the Company in the course of the performance of their duties as Directors.

Travelling  
expenses.

98. Any Director who is appointed to any executive office or serves on any committee or who otherwise performs or renders services, which in the opinion of the Directors are outside his ordinary duties as a Director, may, subject to Section 169 of the Act, be paid such extra remuneration as the Directors may determine.

Extra  
remuneration.

99. (a) Other than the office of Auditor, a Director may hold any other office or place of profit under the Company and he or any firm of which he is a member may act in a professional capacity for the Company in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine. Subject to the Act, no Director or intending Director shall be disqualified by his office from contracting or entering into any

Power of  
Directors to hold  
office of profit and  
to contract with  
Company.

arrangement with the Company either as vendor, purchaser or otherwise nor shall such contract or arrangement or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established.

- (b) Every Director shall observe the provisions of Section 156 of the Act relating to the disclosure of the interests of the Directors in transactions or proposed transactions with the Company or of any office or property held by a Director which might create duties or interests in conflict with his duties or interests as a Director. Subject to such disclosure, a Director shall be entitled to vote in respect of any transaction or arrangement in which he is interested and he shall be taken into account in ascertaining whether a quorum is present.

Directors to observe Section 156 of the Act.

100. (a) A Director may be or become a director of or hold any office or place of profit (other than as Auditor) or be otherwise interested in any company in which the Company may be interested as vendor, purchaser, shareholder or otherwise and unless otherwise agreed shall not be accountable for any fees, remuneration or other benefits received by him as a director or officer of or by virtue of his interest in such other company.

Holding of office in other companies.

- (b) The Directors may exercise the voting power conferred by the shares in any company held or owned by the Company in such manner and in all respects as the Directors think fit in the interests of the Company (including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors of such company or voting or providing for the payment of remuneration to the directors of such company) and any such Director of the Company may vote in favour of the exercise of such voting powers in the manner aforesaid notwithstanding that he may be or be about to be appointed a director of such other company.

Directors may exercise voting power conferred by Company's shares in another company.

#### APPOINTMENT AND REMOVAL OF DIRECTORS

101. The Directors shall have power at any time and from time to time to appoint any person to be a Director either to fill a casual vacancy or as an additional Director but so that the total number of Directors shall not at any time exceed the maximum number, if any, fixed by or in accordance with these Articles.

Directors' power to fill casual vacancies and to appoint additional Director.

102. The Company may by Ordinary Resolution remove any Director before the expiration of his period of office, notwithstanding anything in these Articles or in any agreement between the Company and such Director.

Removal of Directors.

103. The Company may by Ordinary Resolution appoint another person in place of a Director removed from office under the immediately preceding Article.

Appointment in place of Director removed.

## MANAGING DIRECTORS

104. The Directors may from time to time appoint one (1) or more of their body to be Managing Director or Managing Directors of the Company and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their places.

Appointment  
of Managing  
Directors.

105. A Managing Director shall subject to the provisions of any contract between him and the Company be subject to the same provisions as to resignation and removal as the other Directors of the Company and if he ceases to hold the office of Director from any cause he shall ipso facto and immediately cease to be a Managing Director.

Resignation  
and removal  
of Managing  
Director.

106. Subject to Section 169 of the Act, the remuneration of a Managing Director shall from time to time be fixed by the Directors and may subject to these Articles be by way of salary or commission or participation in profits or by any or all of these modes.

Remuneration  
of Managing  
Director.

107. The Directors may from time to time entrust to and confer upon a Managing Director for the time being such of the powers exercisable under these Articles by the Directors as they may think fit and may confer such powers for such time and to be exercised on such terms and conditions and with such restrictions as they think expedient and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke withdraw alter or vary all or any of such powers.

Powers of  
Managing Director.

## VACATION OF OFFICE OF DIRECTOR

108. The office of a Director shall be vacated in any one (1) of the following events, namely:

Vacation of  
office of Director.

- (a) if he becomes prohibited from being a Director by reason of any order made under the Act;
- (b) if he ceases to be a Director by virtue of any of the provisions of the Act or these Articles;
- (c) subject to Section 145 of the Act, if he resigns by writing under his hand left at the Office;
- (d) if he has a receiving order made against him or suspends payments or compounds with his creditors generally;
- (e) if he be found lunatic or becomes of unsound mind; or
- (f) if he be absent from meetings of the Directors for a continuous period of six (6) months without leave from the Directors and the Directors resolve that his office be vacated.

## ALTERNATE DIRECTORS

Appointment  
of Alternate  
Directors.

109. (a) Any Director may at any time by writing under his hand and deposited at the Office or by telefax, telex or by cable sent to the Secretary appoint any person to be his Alternate Director and may in like manner at any time terminate such appointment. Any appointment or removal by telefax, telex or cable shall be confirmed as soon as possible by letter, but may be acted upon by the Company meanwhile.
- (b) A Director or any other person may act as an Alternate Director to represent more than one (1) Director and such Alternate Director shall be entitled at Directors' meetings to one (1) vote for every Director whom he represents in addition to his own vote if he is a Director.
- (c) The appointment of an Alternate Director shall ipso facto determine on the happening of any event which if he were a Director would render his office as a Director to be vacated and his appointment shall also determine ipso facto if his appointor ceases for any reason to be a Director.
- (d) An Alternate Director shall be entitled to receive notices of meetings of the Directors and to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally, if his appointor is absent from Singapore or is otherwise unable to act as such Director, to perform all functions of his appointment as a Director (except the power to appoint an Alternate Director) and to sign any resolution in accordance with the provisions of Article 115.
- (e) An Alternate Director shall not be taken into account in reckoning the minimum or maximum number of Directors allowed for the time being under these Articles but he shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the Directors attended by him at which he is entitled to vote. Provided that he shall not constitute a quorum under Article 112 if he is the only person present at the meeting notwithstanding that he may be an Alternate to more than one (1) Director.
- (f) An Alternate Director may be repaid by the Company such expenses as might properly be repaid to him if he were a Director and he shall be entitled to receive from the Company such proportion (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, but save as aforesaid he shall not in respect of such appointment be entitled to receive any remuneration from the Company.
- (g) An Alternate Director shall not be required to hold any share qualification.

## PROCEEDINGS OF DIRECTORS

110. (a) The Directors may meet together for the despatch of business, adjourn or otherwise regulate their meetings as they think fit. Subject to the provisions of these Articles questions arising at any meeting shall be determined by a majority of votes and in case of an equality of votes the Chairman of the meeting shall not have a second or casting vote. Meetings of Directors.
- (b) Any Director may participate at a meeting of the Directors by telephone conference, video conference, audio visual or by means of a similar communication equipment whereby all persons participating in the meeting are able to hear each other in which event such Director shall be deemed to be present at the meeting. A Director participating in a meeting in the manner aforesaid may also be taken into account in ascertaining the presence of a quorum at the meeting. Minutes of the proceedings at a meeting by telephone conference, video conference, audio visual, or other similar communications equipment signed by the Chairman of the meeting shall be conclusive evidence of such proceedings and of the observance of all necessary formalities.
111. A Director may and the Secretary on the requisition of a Director shall at any time summon a meeting of the Directors. At least fourteen days notice in writing (exclusive of the day on which the notice is served or is deemed to be served) of every meeting of the Directors shall be given to every Director. Every such notice shall specify the place, the day and the hour of the meeting and the general nature of the business to be transacted Provided that any Director may waive the requirement for notice or accept shorter notice of any meeting of the Directors. Convening meetings of Directors.
112. Except where the Company only has one (1) Director, the quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed at any other number shall be two (2) Provided that where no quorum is present at any duly convened meeting, the meeting shall be adjourned seven (7) days thereafter at the same time and place and such Directors as are present at such meeting shall be the quorum. A meeting of the Directors at which a quorum is present shall be competent to exercise all the powers and discretions for the time being exercisable by the Directors. Quorum.
113. The continuing Directors may act notwithstanding any vacancies in their body but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles the continuing Directors or Director may act for the purpose of filling up such vacancies or of summoning General Meetings of the Company but not for any other purpose. If there be no Directors or Director able or willing to act, then any Members, or if the Company only has a sole Member, then that sole Member, may summon a General Meeting for the purpose of appointing one (1) or more Directors. Proceedings in case of vacancies.
114. The Director shall elect a Chairman and may elect one (1) or more Vice-Chairmen and the Directors may determine the period for which such officers shall respectively hold office. The Chairman (if any), or, in the absence of the Chairman, the Vice-Chairman (if any), or, in the event that there are more than one (1) Vice-Chairman, the senior in appointment among them, shall preside at the meetings of the Directors. If such officers have not been appointed, or if no such officer is present within five (5) minutes after the time appointed for a meeting, the Directors present shall choose one (1) of their number to be Chairman at such meeting. Chairman and Vice-Chairman.

115. A resolution in writing signed by the majority of Directors being not less than are sufficient to form a quorum shall be as effective as a resolution passed at a meeting of the Directors duly convened and held, and may consist of several documents in the like form each signed by one (1) or more of the Directors Provided that, where a Director has appointed an Alternate Director but is not himself in Singapore the signature of such Alternate Director (if in Singapore), shall be required. The expressions "in writing" and "signed" include approval by any such Director by telefax, telex, cable, telegram, wireless or facsimile transmission or any form of electronic communication approved by the Directors for such purpose from time to time incorporating, if the Directors deem necessary, the use of security and/or identification procedures and devices approved by the Directors.

Resolutions  
in writing.

116. The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on them by the Directors.

Power to appoint  
committees.

117. The meetings and proceedings of any such committee consisting of two (2) or more members shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as the same are applicable and are not superseded by any regulations made by the Directors under the last preceding Article.

Proceedings  
at committee  
meetings.

118. All acts done by any meeting of Directors or of a committee of Directors or by any person acting as Director shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any such Director or person acting as aforesaid or that they or any of them were disqualified or had vacated office or were not entitled to vote be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.

Validity of acts  
of Directors in spite  
of some formal  
defect.

119. Notwithstanding anything in these Articles, where the Company only has a sole Director, all acts required to be done or business required to be transacted by a meeting of Directors or of a committee of Directors may be done or undertaken by the sole Director and a declaration made by the sole Director, and recorded and signed by the sole Director, shall be evidence that the same has been done or undertaken.

Declaration by  
a sole Director

#### GENERAL POWERS OF THE DIRECTORS

120. The business of the Company shall be managed by or under the direction of the Directors. The Directors may exercise all the powers of the Company except any powers that this Act or the Memorandum of Association and Articles of the Company require the Company to exercise in General Meeting. In particular and without prejudice to the generality of the foregoing the Directors may at their discretion exercise every borrowing power vested in the Company together with collateral power of hypothecating the assets of the Company including any uncalled or called but unpaid capital, Provided that the Directors shall not carry into effect any proposals for disposing of the whole or substantially the whole of the Company's undertaking or property unless those proposals have been approved by the Company in General Meeting.

General powers  
of Directors  
to manage  
Company's  
business.



121. The Directors may from time to time by power of attorney appoint any company, firm or person or any fluctuating body of persons whether nominated directly or indirectly by the Directors to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with such attorney as the Directors may think fit and may also authorise any such attorney to subdelegate all or any of the powers, authorities and discretions vested in him.

Power to appoint attorneys.

122. All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

Signature of cheques and bills.

### BORROWING POWERS

123. The Directors may borrow or raise money from time to time for the purpose of the Company or secure the payment of such sums as they think fit and may secure the repayment or payment of such sums by mortgage or charge upon all or any of the property or assets of the Company or by the issue of debentures or otherwise as they may think fit.

Directors' borrowing powers.

### SECRETARY

124. The Secretary or Secretaries shall and a Deputy or Assistant Secretary or Secretaries may be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit, and any Secretary, Deputy or Assistant Secretary so appointed may be removed by them, but without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company. The appointment and duties of the Secretary or Secretaries shall not conflict with the provisions of the Act and in particular Section 171 thereof.

Secretary.

### SEAL

125. (a) The Directors shall provide for the safe custody of the Seal, which shall only be used by the authority of the Directors or a committee of Directors authorised by the Directors in that behalf, and every instrument to which the Seal shall be affixed shall (subject to the provisions of these Articles as to certificates for shares) be signed by a Director and shall be countersigned by the Secretary or by a second Director or by some other person appointed by the Directors in place of the Secretary for the purpose.

Seal.

(b) The Company may exercise the powers conferred by the Act with regard to having an Official Seal for use abroad, and such powers shall be vested in the Directors.

Official Seal.

(c) The Company may have a duplicate Common Seal as referred to in Section 124 of the Act which shall be a facsimile of the Common Seal with the addition on its face of the words "Share Seal".

Share Seal.

## AUTHENTICATION OF DOCUMENTS

126. Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company, including a resolution passed by written means, or resolutions passed by the Directors, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the Office, the local manager and other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid.

Power to authenticate documents.

127. A document purporting to be a copy of a resolution of the Directors, an extract from the minutes of a meeting of Directors or a declaration signed by a sole Director in accordance with Article 119 hereof, which is certified as such in accordance with the provisions of the last preceding Article shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such extract is a true and accurate record of a duly constituted or deemed meeting of the Directors. Any authentication or certification made pursuant to this Article may be made by any electronic means approved by the Directors from time to time for such purpose incorporating, if the Directors deem necessary, the use of security procedures or devices approved by the Directors.

Certified copies of resolution of the Directors.

## DIVIDENDS AND RESERVES

128. The Company may by Ordinary Resolution declare dividends but (without prejudice to the powers of the Company to pay interest on share capital as hereinbefore provided) no dividend shall be payable except out of the profits of the Company, or in excess of the amount recommended by the Directors.

Payment of dividends.

129. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide and except as otherwise permitted under the Act:

Apportionment of dividends.

- (a) all dividends in respect of shares must be paid in proportion to the number of shares held by a Member but where shares are partly paid all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and
- (b) all dividends must be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period in respect of which dividend is paid.

For the purposes of this Article, no amount paid on a share in advance of calls shall be treated as paid on the share.

130. If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may pay the fixed preferential dividends on any class of shares carrying a fixed preferential dividend expressed to be payable on a fixed date on the half-yearly or other dates (if any) prescribed for the payment thereof by the terms of issue of the shares, and subject thereto may also from time to time pay to the holders of any other class of shares interim dividends thereon of such amounts and on such dates as they may think fit.

Payment of preference and interim dividends.

- |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                        |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
| 131. No dividend or other moneys payable on or in respect of a share shall bear interest against the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Dividends not to bear interest.                        |
| 132. The Directors may deduct from any dividend or other moneys payable to any Member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or in connection therewith.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Deduction of debts due to Company.                     |
| 133. The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Retention of dividends on shares subject to lien.      |
| 134. The Directors may retain the dividends payable on shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a Member or which any person under those provisions is entitled to transfer until such person shall become a Member in respect of such shares or shall duly transfer the same.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Retention of dividends on shares pending transmission. |
| 135. The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends unclaimed after being declared may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend unclaimed after a period of six (6) years from the date of declaration of such dividend may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the dividend so forfeited to the person entitled thereto prior to the forfeiture.                                                                                                                                                                                                                                                                               | Unclaimed dividends.                                   |
| 136. The Company may, upon the recommendation of the Directors, by Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets and in particular of paid up shares or debentures of any other company or in any one (1) or more of such ways; and the Directors shall give effect to such resolution and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.                                                                                                                                                           | Payment of dividend in specie.                         |
| 137. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the Member or person entitled thereto, or, if several persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder to any one (1) of such persons or to such persons and such address as such persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque if purporting to be endorsed or the receipt of any such person shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby. | Dividends payable by cheque.                           |
| 138. A transfer of shares shall not pass the right to any dividend declared on such shares before the registration of the transfer.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Effect of transfer.                                    |

## RESERVES

139. The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for meeting contingencies or for the gradual liquidation of any debt or liability of the Company or for repairing or maintaining the works, plant and machinery of the Company or for special dividends or bonuses or for equalising dividends or for any other purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one (1) fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also without placing the same to reserve carry forward any profits which they may think it not prudent to divide.

Power to carry profit to reserve.

## CAPITALISATION OF PROFITS AND RESERVES

140. The Company may, upon the recommendation of the Directors, by Ordinary Resolution resolve that it is desirable to capitalise any sum for the time being standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of the profit and loss account or otherwise available for distribution, Provided that such sum be not required for paying the dividends on any shares carrying a fixed cumulative preferential dividend and accordingly that the Directors be authorised and directed to appropriate the sum resolved to be capitalised to the Members holding shares in the Company in the proportions in which such sum would have been divisible amongst them had the same been applied or been applicable in paying dividends and to apply such sum on their behalf either in or towards paying up the amounts (if any) for the time being unpaid on any shares held by such Members respectively, or in paying up in full unissued shares or debentures of the Company.

Power to capitalise profits.

141. Whenever such a resolution as aforesaid shall have been passed, the Directors shall make all appropriations and applications of the sum resolved to be capitalised thereby and all allotments and issues of fully paid shares or debentures (if any) and generally shall do all acts and things required to give effect thereto with full power to the Directors to make such provision by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions and also to authorise any person to enter on behalf of all the Members interested into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the sum resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares and any agreement made under such authority shall be effective and binding on all such Members.

Implementation of resolution to capitalise profits.

## MINUTES AND BOOKS

142. The Directors shall cause minutes to be made in books to be provided for the purpose:

Minutes.

- (a) of all appointments of officers made by the Directors;
- (b) of the names of the Directors present at each meeting of Directors and of any committee of Directors;

- (c) of all resolutions and proceedings at all Meetings of the Company and of any class of Members, of the Directors and of committees of Directors;
- (d) of all declarations made by a sole Director which is recorded and signed by the sole Director; and
- (e) of all resolutions passed by written means with the indication of each Member's agreement (or agreement on his behalf) to the resolutions.

143. The Directors shall duly comply with the provisions of the Act and in particular the provisions in regard to registration of charges created by or affecting property of the Company, in regard to keeping a Register of Directors, Managers, Secretaries and Auditors, the Register, a Register of Mortgages and Charges and a Register of Directors' Share and Debenture Holdings and in regard to the production and furnishing of copies of such Registers and of any Register of Holders of Debentures of the Company.

Keeping of Registers, etc.

144. Any register, index, minute book, book of accounts or other book required by these Articles or by the Act to be kept by or on behalf of the Company may be kept either by making entries in bound books or by recording them in any other manner. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating discovery.

Form of registers, etc.

#### ACCOUNTS

145. The Directors shall cause to be kept such accounting and other records as are necessary to comply with the provisions of the Act and shall cause those records to be kept in such manner as to enable them to be conveniently and properly audited.

Directors to keep proper accounts.

146. Subject to the provisions of Section 199 of the Act, the books of accounts shall be kept at the Office or at such other place or places as the Directors think fit within Singapore. No Member (other than a Director) shall have any right of inspecting any account or book or document or other recording of the Company except as is conferred by law or authorised by the Directors or by an Ordinary Resolution of the Company.

Location and inspection.

147. Subject to the provisions of the Act, the Directors shall cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as may be necessary.

Presentation of accounts.

148. Subject to the provisions of the Act, a copy of every balance sheet and profit and loss account which is to be laid before a General Meeting of the Company (including every document required by the Act to be annexed thereto) together with a copy of every report of the Auditors relating thereto (if required) and of the Directors' report shall not less than fourteen days before the date of the Meeting be sent to every Member of, and every holder of debentures (if any) of, the Company and to every other person who is entitled to receive notices from the Company under the provisions of the Act or of these Articles, Provided that this Article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware or to more than one (1) of the joint holders of a share in the Company or the several persons entitled thereto in consequence of the death or bankruptcy of the holder or otherwise but any Member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office.

Copies of accounts.

## AUDITORS

149. Subject to the provisions of the Act, Auditors shall be appointed and their duties regulated in accordance with the provisions of the Act. Every Auditor of the Company shall have a right of access at all times to the accounting and other records of the Company and shall make his report as required by the Act.

Appointment of Auditors.

150. Subject to the provisions of the Act, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment.

Validity of acts of Auditors in spite of some formal defect.

151. The Auditors shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting to which any Member is entitled and to be heard at any General Meeting on any part of the business of the Meeting which concerns them as Auditors.

Auditors' right to receive notices of and attend at General Meetings.

## NOTICES

152. (a) Any notice may be given by the Company to any Member in any of the following ways:

Service of notice.

- (i) by delivering the notice personally to him; or
- (ii) by sending it by prepaid mail to him at his registered address in Singapore or where such address is outside Singapore by prepaid air-mail; or
- (iii) by sending a cable or telex, or telefax containing the text of the notice to him at his registered address in Singapore or where such address is outside Singapore to such address or to any other address as might have been previously notified by the Member concerned to the Company; or
- (iv) by electronic communication containing the text of the notice to him at an electronic mailing address as previously notified by the Member concerned to the Company for the purpose of receiving electronic communication.

(b) Any notice or other communication served under any of the provisions of these Articles on or by the Company or any officer of the Company may be tested or verified by telex or telefax or telephone or electronic means or such other manner as may be convenient in the circumstances but the Company and its officers are under no obligation so to test or verify any such notice or communication.

153. All notices and documents (including a share certificate) with respect to any shares to which persons are jointly entitled shall be given to whichever of such persons is named first on the Register and notice so given shall be sufficient notice to all the holders of such shares.

Service of notices in respect of joint holders.

154. Any Member with a registered address shall be entitled to have served upon him at such address any notice to which he is entitled under these Articles, except where the Member has an electronic mailing address notified to the Company for the purpose of receiving electronic communication whereupon any notice may be served by the Company to the Member concerned by electronic communication at the said electronic mailing address.

Members shall be served at registered address.

155. A person entitled to a share in consequence of the death or bankruptcy of a Member or otherwise upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also an address for the service of notice, shall be entitled to have served upon him at such address any notice or document to which the Member but for his death or bankruptcy or otherwise would be entitled and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the registered address of any Member in pursuance of these Articles shall (notwithstanding that such Member be then dead or bankrupt or otherwise not entitled to such share and whether or not the Company have notice of the same) be deemed to have been duly served in respect of any share registered in the name of such Member as sole or joint holder.

Service of notices after death etc. of a Member.

156. (a) Any notice given in conformity with Article 152 shall be deemed to have been given at any of the following times as may be appropriate:

When service effected.

- (i) when it is delivered personally to the Member, at the time when it is so delivered;
- (ii) when it is sent by prepaid mail to an address in Singapore or by prepaid airmail to an address outside Singapore, on the second day following that on which the notice was put into the post; or
- (iii) when the notice is sent by cable or telex, or telefax, or electronic communication, on the day it is so sent.

(b) In proving such service or sending, it shall be sufficient to prove that the letter containing the notice or document was properly addressed and put into the post office as a prepaid letter or airmail letter as the case may be or that a telex or telefax or electronic communication was properly addressed and transmitted or that a cable was properly addressed and handed to the relevant authority for despatch.

157. Any notice on behalf of the Company or of the Directors shall be deemed effectual if it purports to bear the signature of the Secretary or other duly authorised officer of the Company, whether such signature is printed or written.

Signature on notice.

158. When a given number of days' notice or notice extending over any other period is required to be given the day of service shall, unless it is otherwise provided or required by these Articles or by the Act, be not counted in such number of days or period.

Day of service not counted.

159. (a) Notice of every General Meeting shall be given in the manner hereinbefore authorised to:

Notice of  
General Meeting.

- (i) every Member;
- (ii) every person entitled to a share in consequence of the death or bankruptcy or otherwise of a Member who but for the same would be entitled to receive notice of the Meeting; and
- (iii) the Auditor for the time being of the Company.

(b) No other person shall be entitled to receive notices of General Meetings.

160. The provisions of Articles 152, 156, 157 and 158 shall apply *mutatis mutandis* to notices of meetings of Directors or any committee of Directors.

Notice of meetings  
of Directors or any  
committee of  
Directors.

#### WINDING UP

161. Subject to the provisions of these Articles and the Act, if the Company is wound up (whether the liquidation is voluntary, under supervision, or by the Court) the Liquidator may, with the authority of a Special Resolution, divide among the Members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one (1) kind or shall consist of properties of different kinds and may for such purpose set such value as he deems fair upon any one (1) or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The Liquidator may, with the like authority, vest the whole or any part of the assets in trustees upon such trusts for the benefit of Members as the Liquidator with the like authority thinks fit and the liquidation of the Company may be closed and the Company dissolved but so that no Member shall be compelled to accept any shares or other securities in respect of which there is a liability.

Distribution of  
assets in specie.

#### INDEMNITY

162. Subject to the provisions of the Act, every Director, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto and in particular and without prejudice to the generality of the foregoing no Director, Manager, Secretary or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects shall be deposited or left or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same happen through his own negligence, wilful default, breach of duty or breach of trust.

Indemnity of  
Directors and  
officers.



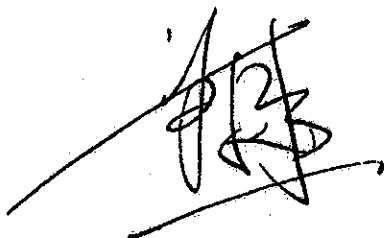
---

NAMES, ADDRESSES AND OCCUPATIONS OF SUBSCRIBERS

---

WOO MAY POH  
476 Ang Mo Kio Avenue 10  
#11-796  
Singapore 560476

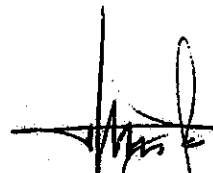
Corporate Secretarial Manager



---

Dated this 2<sup>nd</sup> day of March 2007

Witness to the above signature:



HO LONG GEE  
Certified Public Accountant  
8 Cross Street  
#11-00 PWC Building  
Singapore 048424



ANNEX " 6

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

Company Reg. No. CS200701955

**CERTIFICATE OF FILING**  
**OF**  
**AMENDED ARTICLES OF INCORPORATION**

**KNOW ALL PERSONS BY THESE PRESENTS:**

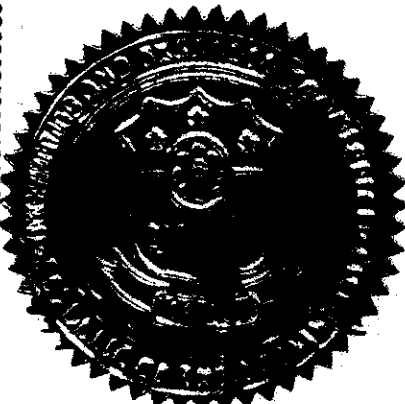
**THIS IS TO CERTIFY** that the amended articles of incorporation of the

**MASRICKSTAR CORPORATION**  
( Amending Article VII thereof )

copy annexed, adopted on June 15, 2007 by a 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 Secretary and a majority of the Board of Directors of the corporation was approved by the Commission on this date pursuant to the provision of Section 16 of the Corporation Code of the Philippines, Batas Pambansa Blg. 68, approved on May 1, 1980 and copies thereof are filed with the Commission.

Unless this corporation obtains or already has obtained the appropriate Secondary License from this Commission, this Certificate does not authorize it to undertake business activities requiring a Secondary License from this Commission such as, but not limited to acting as: broker or dealer in securities, government securities eligible dealer (GSED), investment adviser of an investment company, close-end or open-end investment company, investment house, transfer agent, commodity/financial futures exchange/broker/merchant, financing company, pre-need plan issuer, general agent in pre-need plans and time shares/club shares/membership certificates issuers or selling agents thereof. Neither does this Certificate constitute as permit to undertake activities for which other government agencies require a license or permit.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of this Commission to be affixed at Mandaluyong City, Metro Manila, Philippines, this 21<sup>st</sup> day of January, Two Thousand Eight.



  
BENITO A. CATARAN

Director

Company Registration and Monitoring Department

**AMENDED ARTICLES OF INCORPORATION**

- OF

**MASRICKSTAR CORPORATION**

KNOW ALL MEN BY THESE PRESENTS:

The undersigned incorporators, all of legal age and majority of whom are residents of the Philippines, have this day voluntarily agreed to form a stock corporation under the laws of the Republic of the Philippines.

AND WE HEREBY CERTIFY THAT:

FIRST: That the name of the said corporation shall be **MASRICKSTAR CORPORATION**.

SECOND: A. That the primary purpose of this corporation is:

To invest in, purchase, or otherwise acquire and own, hold use, sell, assign, transfer, mortgage, pledge, exchange or otherwise dispose, as may be permitted by law, of real and personal property of every kind and description including shares of stock, subscriptions, bonds, debentures, notes, evidences of indebtedness, and other securities or obligations of any corporation or corporations, association or associations, domestic or foreign, for whatever lawful purpose or purposes the same may have been organized and to pay therefore in money or by exchanging therefore stocks, bonds, or other evidences of indebtedness or securities of this or any other corporation, and while the owner or holder of any such real or personal property, stocks descriptions, bonds, debentures, contracts, or obligations, to receive, collect and dispose of interest, dividends and income arising from such property; and to possess and exercise in respect thereof all rights, powers and privileges of ownership, including all voting powers of any stock so owned; provided, however, that the corporation shall not engage in dealership of securities or in the stockbrokerage business.

B. That the corporation shall have all the express powers of a corporation as provided for under Section 36 of the Corporation Code of the Philippines.

THIRD: That the place where the principal office of the Corporation is to be established or located is at:

No./Street      6766 Ayala Avenue, Legaspi Village      (if applicable)  
City/Town      Makati City

FOURTH: That the term for which the Corporation is to exist is fifty (50) years from and after the date of issuance of the certificate of incorporation.

FIFTH: That the names, nationalities and residences of the incorporators of the Corporation are as follows:

<u>Name</u>	<u>Nationality</u>	<u>Residence</u>
JOSEPHINE A. MANALO	Filipino	152 Tropical Ave., BF homes Int'l. Las Piñas city
MA. LOURDES A. TORRES	Filipino	San Francisco Gardens Boni Ave., Mandaluyong City
BRINIA A. FLOJEMON	Filipino	539 San Rafael Street Mandaluyong City
EUFROCINA L. HENSON	Filipino	673-F Lerma St., Old Zaniga Mandaluyong City
EDUVEGES O. BATALAN	Filipino	195-B4 S. Tuazon St., Poblacion Pateros, Metro Manila

SIXTH: That the number of directors of said corporation shall be five (5) and that the names, nationalities and residences of the first directors who are to serve until their successors are elected and qualified as provided by the by-laws are as follows:

Name	Nationality	Residence (Complete Address)
JOSEPHINE A. MANALO	<u>Filipino</u>	152 Tropical Ave., BF Homes Int'l., Las Pinas City
MA. LOURDES A. TORRES	<u>Filipino</u>	San Francisco Gardens Boni Ave., Mandaluyong City
BRINIA A. FLOJEMON	<u>Filipino</u>	539 San Rafael Street Mandaluyong City
EUFROCINA L. HENSON	<u>Filipino</u>	673-F Lerma St., Old Zaniga Mandaluyong City
EDUVEGES O. BATALAN	<u>Filipino</u>	195 B4 S. Tuazon Street Poblacion, Pateros MM

SEVENTH: That the authorized capital stock of the corporation is ONE HUNDRED TWENTY MILLION PESOS (Php120,000,000.00), in lawful money of the Philippines, divided into ONE HUNDRED TWENTY MILLION SHARES (120,000,000) shares with the par value of One Peso (Php1.00) per share. (As amended on **JUN 15 2007**)

EIGHTH: That at least 25% of the authorized capital stock has been subscribed and at least 25% of the total subscription has been paid as follows:

Name	Nationality	No. of Shares Subscribed	Amount Subscribed	Amount Paid
DOMINION EQUITIES, INC.	Filipino	24,999,995	24,999,995.00	6,249,995.00
JOSEPHINE A. MANALO	Filipino	1	1.00	1.00
BRINIA A. FLOJEMON	Filipino	1	1.00	1.00
EUFROCINA L. HENSON	Filipino	1	1.00	1.00
EDUVEGES O. BATALAN	Filipino	1	1.00	1.00
MA. LOURDES A. TORRES	Filipino	1	1.00	1.00
Total		25,000,000	25,000,000.00	6,250,000.00

NINTH: No transfer of stock or interest which would reduce the stock ownership of Filipino citizens to less than the required percentage of the capital stock as provided by existing laws shall be allowed or permitted to be recorded in the proper books of corporation and this restriction shall be indicated in the stocks certificates issued by the corporation.

TENTH: That BRINIA A. FLOJEMON has been elected by the subscribers as treasurer of the corporation to act as such until his/her successor is duly elected and qualified in accordance with the by-laws; and that as such Treasurer, he/she has been authorized to receive for and in the name and for the benefit of the corporation, all subscriptions paid by the subscribers.

ELEVENTH: That the corporation manifests its willingness to change its corporate name in the event another person, firm or entity has acquired a prior right to use the said firm name or one deceptively or confusingly similar to it.

IN WITNESS WHEREOF, we have set our hands this 25<sup>th</sup> day of January 2007 at Makati City.

(Sgd)

(Sgd)

JOSEPHINE A. MANALO  
106-187-432

(Sgd)  
BRINIA A. FLOJEMON  
107-469-976

MA. LOURDES A. TORRES  
111-575-388

(Sgd)  
EUFROCINA L. HENSON  
124-869-937

(Sgd)  
EDUVEGES O. BATALAN  
127-533-496

WITNESSES:

---

---

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)  
QUEZON CITY, M.M. )S.S

BEFORE ME, a Notary Public in and for Quezon City, M.M., Philippines, this 29 January 2007 personally appeared:

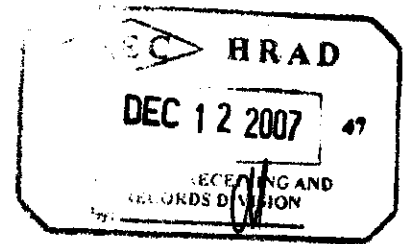
Name	Community Tax Certificate No.	Date & Place Issued
JOSEPHINE A. MANALO	15127410	January 16, 2007-Makati City
MA. LOURDES A. TORRES	15130474	January 17, 2007-Makati City
BRINIA A. FLOJEMON	15130233	January 17, 2007-Makati City
EUFROCINA L. HENSON	15130239	January 17, 2007-Makati City
EDUVEGES O. BATALAN	15130471	January 17, 2007-Makati City

all known to me and to me known to be the same persons who executed the foregoing Articles of Incorporation and they acknowledged to me that the same is their free and voluntary act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal on the date and at the place first above written.

Doc. No. 440;  
Page No. 88;  
Book No. 18;  
Series of 2007

CERTIFICATE OF AMENDMENT OF THE  
ARTICLES OF INCORPORATION  
OF  
MASRICKSTAR CORPORATION



KNOW ALL MEN BY THESE PRESENTS:

The undersigned Corporate Secretary and members of the Board of Directors of Masrickstar Corporation (hereinafter, the "Corporation") do hereby certify that the accompanying copy of the Amended Articles of Incorporation of the Corporation embodying the underscored amendments to the SEVENTH Article, increasing the authorized capital stock of the Corporation from One Hundred Million Pesos (₱ 100,000,000.00) divided into One Hundred Million (100,000,000) shares with a par value of One Peso (₱ 1.00) per share to One Hundred Twenty Million Pesos (₱ 120,000,000.00) divided into One Hundred Twenty Million (120,000,000,000) shares with a par value of One Peso (₱ 1.00) per share, is true and correct and was approved by the affirmative vote of at least a majority of the Board of Directors at their duly constituted meeting held on JUN 15 2007 in Makati City, and by stockholders owning or representing at least two-thirds (2/3) of the outstanding capital stock of the Corporation at their meeting held on the same date at the principal office of the Corporation.

IN WITNESS WHEREOF, we have hereunto signed this Certificate of Amendment of the Articles of Incorporation this 13 AUG 2007 day of AUG, 2007 in Makati City, Philippines.

JOSEPHINE A. MANALO  
TIN: 106-187-432

EUFROCINA L. HENSON  
TIN: 124-869-937

BRINIA A. FLOJEMON  
TIN: 107-469-976

MA. LOURDES A. TORRES  
TIN: 111-575-388

EDUVEGES O. BATALAN  
TIN: 127-533-496  
**13 AUG 2007**

SUBSCRIBED AND SWORN to before me this \_\_\_ day of \_\_\_, 2007, affiants exhibiting to me the following:

Name	CTC No.	Date & Place Issued
JOSEPHINE A. MANALO	15127410	January 16, 2007-Makati City
MA. LOURDES A. TORRES	15130474	January 17, 2007-Makati City
BRINIA A. FLOJEMON	15130233	January 17, 2007-Makati City
EUFROCINA L. HENSON	15130239	January 17, 2007-Makati City
EDUVEGES O. BATALAN	15130471	January 17, 2007-Makati City

Doc. No. 69  
Book No. 15  
Page No. 1  
Series of 2007.

EMMANUEL N. CRUZ  
Appointment No. M-50  
Notary Public for Makati City  
Until December 31, 2007  
10<sup>th</sup> and 17<sup>th</sup> Floor, Liberty Center  
1000 M. del Costa Street  
San Lazaro, Makati City  
Barangay: Torneys No. 51282  
PTR 871708/Makati City/01-05-2007  
ISP 88310/Makati City/01-04-2007





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

COMPANY REG. NO. CS200701955  
COMPANY TIN 006-618-561

## CERTIFICATE OF INCORPORATION

**KNOW ALL PERSONS BY THESE PRESENTS:**

This is to certify that the Articles of Incorporation and By-Laws of

### MASRICKSTAR CORPORATION

were duly approved by the Commission on this date upon the issuance of this Certificate of Incorporation in accordance with the Corporation Code of the Philippines (Batas Pambansa Blg.68), and copies of said Articles and By-Laws are hereto attached.

This Certificate grants juridical personality to the corporation but does not authorize it to undertake business activities requiring a Secondary License from this Commission such as, but not limited to acting as: broker or dealer in securities, government securities eligible dealer (GSED), investment adviser of an investment company, close-end or open-end investment company, investment house, transfer agent, commodity/financial futures exchange/broker/merchant, financing company, pre-need plan issuer, general agent in pre-need plans and time shares/club shares/membership certificates issuers or selling agents thereof. Neither does this Certificate constitute as permit to undertake activities for which other government agencies require a license or permit.

As a registered corporation, it shall submit annually to this Commission the reports indicated at the back of this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of this Commission to be affixed at Mandaluyong City, Metro Manila, Philippines, this 27<sup>th</sup> day of February, Two Thousand Seven.



  
BENITO A. CATARAN  
Director  
Company Registration and Monitoring Department



# COVER SHEET

--	--	--	--	--	--	--	--

S.E.C. Registration Number

M	A	S	R	I	C	K	S	T	A	R	C	O	R	P	O	R	A	T	I	O	N				
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	--	--	--	--

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

(Company's Full Name)

1	7	F		T	O	W	E	R		1		T	H	E		E	N	T	E	R	P	R	I	S	E		C	T	R
---	---	---	--	---	---	---	---	---	--	---	--	---	---	---	--	---	---	---	---	---	---	---	---	---	---	--	---	---	---

6	7	6	6		A	Y	A	L	A		A	V	E	N	U	E		M	A	K	A	T	I		C	I	T	Y
---	---	---	---	--	---	---	---	---	---	--	---	---	---	---	---	---	--	---	---	---	---	---	---	--	---	---	---	---

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

<b>E. BATALAN</b>
-------------------

Contact Person

338-5599 LOC. 250
-------------------

Company Telephone Number

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">1</td><td style="width: 15%;">2</td> <td style="width: 15%;">3</td><td style="width: 15%;">1</td> </tr> </table> <p style="text-align: center;">Month          Day Fiscal Year</p>	1	2	3	1
1	2	3	1	

**GENERAL INFO SHEET**

A	&	B	L
---	---	---	---

FORM TYPE

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">0</td><td style="width: 15%;">5</td> <td style="width: 15%;">3</td><td style="width: 15%;">0</td> </tr> </table> <p style="text-align: center;">Month          Day Annual Meeting</p>	0	5	3	0
0	5	3	0	



Secondary Licence Type, if Applicable

--	--	--

Dept. Requiring this Doc.

--

Amended Articles Number/Section

--

Total No. Of Stockholders

Total Amount of Borrowings	
Domestic	Foreign

**TO BE ACCOMPLISHED BY SEC PERSONNEL CONCERNED**

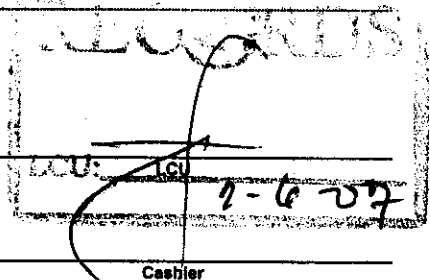
--	--	--	--	--	--	--	--	--	--

File Number

--	--	--	--	--	--	--	--	--	--

Document I.D.

<b>STAMPS</b>
---------------


Cashier

Remarks: Please use black ink for scanning purposes

(STOCK)



**ARTICLES OF INCORPORATION**  
**OF**  
**MASRICKSTAR CORPORATION**

( Name of Corporation)

**Know All Men By These Presents:**

The undersigned incorporators, all of legal age and majority of whom are residents of the Philippines, have this day voluntarily agreed to form a stock corporation under the laws of the Republic of the Philippines.

**THAT WE HEREBY CERTIFY :**

**FIRST:** The name of this corporation shall be:

**MASRICKSTAR CORPORATION**

**SECOND: A .** That the primary purpose of this corporation is

To invest in, purchase, or otherwise acquire and own, hold use, sell, assign, transfer, mortgage, pledge, exchange or otherwise dispose, as may be permitted by law, of real and personal property of every kind and description including shares of stock, subscriptions, bonds, debentures, notes, evidences of indebtedness, and other securities or obligations of any corporation or corporations, association, or associations, domestic or foreign, for whatever lawful purpose or purposes the same may be have been organized and to pay therefore in money or by exchanging therefore stocks, bonds, or other evidences of indebtedness or securities of this or any other corporation, and while the owner or holder of any such real or personal property, stocks, descriptions, bonds, debentures, contracts, or obligations, to receive, collect and dispose of interest, dividends, and income arising from such property; and to possess and exercise in respect thereof all rights, powers, and privileges of ownership, including all voting powers of any stock so owned; provided, however, that the corporation shall not engage in dealership of securities or in the stockbrokerage business.

B. That the corporation shall have all the express powers of a corporation as provided for under Section 36 of the Corporation Code of the Philippines.

**THIRD:** That the place where the principal office of the corporation is to be established is at :

No./Street 6766 Ayala Avenue, Legaspi Village (If applicable)  
City/Town Makati City Province \_\_\_\_\_

**FOURTH:** That the term for which the corporation is to exist is fifty (50) years from and after the date of issuance of the certificate of incorporation.

**FIFTH:** That the names , nationalities, and residences of the incorporators are as follows:

Name	Nationality	Residence (Complete Address)
<u>JOSEPHINE A. MANALO</u>	<u>FILIPINO</u>	<u>152 Tropical Ave., BF Homes Int'l., Las Piñas City</u>
<u>MA. LOURDES A. TORRES</u>	<u>FILIPINO</u>	<u>San Francisco Gardens Boni Ave., Mandaluyong City</u>
<u>BRINIA A. FLOJEMON</u>	<u>FILIPINO</u>	<u>539 San Rafael Street Mandaluyong City</u>
<u>EUFROCINA L. HENSON</u>	<u>FILIPINO</u>	<u>673-F Lerma St., Old Zaniga Mandaluyong City</u>
<u>EDUVEGES O. BATALAN</u>	<u>FILIPINO</u>	<u>195-B4 S. Tuazon St., Poblacion Pateros, Metro Manila</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**SIXTH:** That the number of directors of said corporation shall be Five ( 5 ) and that the names, nationalities and residences of the first directors who are to serve until their successors are elected and qualified as provided by the by-laws are as follows:


Name	Nationality	Residence (Complete Address)
<u>JOSEPHINE A. MANALO</u>	<u>FILIPINO</u>	<u>152 Tropical Ave., BF Homes Int'l Las Pinas City</u>
<u>MA. LOURDES A. TORRES</u>	<u>FILIPINO</u>	<u>San Francisco Gardens. Boni Ave., Mandaluyong City</u>
<u>BRINIA A. FLOJEMON</u>	<u>FILIPINO</u>	<u>539 San Rafael Street. Mandaluyong City</u>
<u>EUFROCINA L. HENSON</u>	<u>FILIPINO</u>	<u>673-F Lerma St. Old Zaniga Mandaluyong City</u>
<u>EDUVEGES O. BATALAN</u>	<u>FILIPINO</u>	<u>195 B4 S. Tuazon Street Poblacion, Pateros MM</u>


**SEVENTH:** That the authorized capital stock of the corporation is ONE HUNDRED MILLION PESOS ( P100,000,000.00 ) pesos in lawful money of the Philippines, divided into ONE HUNDRED MILLION SHARES ( 100,000,000 ) shares with the par value of ONE PESO ( P 1.00 ) pesos per share.

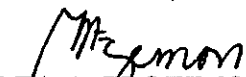


**ELEVENTH:** That the corporation manifests its willingness to change its corporate name in the event another person, firm or entity has acquired a prior right to use the said firm name or one deceptively or confusingly similar to it.

In Witness whereof, we have set our hands this 25th day of  
January, 200 at Makati City

  
JOSEPHINE A. MANALO  
106-187-432

  
MA. LOURDES A. TORRES  
111-575-388

  
BRINIA A. FLOJEMON  
107-469-976

  
EUFROCINA L. HENSON  
124-869-937

  
EDUVEGES O. BATALAN  
127-533-496

WITNESSES:

*(All incorporators appearing on the fifth article and the two witnesses should affix their signatures on the blanks provided in this page above their respective names.)*

ACKNOWLEDGEMENT

Republic of the Philippines)

QUEZON CITY M.M.

BEFORE ME, a Notary Public in and for QUEZON CITY M.M. Philippines, this day of JAN 29 2007, 20 \_\_\_\_\_ personally appeared :

Name	Community Tax Certificate No.	Date & place Issued
JOSEPHINE A. MANALO	15127410	January 16, 2007 - Makati City
MA. LOURDES A. TORRES	15130474	January 17, 2007 - Makati City
BRINIA A. FLOJEMON	15130233	January 17, 2007 - Makati City
EUFROCINA L. HENSON	15130239	January 17, 2007 - Makati City
EDUVEGES O. BATALAN	15130471	January 17, 2007 - Makati City

all known to me and to me known to be the same persons who executed the foregoing Articles of Incorporation and they acknowledged to me that the same is their free and voluntary act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal on the date and at the place first above written.

**JOEL G. GORDOLA**  
 Notary Public  
 Commission No. ~~1000~~ **1000** (Renewed) Until Dec. 31, 2008  
 Roll of Attorney No. 25103  
 1st District (Quezon City) Q.C. Chapter  
 PTR No. 7071217; Jan. 02, 2007; Quezon City

Doc. No. 410 ;  
 Page No. 12 ;  
 Book No. 12 ;  
 Series of OK .





ANNEX 4

77

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

COMPANY REG. NO. CS200509191

### CERTIFICATE OF INCORPORATION

**KNOW ALL MEN BY THESE PRESENTS:**

This is to certify that the Articles of Incorporation and By-Laws of

#### BOERSTAR CORPORATION

were duly approved by the Commission on this date upon the issuance of this Certificate of Incorporation in accordance with the Corporation Code of the Philippines (Batas Pambansa Blg.68), and copies of said Articles and By-Laws are hereto attached.

This Certificate grants juridical personality to the corporation but does not authorize it to undertake business activities requiring a Secondary License from this Commission such as, but not limited to acting as: broker or dealer in securities, government securities eligible dealer (GSED), investment adviser of an investment company, close-end or open-end investment company, investment house, transfer agent, commodity/financial futures exchange/broker/merchant, financing company, pre-need plan issuer, general agent in pre-need plans and time shares/club shares/membership certificates issuers or selling agents thereof. Neither does this Certificate constitute as permit to undertake activities for which other government agencies require a license or permit.

As a registered corporation, it shall submit annually to this Commission the reports indicated at the back of this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of this Commission to be affixed at Mandaluyong City, Metro Manila, Philippines, this 26<sup>th</sup> day of May, Two Thousand Five.

  
BENITO A. CATARAN  
Director

Company Registration and Monitoring Department



# COVER SHEET

\_\_\_\_\_  
S.E.C. Registration Number

B O E R S T A R C O R P O R A T I O N  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Company's Full Name)

6 7 6 6 A Y A L A A V E N U E L E G A S P I  
V I L L A G E M A K A T I C I T Y  
( Business Address: No. Street City / Town / Province )

EDUVEGES O. BATAJAN  
Contact Person

886-5599 loc. 256/250  
Company Telephone Number

1 2 - 3 1  
Month Day  
Fiscal Year

A & B L  
FORM TYPE

0 4 2 5  
Month Day  
Annual Meeting

\_\_\_\_\_  
Secondary License Type, if Applicable

\_\_\_\_\_  
Dept. Requiring this Doc.

\_\_\_\_\_  
Amended Articles Number/Section

7  
Total No. of Stockholders

\_\_\_\_\_  
Total Amount of Borrowings  
Domestic Foreign

To be accomplished by SEC Personnel concerned

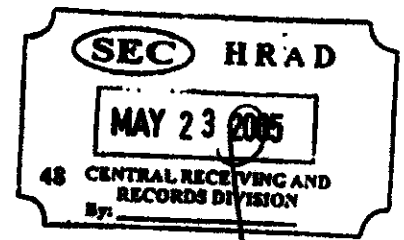
\_\_\_\_\_  
File Number

\_\_\_\_\_  
Document I.D.

\_\_\_\_\_  
100  
5-23-25  
\_\_\_\_\_  
Cashier

STAMPS

(STOCK)



**ARTICLES OF INCORPORATION  
OF  
BOERSTAR CORPORATION**

\_\_\_\_\_  
(Name of Corporation)

**Know All Men By These Presents:**

The undersigned incorporators, all of legal age and majority of whom are residents of the Philippines, have this day voluntarily agreed to form a stock corporation under the laws of the Republic of the Philippines.

**THAT WE HEREBY CERTIFY :**

**FIRST:** The name of this corporation shall be:

**BOERSTAR CORPORATION**

\_\_\_\_\_

**SECOND:** A . That the primary purpose of this corporation is

To invest in, purchase, or otherwise acquire and own, hold use, sell, assign, transfer, mortgage, pledge, exchange or otherwise dispose, as may be permitted by law, of real and personal property of every kind and description including shares of stock, subscriptions, bonds, debentures, notes, evidences of indebtedness, and other securities or obligations of any corporation or corporations, association, or associations, domestic or foreign, for whatever lawful purpose or purposes the same may be have been organized and to pay therefore in money or by exchanging therefore stocks, bonds, or other evidences of indebtedness or securities of this or any other corporation, and while the owner or holder of any such real or personal property, stocks, descriptions, bonds, debentures, contracts, or obligations, to receive, collect and dispose of interest, dividends, and income arising from such property; and to possess and exercise in respect thereof all rights, powers, and privileges of ownership, including all voting powers of any stock so owned; provided, however, that the corporation shall not engage in dealership of securities or in the stockbrokerage business.

B. That the corporation shall have all the express powers of a corporation as provided for under Section 36 of the Corporation Code of the Philippines.

THIRD: That the place where the principal office of the corporation is to be established is at :

No./Street 6766 Ayala Avenue, Legaspi Village (If applicable)  
City/Town Makati City Province \_\_\_\_\_

FOURTH: That the term for which the corporation is to exist is fifty (50) years from and after the date of issuance of the certificate of incorporation.

FIFTH: That the names , nationalities, and residences of the incorporators are as follows:

Name	Nationality	Residence (Complete Address)
<u>JOSEPHINE A. MANALO</u>	<u>FILIPINO</u>	<u>152 Tropical Ave. BF Homes Int'l, Las Pinas City</u>
<u>MA. LOURDES A. TORRES</u>	<u>FILIPINO</u>	<u>San Francisco Gardens Beni Ave. Mandaluyong City</u>
<u>BRINIA A. FLOJEMON</u>	<u>FILIPINO</u>	<u>539 San Rafael Street Mandaluyong City</u>
<u>MARIA THERESA S. AGUILING</u>	<u>FILIPINO</u>	<u>5420 South Super Highway Bangkal, Makati City</u>
<u>EDUVEGES O. BATALAN</u>	<u>FILIPINO</u>	<u>195 B4 S. Tuazon Street Poblacion, Pateros, MM</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**SIXTH:** That the number of directors of said corporation shall be Five ( 5 ) and that the names, nationalities and residences of the first directors who are to serve until their successors are elected and qualified as provided by the by-laws are as follows:

Name	Nationality	Residence (Complete Address)
JOSEPHINE A. MANALO	FILIPINO	152 Tropical Ave., BF Homes Int'l Las Pinas City
MA. LOURDES A. TORRES	FILIPINO	San Francisco Gardens. Boni Ave., Mandaluyong City
BRINIA A. FLOJEMON	FILIPINO	539 San Rafael Street. Mandaluyong City
MARIA THERESA S. AGUILING	FILIPINO	5420 South Super Highway Bangkal, Makati City
EDUVEGES O. BATALAN	FILIPINO	195 B4 S. Tuazon Street Poblacion, Pateros MM

**SEVENTH:** That the authorized capital stock of the corporation is ONE MILLION PESOS ( P 1,000,000.00 ) pesos in lawful money of the Philippines, divided into ONE MILLION SHARES ( 1,000,000 ) shares with the par value of ONE PESO ( P 1.00 ) pesos per share.

**EIGHTH:** That at least 25% of the authorized capital stock has been subscribed and at least 25% of the total subscription has been paid as follows:

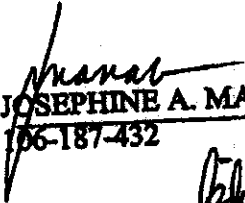
<u>Name</u>	<u>Nationality</u>	<u>No. of Shares Subscribed</u>	<u>Amount Subscribed</u>	<u>Amount Paid</u>
G.A.M.E. EQUITIES, INC.	FILIPINO	224,995	224,995.00	56,245.00
RUMBER CORPORATION	FILIPINO	25,000	25,000.00	6,250.00
JOSEPHINE A. MANALO	FILIPINO	1	1.00	1.00
MA. LOURDES A. TORRES	FILIPINO	1	1.00	1.00
BRINIA A. FLOJEMON	FILIPINO	1	1.00	1.00
MARIA TERESA S. AGUILING	FILIPINO	1	1.00	1.00
EDUVEGES O. BATALAN	FILIPINO	1	1.00	1.00
<b>Total</b>		<b>250,000</b> =====	<b>250,000.00</b> =====	<b>62,500.00</b> =====

**NINTH:** No transfer of stock or interest which would reduce the stock ownership of Filipino citizens to less than the required percentage of the capital stock as provided by existing laws shall be allowed or permitted to be recorded in the proper books of corporation and this restriction shall be indicated in the stocks certificates issued by the corporation.


**TENTH :** That BRINIA A. FLOJEMON has been elected by the subscribers as treasurer of the corporation to act as such until his/her successor is duly elected and qualified in accordance with the by-laws; and that as such Treasurer, he / she has been authorized to receive for and in the name and for the benefit of the corporation, all subscriptions paid by the subscribers.

**ELEVENTH:** That the corporation manifests its willingness to change its corporate name in the event another person, firm or entity has acquired a prior right to use the said firm name or one deceptively or confusingly similar to it.


In Witness whereof, we have set our hands this 25<sup>th</sup> day of  
April, 2005 at Makati City

  
JOSEPHINE A. MANALO  
106-187-432

  
MA. LOURDES A. TORRES  
111-575-388

  
MARIA THERESA S. AGULING  
217-758-357

  
BRINIA A. FLOJEMON  
107-409-976

  
EDUVEGES O. BATALAN  
127-533-496

WITNESSES:

(All incorporators appearing on the fifth article and the two witnesses should affix their signatures on the blanks provided in this page above their respective names.)

**ACKNOWLEDGEMENT**

Republic of the Philippines)  
S.S.

MAKATI CITY

02 APR 2005 BEFORE ME , a Notary Public in and for MAKATI CITY Philippines, this day of \_\_\_\_\_, 20\_\_\_\_ personally appeared :

Name	Community Tax Certificate No.	Date & place Issued
JOSEPHINE A. MANALO	18204736	March 03, 2005 – Makati City
MA. LOURDES A. TORRES	18204733	March 03, 2005 – Makati City
BRINIA A. FLOJEMON	18204737	March 03, 2005 – Makati City
MARIA THERESA S. AGULING	11904637	September 03, 2004 – Makati City
EDUVEGES O. BATALAN	18204739	March 03, 2005 – Makati City

all known to me and to me known to be the same persons who executed the foregoing Articles of Incorporation and they acknowledged to me that the same is their free and voluntary act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal on the date and at the place first above written.

**NOTARY PUBLIC**  
Until December 31, 2005

**ATTY. FRANCO F. DE GUZMAN**  
**NOTARY PUBLIC**  
UNTIL MARCH 11, 2006  
PTR # 4548658 D  
ISSUED AT MAKATI CITY  
ON MARCH 11, 2005

Doc. No. 471 ;  
Page No. 92 ;  
Book No. XVI ;  
Series of 2005 .



(STOCK)

**BY - LAWS**  
**OF**  
**BOERSTAR CORPORATION**

---

(Name of Corporation)

**ARTICLE I**

**SUBSCRIPTION, ISSUANCE AND TRANSFER OF SHARES**

**Section 1. Subscriptions -** Subscribers to the capital stock of the corporation shall pay the value 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. Certificate -** The stockholder shall be entitled to one or more certificates for 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 certificate shall be signed by the President, countersigned by the Secretary or Assistant Secretary, and sealed with the corporate seal.

**Section 3. Transfer of Shares -** Subject to the restrictions, terms and conditions contained in the Articles of Incorporation, shares may be transferred, sold, assigned or pledged by delivery of the certificates duly indorsed by the stockholder, his attorney-in-fact, or other legally authorized person. The transfer shall be valid and binding on the corporation only upon record thereof in the books of the corporation. The Secretary shall cancel the stock certificates and issue new certificates to the transferee.

No share 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 stock certificate 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.

## ARTICLE II

### MEETINGS OF STOCKHOLDERS

**Section 1. Annual / Regular Meetings -** The annual / regular meetings of stockholders shall be held at the principal office on *April 25* 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 outstanding capital stock, (b) 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 -** Notices for regular or special meetings of stockholders may be sent by the Secretary by personal delivery or by mail at least two (2) weeks prior to the date of the meeting to each stockholder of record at his last known address. The notice shall state the place, date and hour of the meeting, and the purpose or purposes for which the meeting is called.

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 -** Meeting of the stockholders shall be presided over by the President, or in his absence, by a chairman to be chosen by the stockholders. The Secretary, shall act as Secretary of every meetings, but if not present, the chairman of the meeting shall appoint a secretary of the meeting.

**Section 7. Manner of Voting -** At all meetings of stockholders, a stockholder may vote in person or by proxy. 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 before the time set for the meeting. Proxies filed with the Secretary may be revoked by the stockholders either in an instrument in writing duly presented and recorded with the Secretary, prior to a scheduled meeting or by their personal presence at the meeting.

**Section 8. Closing of Transfer Books or 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, the Board of Directors may provide that the stock and transfer books be closed for ten (10) working days immediately preceding such meeting.

### **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 powers as may be granted by law, the Board of Directors shall also have the following 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 for and in the name of the corporation, any and all properties, rights, or privileges, including securities and bonds of other corporations, 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 other corporations or for purposes other than those for which the corporation was organized, subject to such stockholders' approval as may be required by law;
- d.) To incur such indebtedness as the Board may deem necessary, to issue evidence of indebtedness including without limitation, notes, deeds of trust, bonds, debentures, or securities, subject to such stockholders approval as may be required by law, and/or pledge, mortgage, or otherwise encumber all or part of the properties of the corporation;
- e.) To establish pension, retirement, bonus, or other types of incentives or compensation plans for the employees, including officers and directors of the corporation;
- f.) To prosecute, maintain, defend, compromise or abandon any lawsuit in which the corporation or its officer are either plaintiffs or defendants in connection with the business of the corporation;

g.) 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 of the corporation to any standing or special committee or to any officer or agent and to appoint any person to be agent of the corporation with such powers and upon such terms as may be deemed fit;

h.) 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 the Corporation Code.

**Section 2. Election and Term -** The Board of Directors shall be elected during each regular meeting of stockholders and shall hold office for one (1) year and until their successors are elected and qualified.

**Section 3. Vacancies -** 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; otherwise, the vacancy must be filled by the stockholders at a regular or at any special meeting of 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.

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 a month on such dates and at places as may be called by the Chairman of the Board, or upon the request of a majority of the Directors.

**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, telegram, or by written 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 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 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 any other director chosen by the Board. The Secretary, shall act as secretary of every meeting, 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 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**

#### **OFFICER**

**Section 1. Election / Appointment -** Immediately after their election, the Board of Directors shall formally organize by electing the President, the Vice-President, the Treasurer, and the Secretary at said meeting.

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. President -** The President shall be the Chief Executive Officer of the corporation and shall exercise the following functions:

- a.) To preside at the meetings of the stockholders;
- 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 supervise and manage the business affairs of the corporation upon the direction of the Board of Directors;
- d.) To implement the administrative and operational policies of the corporation under his supervision and control;
- e.) 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 represent the corporation at all functions and proceedings;

h.) 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.

i.) To make reports to the Board of Directors and stockholders;

j.) To sign certificates of stock;

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

**Section 4. The Vice-President -** He shall, if qualified, act as President in the absence of the latter. He shall have such other powers and duties as may from time to time be assigned to him by the Board of Directors or by the President.

**Section 5. The Secretary -** The Secretary must be a resident and a citizen of the Philippines. He shall have the following specific powers and duties:

a.) To record 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 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 questions in connection with the right to vote, count and tabulate all votes, determine the result, and do such acts as are proper to conduct the election.

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 6. The Treasurer -** The Treasurer of the corporation 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 statements showing the financial condition of the corporation and such other financial reports as the Board of Directors, 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 7. Term of Office -** The term of office of all officers shall be one (1) year and until their successors are duly elected and qualified.

**Section 8. 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 9. Compensation -** The officers shall receive such remuneration as the Board of Directors may determine. A director shall not be precluded from serving the corporation in any other capacity as an officer, agent or otherwise, and receiving compensation therefor.

## ARTICLE V

### OFFICES

**Section 1.** The principal office of the corporation shall be located at the place stated in Article III of the Articles of Incorporation. The corporation may have such other branch offices, either within or outside the Philippines as the Board of Directors may designate.

## **ARTICLE VI**

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

**Section 1. External Auditor -** At the regular stockholders' meeting, the external auditor of the corporation for the ensuing year shall be appointed. The external auditor shall examine, verify and report on the earnings and expenses of the corporation.

**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.

## **ARTICLE VII**

### **SEAL**

**Section 1. Form and Inscriptions -** The corporate seal shall be determined by the Board of Directors.

## **ARTICLE VIII**

### **AMENDMENTS**

**Section 1.** These 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 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 stockholders representing a majority of the outstanding capital stock at a regular or special meeting.



IN WITNESS WHEREOF, we, the undersigned stockholders have adopted the foregoing by-laws and hereunto affixed our signatures this 25 day of March 1997 at Milpitas City.


(Note: 1. If filed with Articles of Incorporation, these by-laws should be signed by all incorporators;  
2. If filed after incorporation, should be signed by majority of the subscribers and should submit director's certificate for the adoption of the by-laws.)

  
JOSEPHINE A. MANALO  
106-187-432

  
MA. LOURDES A. TORRES  
111-575-388

  
MARIA THERESA S. AGULING  
217-758-357

  
BRINIA A. HOJEMON  
107-469-976

  
EDUVEGES O. BATALAN  
127-533-496



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

COMPANY REG. NO. CS200403122

**CERTIFICATE OF INCORPORATION**  
**ANNEX** <sup>LC</sup> **E** 77

**KNOW ALL MEN BY THESE PRESENTS:**

This is to certify that the Articles of Incorporation and By-Laws of

**AZURESTAR CORPORATION**

were duly approved by the Commission on this date upon the issuance of this Certificate of Incorporation in accordance with the Corporation Code of the Philippines (Batas Pambansa Blg. 68), and copies of said Articles and By-Laws are hereto attached.

This Certificate grants juridical personality to the corporation but does not authorize it to undertake business activities requiring a Secondary License from this Commission such as, but not limited to acting as: broker or dealer in securities, government securities eligible dealer (GSED), investment adviser of an investment company, close-end or open-end investment company, investment house, transfer agent, commodity/financial futures exchange/broker/merchant, financing company, pre-need plan issuer, general agent in pre-need plans and time shares/club shares/membership certificates issuers or selling agents thereof. Neither does this Certificate constitute as permit to undertake activities for which other government agencies require a license or permit.

As a registered corporation, it shall submit annually to this Commission the reports indicated at the back of this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of this Commission to be affixed at Mandaluyong City, Metro Manila, Philippines, this 26th day of February, Two Thousand Four.

  
BENITO A. CATARAN  
Director

Company Registration and Monitoring Department

# COVER SHEET

\_\_\_\_\_  
S.E.C. Registration Number

A Z U R E S T A R C O R P O R A T I O N  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Company's Full Name)

6 7 6 6 A Y A L A A V E N U E  
M A K A T I C I T Y  
\_\_\_\_\_  
\_\_\_\_\_

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

BERNIA A. FLOJMON  
Contact Person

886-5599 Loc 227  
Company Telephone Number

12-31  
Month Day  
Fiscal Year

AJ-BL  
FORM TYPE

03 23  
Month Day  
Annual Meeting

\_\_\_\_\_  
Secondary License Type, if Applicable

\_\_\_\_\_  
Dept. Requiring this Doc.

\_\_\_\_\_  
Amended Articles Number/Section

5  
Total No. of Stockholders

\_\_\_\_\_  
Total Amount of Borrowings

\_\_\_\_\_  
Foreign

To be accomplished by SEC Personnel concerned

\_\_\_\_\_  
File Number

\_\_\_\_\_  
Document I.D.

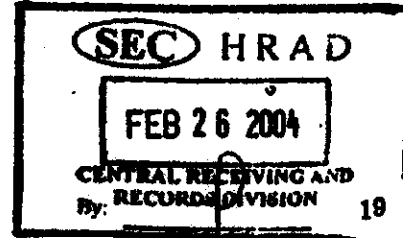
RECORDS  
LCU: 1017-26-01

\_\_\_\_\_  
Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

(STOCK)



**ARTICLES OF INCORPORATION**

**OF**

**AZURESTAR CORPORATION**

(Name of Corporation)

**Know All Men By These Presents:**

The undersigned incorporators, all of legal age and majority of whom are residents of the Philippines, have this day voluntarily agreed to form a stock corporation under the laws of the Republic of the Philippines.

**THAT WE HEREBY CERTIFY :**

**FIRST:** The name of this corporation shall be:

**AZURESTAR CORPORATION**

**SECOND:** A . That the primary purpose of this corporation is

To invest in, purchase, or otherwise acquire and own, hold use, sell, assign, transfer, mortgage, pledge, exchange or otherwise dispose, as may be permitted by law, of real and personal property of every kind and description including shares of stock, subscriptions, bonds, debentures, notes, evidences of indebtedness, and other securities or obligations of any corporation or corporations, association, or associations, domestic or foreign, for whatever lawful purpose or purposes the same may be have been organized and to pay therefore in money or by exchanging therefore stocks, bonds, or other evidences of indebtedness or securities of this or any other corporation, and while the owner or holder of any such real or personal property, stocks, descriptions, bonds, debentures, contracts, or obligations, to receive, collect and dispose of interest, dividends, and income arising from such property; and to possess and exercise in respect thereof all rights, powers, and privileges of ownership, including all voting powers of any stock so owned; provided, however, that the corporation shall not engage in dealership of securities or in the stockbrokerage business.

B. That the corporation shall have all the express powers of a corporation as provided for under Section 36 of the Corporation Code of the Philippines.

**THIRD:** That the place where the principal office of the corporation is to be established is at :

No./Street 6766 Ayala Avenue (If applicable)  
City/Town Makati City Province \_\_\_\_\_

**FOURTH:** That the term for which the corporation is to exist is fifty (50) years from and after the date of issuance of the certificate of incorporation.

**FIFTH:** That the names , nationalities, and residences of the incorporators are as follows:

Name	Nationality	Residence (Complete Address)
<del>MA. LOURDES A. TORRES</del>	<del>FILIPINO</del>	<del>San Francisco Homes Boni Ave., Mand. City</del>
<del>BRINIA A. FLOJEMON</del>	<del>FILIPINO</del>	<del>San Rafael Street Mandaluyong City</del>
<del>RONA C. GREGORIO</del>	<del>FILIPINO</del>	<del>B19 L16 Santan St., UPS4 Paranaque City</del>
<del>EUFROCINA L. HENSON</del>	<del>FILIPINO</del>	<del>181 E. Blumentritt Mandaluyong City</del>
<del>EDUVEGES O. BATALAN</del>	<del>FILIPINO</del>	<del>195-B4 S. Tuazon St. Pateros, MM.</del>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

SIXTH: That the number of directors of said corporation shall be Five ( 5 ) and that the names, nationalities and residences of the first directors who are to serve until their successors are elected and qualified as provided by the by-laws are as follows:

Name	Nationality	Residence (Complete Address)
MA. LOURDES A. TORRES	FILIPINO	San Francisco Homes Boni Ave., Mand. City
BRINIA A. FLOJEMON	FILIPINO	San Rafael Street Mandaluyong City
RONA C. GREGORIO	FILIPINO	B19 L16 Santan St., UPS4 Paranaque City
EUFROCINA L. HENSON	FILIPINO	181 F. Blumentritt Ext. Hulo, Mandaluyong City
EDUVEGES O. BATALAN	FILIPINO	195-B4 S. Tuazon St. Pateros, MM

SEVENTH: That the authorized capital stock of the corporation is TEN MILLION PESOS ( 10,000,000.00 ) pesos in lawful money of the Philippines, divided into TEN MILLION SHARES ( 10,000,000 ) shares with the per value of ONE PESO ( P 1.00 ) pesos per share.

**EIGHTH:** That at least 25% of the authorized capital stock has been subscribed and at least 25% of the total subscription has been paid as follows:

Name	Nationality	No. of Shares Subscribed	Amount Subscribed	Amount Paid
<del>MA. LOURDES A. TORRES</del>	<del>FILIPINO</del>	<del>2,499,996</del>	<del>2,499,996.00</del>	<del>624,996.00</del>
<del>BRINIA A. FLOJEMON</del>	<del>FILIPINO</del>	<del>1</del>	<del>1.00</del>	<del>1.00</del>
<del>RONA C. GREGORIO</del>	<del>FILIPINO</del>	<del>1</del>	<del>1.00</del>	<del>1.00</del>
<del>EUFROCINA L. HENSON</del>	<del>FILIPINO</del>	<del>1</del>	<del>1.00</del>	<del>1.00</del>
<del>EDUVEGES O. BATALAN</del>	<del>FILIPINO</del>	<del>1</del>	<del>1.00</del>	<del>1.00</del>
<b>Total</b>		<b>2,500,000 =====</b>	<b>2,500,000.00 =====</b>	<b>625,000.00 =====</b>


**NINTH:** No transfer of stock or interest which would reduce the stock ownership of Filipino citizens to less than the required percentage of the capital stock as provided by existing laws shall be allowed or permitted to be recorded in the proper books of corporation and this restriction shall be indicated in the stocks certificates issued by the corporation.

**TENTH :** That           Brinia A. Flojemon           has been elected by the subscribers as treasurer of the corporation to act as such until his/her successor is duly elected and qualified in accordance with the by-laws; and that as such Treasurer, he / she has been authorized to receive for and in the name and for the benefit of the corporation, all subscriptions paid by the subscribers.

**ELEVENTH:** That the corporation manifests its willingness to change its corporate name in the event another person, firm or entity has acquired a prior right to use the said firm name or one deceptively or confusingly similar to it.

In Witness whereof, we have set our hands this 24<sup>th</sup> day of February, 2004 at Makati City, Philippines.

  
MA. LOURDES A. TORRES

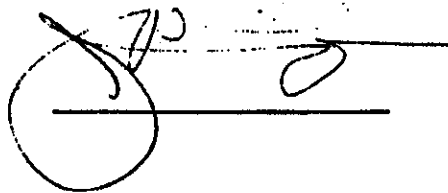
  
BRINIA A. FLOREMON

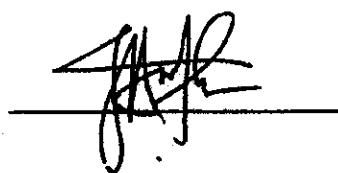
  
RONA C. GREGORIO

  
EUFROCINA L. HENSON

  
EDUVEGES O. BATALAN

**WITNESSES:**





*(All incorporators appearing on the fifth article and the two witnesses should affix their signatures on the blanks provided in this page above their respective names.)*



**ACKNOWLEDGEMENT**

Republic of the Philippines)

**IN QUEZON CITY, M.M.**

**IN QUEZON CITY, M.M.**

BEFORE ME ~~26~~ **FEB 26 2004** Public in and for \_\_\_\_\_ Philippines, this  
day of \_\_\_\_\_, 20\_\_\_\_ personally appeared :

Name	Community Tax Certificate No.	Date & place Issued
MA. LOURDES A. TORFES	15221677	2/3/04 - Makati
BRINIA A. FLOJIFMON	19389351	5/26/03 - Mandaluyong
RONA C. GREGORIO	18698907	8/23/03 - Las Pinas
EUFROCINA L. HENSON	02662831	2/23/04 - Manila
EDUVEGES O. BATALAN	12650152	1/08/04 - Manila

all known to me and to me known to be the same persons who executed the foregoing Articles of Incorporation and they acknowledged to me that the same is their free and voluntary act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal on the date and at the place first above written.

**JOEL G. GORDOLA**  
**NOTARY PUBLIC**  
**Until December 31, 2005**  
**PTR No. 48932297, 1/5/04; QC.**

Doc. No. 457 ;  
Page No. 92 ;  
Book No. 21 ;  
Series of 24 .

STOCK)

**BY - LAWS**  
**OF**  
**AZURESTAR CORPORATION**

\_\_\_\_\_  
(Name of Corporation)

**ARTICLE I**

**SUBSCRIPTION, ISSUANCE AND TRANSFER OF SHARES**

**Section 1. Subscriptions** - Subscribers to the capital stock of the corporation shall pay the value 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. Certificate** - The stockholder shall be entitled to one or more certificates for 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 certificate shall be signed by the President, countersigned by the Secretary or Assistant Secretary, and sealed with the corporate seal.

**Section 3. Transfer of Shares** - Subject to the restrictions, terms and conditions contained in the Articles of Incorporation, shares may be transferred, sold, assigned or pledged by delivery of the certificates duly indorsed by the stockholder, his attorney-in-fact, or other legally authorized person. The transfer shall be valid and binding on the corporation only upon record thereof in the books of the corporation. The Secretary shall cancel the stock certificates and issue new certificates to the transferee.

No share 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 stock certificate 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.

## ARTICLE II

### MEETINGS OF STOCKHOLDERS

**Section 1. Annual / Regular Meetings -** The annual / regular meetings of stockholders shall be held at the principal office on ~~23<sup>rd</sup>~~ day in March 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 outstanding capital stock, (b) 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 -** Notices for regular or special meetings of stockholders may be sent by the Secretary by personal delivery or by mail at least two (2) weeks prior to the date of the meeting to each stockholder of record at his last known address. The notice shall state the place, date and hour of the meeting, and the purpose or purposes for which the meeting is called.

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 -** Meeting of the stockholders shall be presided over by the President, or in his absence, by a chairman to be chosen by the stockholders. The Secretary, shall act as Secretary of every meetings, but if not present, the chairman of the meeting shall appoint a secretary of the meeting.

**Section 7. Manner of Voting -** At all meetings of stockholders, a stockholder may vote in person or by proxy. 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 before the time set for the meeting. Proxies filed with the Secretary may be revoked by the stockholders either in an instrument in writing duly presented and recorded with the Secretary, prior to a scheduled meeting or by their personal presence at the meeting.

**Section 8. Closing of Transfer Books or Fixing of Record Date -** For the purpose of notifying the stockholders entitled to notice of, or to vote at, any meeting of stockholders or adjournment thereof or to receive payment of any dividend, the Board of Directors may provide that the stock and transfer books be closed for ten (10) working days immediately preceding such meeting.

### **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 powers as may be granted by law, the Board of Directors shall also have the following 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 for and in the name of the corporation, any and all properties, rights, or privileges, including securities and bonds of other corporations, 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 other corporations or for purposes other than those for which the corporation was organized, subject to such stockholders' approval as may be required by law;
- d.) To incur such indebtedness as the Board may deem necessary, to issue evidence of indebtedness including without limitation, notes, deeds of trust, bonds, debentures, or securities, subject to such stockholders approval as may be required by law, and/or pledge, mortgage, or otherwise encumber all or part of the properties of the corporation;
- e.) To establish pension, retirement, bonus, or other types of incentives or compensation plans for the employees, including officers and directors of the corporation;
- f.) To prosecute, maintain, defend, compromise or abandon any lawsuit in which the corporation or its officer are either plaintiffs or defendants in connection with the business of the corporation;

g.) 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 of the corporation to any standing or special committee or to any officer or agent and to appoint any person to be agent of the corporation with such powers and upon such terms as may be deemed fit;

h.) 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 the Corporation Code.

**Section 2. Election and Term -** The Board of Directors shall be elected during each regular meeting of stockholders and shall hold office for one (1) year and until their successors are elected and qualified.

**Section 3. Vacancies -** 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; otherwise, the vacancy must be filled by the stockholders at a regular or at any special meeting of 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.

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 a month on such dates and at places as may be called by the Chairman of the Board, or upon the request of a majority of the Directors.

**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, telegram, or by written 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 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 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 any other director chosen by the Board. The Secretary, shall act as secretary of every meeting, 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 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**

#### **OFFICER**

**Section 1. Election / Appointment -** Immediately after their election, the Board of Directors shall formally organize by electing the President, the Vice-President, the Treasurer, and the Secretary at said meeting.

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. President -** The President shall be the Chief Executive Officer of the corporation and shall exercise the following functions:

- a.) To preside at the meetings of the stockholders;
- 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 supervise and manage the business affairs of the corporation upon the direction of the Board of Directors;
- d.) To implement the administrative and operational policies of the corporation under his supervision and control;
- e.) 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 represent the corporation at all functions and proceedings;

h.) 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.

i.) To make reports to the Board of Directors and stockholders;

j.) To sign certificates of stock;

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

**Section 4. The Vice-President -** He shall, if qualified, act as President in the absence of the latter. He shall have such other powers and duties as may from time to time be assigned to him by the Board of Directors or by the President.

**Section 5. The Secretary -** The Secretary must be a resident and a citizen of the Philippines. He shall have the following specific powers and duties:

a.) To record 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 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 questions in connection with the right to vote, count and tabulate all votes, determine the result, and do such acts as are proper to conduct the election.

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 6. The Treasurer -** The Treasurer of the corporation 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 statements showing the financial condition of the corporation and such other financial reports as the Board of Directors, 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 7. Term of Office -** The term of office of all officers shall be one (1) year and until their successors are duly elected and qualified.

**Section 8. 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 9. Compensation -** The officers shall receive such remuneration as the Board of Directors may determine. A director shall not be precluded from serving the corporation in any other capacity as an officer, agent or otherwise, and receiving compensation therefor.

## ARTICLE V

### OFFICES

**Section 1.** The principal office of the corporation shall be located at the place stated in Article III of the Articles of Incorporation. The corporation may have such other branch offices, either within or outside the Philippines as the Board of Directors may designate.



## ARTICLE VI

### AUDIT OF BOOKS, FISCAL YEAR AND DIVIDENDS

**Section 1. External Auditor -** At the regular stockholders' meeting, the external auditor of the corporation for the ensuing year shall be appointed. The external auditor shall examine, verify and report on the earnings and expenses of the corporation.

**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.

## ARTICLE VII

### SEAL

**Section 1. Form and Inscriptions -** The corporate seal shall be determined by the Board of Directors.

## ARTICLE VIII

### AMENDMENTS

**Section 1.** These 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 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 stockholders representing a majority of the outstanding capital stock at a regular or special meeting.

IN WITNESS WHEREOF, we, the undersigned stockholders have adopted the foregoing by-laws and hereunto affixed our signatures this 24<sup>th</sup> day of February, 2004 at Makati City, Philippines.

(Note: 1. If filed with Articles of Incorporation, these by-laws should be signed by all incorporators;

2. If filed after incorporation, should be signed by majority of the subscribers and should submit director's certificate for the adoption of the by-laws.)

  
MA. LOURDES A. TORRES

  
BRINIA A. FLOJEMON

  
RONA C. GREGORIO

  
EUFROCINA L. HENSON

  
EDUVEGES O. BATALAN

**INDEPENDENT AUDITORS' REPORT**

The Stockholders and the Board of Directors  
Masrickstar Corporation

ANNEX “

**F**

”

We have audited the accompanying financial statements of Masrickstar Corporation (a subsidiary of Rayas Equity Development Corporation), which comprise the balance sheet as at December 31, 2009, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes. The financial statements of the Company as of and for the year ended December 31, 2008 were audited by other auditors whose report dated April 27, 2009, expressed an unqualified opinion on those statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Philippine Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Philippine Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of Masrickstar Corporation as of December 31, 2009, and its financial performance and its cash flows for the year then ended in accordance with Philippine Financial Reporting Standards.

SYCIP GORRES VELAYO & CO.

*John Nai Peng C. Ong*

John Nai Peng C. Ong

Partner

CPA Certificate No. 85588

SEC Accreditation No. 0327-AR-1

Tax Identification No. 103-093-301

PTR No. 2087559, January 4, 2010, Makati City

March 16, 2010

**MASRICKSTAR CORPORATION**  
**(A Subsidiary of Rayas Equity Development Corporation)**

**BALANCE SHEET**

**DECEMBER 31, 2009**

**(With Comparative Figures for 2008)**

	2009	2008
<b>ASSETS</b>		
<b>Current Asset</b>		
Cash in bank (Notes 4 and 10)	₱84,325	₱85,163
<b>Noncurrent Assets</b>		
Investment and advances (Note 5)	3,401,965,489	3,401,980,779
	<b>₱3,402,049,814</b>	<b>₱3,402,065,942</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable and other current liabilities (Note 10)	₱80,330	₱50,330
<b>Noncurrent Liability</b>		
Advances from a related party (Note 7)	3,282,631,139	3,282,631,139
<b>Equity</b>		
Capital stock (Note 6)	120,000,000	120,000,000
Deficit	(661,655)	(615,527)
Total Equity	119,338,345	119,384,473
	<b>₱3,402,049,814</b>	<b>₱3,402,065,942</b>

*See accompanying Notes to Financial Statements.*

**MASRICKSTAR CORPORATION**  
**(A Subsidiary of Rayas Equity Development Corporation)**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**  
**(With Comparative Figures for 2008)**

	2009	2008
<b>REVENUE</b>		
Interest income (Note 4)	<b>₱362</b>	<b>₱510</b>
<b>EXPENSES</b>		
Professional fees	<b>40,500</b>	<b>3,000</b>
Taxes and licenses	<b>3,980</b>	<b>475,700</b>
Others	<b>2,010</b>	<b>2,650</b>
	<b>46,490</b>	<b>481,350</b>
<b>NET LOSS (Note 8)</b>	<b>46,128</b>	<b>480,840</b>
<b>OTHER COMPREHENSIVE INCOME</b>	<b>—</b>	<b>—</b>
<b>TOTAL COMPREHENSIVE LOSS</b>	<b>₱46,128</b>	<b>₱480,840</b>

*See accompanying Notes to Financial Statements.*

**MASRICKSTAR CORPORATION**  
**(A Subsidiary of Rayas Equity Development Corporation)**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**  
**(With Comparative Figures for 2008)**

	2009	2008
<b>CAPITAL STOCK - ₱1 par value</b>		
Authorized and issued - 120,000,000 shares (Note 6)		
Balance at beginning of year	₱120,000,000	₱6,250,000
Issuances	-	113,750,000
Balance at end of year	120,000,000	120,000,000
<b>DEPOSITS FOR FUTURE STOCK SUBSCRIPTIONS</b>		
Balance at beginning of year	-	113,750,000
Application to issuance of capital stock	-	(113,750,000)
Balance at end of year	-	-
<b>DEFICIT</b>		
Balance at beginning of year	(615,527)	(134,687)
Comprehensive loss	(46,128)	(480,840)
Balance at end of year	(661,655)	(615,527)
	<b>₱119,338,345</b>	<b>₱119,384,473</b>

*See accompanying Notes to Financial Statements.*



**MASRICKSTAR CORPORATION**  
**(A Subsidiary of Rayas Equity Development Corporation)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**  
**(With Comparative Figures for 2008)**

	2009	2008
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss	(P46,128)	(P480,840)
Adjustment for interest income (Note 4)	(362)	(510)
Loss before working capital changes	(46,490)	(481,350)
Increase in accounts payable and other current liabilities	30,000	-
Net cash used for operations	(16,490)	(481,350)
Interest received	362	510
Net cash used in operating activities	(16,128)	(480,840)
<b>CASH FLOW FROM AN INVESTING ACTIVITY</b>		
Decrease (increase) in investment and advances	15,290	(1,687,498,240)
<b>CASH FLOW FROM A FINANCING ACTIVITY</b>		
Increase in advances from a related party	-	1,687,978,590
<b>NET DECREASE IN CASH IN BANK</b>	<b>(838)</b>	<b>(490)</b>
<b>CASH IN BANK AT BEGINNING OF YEAR</b>	<b>85,163</b>	<b>85,653</b>
<b>CASH IN BANK AT END OF YEAR</b>	<b>P84,325</b>	<b>P85,163</b>

*See accompanying Notes to Financial Statements.*



**MASRICKSTAR CORPORATION**  
**(A Subsidiary of Rayas Equity Development Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
**(With Comparative Figures and Information for 2008)**

---

**1. Corporate Information**

Masrickstar Corporation (the Company) was incorporated in the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on February 27, 2007. The Company's primary purpose is to purchase, acquire and own, hold, use, sell, assign, transfer, mortgage or otherwise dispose, real and personal property of every kind, including shares of stock, subscriptions, bonds, notes, securities, contracts and obligations.

The Company is 60%-owned by Rayas Equity Development Corporation, a company also incorporated in the Philippines, and 40%-owned by Alphaland Holdings (Singapore) Pte. Ltd. (Alphaland Holdings), a company based in Singapore. The registered address of the Company is 17th Floor, Tower 1, Enterprise Center, 6766 Ayala Avenue, Legaspi Village, Makati City, Philippines.

The accompanying financial statements of the Company were approved and authorized for issue by the Board of Directors (BOD) on March 16, 2010.

---

**2. Summary of Significant Changes in Accounting Policies and Disclosures**

**Basis of Preparation**

The accompanying financial statements have been prepared under the historical cost basis. The financial statements are presented in Philippine peso, which is the Company's functional and presentation currency. All values are rounded to the nearest peso unit, except when otherwise indicated.

The Company elected not to account its investment in an associate under the exemption provided under Philippine Accounting Standards (PAS) 28, *Investments in Associates*. Alphaland Holdings prepares the group's consolidated financial statements in accordance with Singapore Financial Reporting Standards which are converged with International Financial Reporting Standards. The consolidated financial statements may be obtained at its principal office at No. 8 Cross Street #11-00 PWC Building, Singapore 048424.

**Statement of Compliance**

The accompanying financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS). PFRS also includes PAS and interpretations by the International Financial Reporting Interpretations Committee (IFRIC).

**Changes in Accounting Policies**

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the following new and amended PFRS and Philippine Interpretations that became effective during the year.

- PAS 1, *Presentation of Financial Statements*
- PAS 23, *Borrowing Costs*
- PFRS 8, *Operating Segments*
- Philippine Interpretation IFRIC 13, *Customer Loyalty Programmes*
- Philippine Interpretation IFRIC 16, *Hedges of a Net Investment in a Foreign Operation*

- Philippine Interpretation IFRIC 18, *Transfers of Assets from Customers*
- Amendments to PAS 32, *Financial Instruments: Presentation*, and PAS 1, *Presentation of Financial Statements - Puttable Financial Instruments and Obligations Arising on Liquidation*
- Amendments to PFRS 1, *First-time Adoption of Philippine Financial Reporting Standards*, and PAS 27, *Consolidated and Separate Financial Statements - Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*
- Amendment to PFRS 2, *Share-based Payment - Vesting Conditions and Cancellations*
- Amendments to PFRS 7, *Financial Instruments: Disclosures - Improving Disclosures about Financial Instruments*
- Improvements to PFRS (2008)
- Improvements to PFRS (2009), with respect to the amendment to the Appendix to PAS 18, *Revenue*
  
- Standards or interpretations that have been adopted and that are deemed to have an impact on the financial position or performance of the Company are described below.
  
- PAS 1, *Presentation of Financial Statements*; separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with non-owner changes in equity presented in a reconciliation of each component of equity. In addition, the standard introduces a new statement of comprehensive income that combines all items of income and expenses recognized in the profit or loss together with 'other comprehensive income.' The amendment specifies what is included in other comprehensive income. Entities may choose to present all items in one statement or to present two linked statements, a separate statement of income and a statement of comprehensive income. The Company elected to present a single statement.
  
- Amendments to PFRS 7, *Financial Instruments: Disclosures - Improving Disclosures about Financial Instruments*, require additional disclosures about fair value measurement and liquidity risk. Fair value measurements related to items recorded at fair value are to be disclosed by source of inputs using a three-level fair value hierarchy, by class, for all financial instruments recognized at fair value. In addition, reconciliation between the beginning and ending balance for Level 3 fair value measurements is now required, as well as significant transfers between levels in the fair value hierarchy. The amendments also clarify the requirements for liquidity risk disclosures with respect to derivative transactions and financial assets used for liquidity management. The fair value measurement disclosures are presented in Note 10. The liquidity risk disclosure is not significantly impacted by the amendments and are presented in Note 9.

#### Future Changes in Accounting Policies

The Company will adopt the following standards and interpretations enumerated below when these become effective. Except as otherwise indicated, the Company does not expect the adoption of these new and amended standards and interpretations to have significant impact on its financial statements.

- Amendments to Philippine Interpretation IFRIC 9, *Reassessment of Embedded Derivatives*, and PAS 39, *Financial Instruments: Recognition and Measurement* (effective for financial years beginning on or after June 30, 2009), requires an entity to assess whether an embedded derivative must be separated from a host contract when the entity reclassifies a hybrid financial asset out of the fair value through profit or loss (FVPL) category. This assessment is to be made based on circumstances that existed on the later of the date the entity first became a party to the contract and the date of any contract amendments that significantly change the cash flows of the contract. PAS 39 now states that if an embedded derivative cannot be reliably measured, the entire hybrid instrument must remain classified as at FVPL.

- Revision to PFRS 3, *Business Combinations*, and Amendment to PAS 27, *Consolidated and Separate Financial Statements* (effective for financial years beginning on or after July 1, 2009). The revised PFRS 3 introduces significant changes in the accounting for business combinations occurring after this date. Changes affect the valuation of non-controlling interest, the accounting for transaction costs, the initial recognition and subsequent measurement of a contingent consideration and business combinations achieved in stages. These changes will impact the amount of goodwill recognized, the reported results in the period that an acquisition occurs and future reported results. The amended PAS 27, on the other hand, requires that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as a transaction with owners in their capacity as owners. Therefore, such transactions will no longer give rise to goodwill, nor will it give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The changes introduced by the revised PFRS 3 and amended PAS 27 will affect future acquisitions or loss of control of subsidiaries and transactions with non-controlling interests.
- Amendment to PAS 39, *Financial Instruments: Recognition and Measurement - Eligible Hedged Items* (effective for financial years beginning on or after July 1, 2009), clarifies that an entity is permitted to designate a portion of the fair value changes or cash flow variability of a financial instrument as a hedged item. This also covers the designation of inflation as a hedged risk or portion in particular situations.
- Philippine Interpretation IFRIC 17, *Distributions of Non-cash Assets to Owners* (effective for financial years beginning on or after July 1, 2009), provides guidance on how to account for non-cash distributions to owners, clarifies when to recognize a liability, how to measure it and the associated assets, and when to derecognize the asset and liability.
- Amendment to PFRS 2, *Share-based Payment - Group Cash-settled Share-based Payment Transactions* (effective for financial years beginning on or after January 1, 2010), clarifies the scope and the accounting for group cash-settled share-based payment transactions.
- Philippine Interpretation IFRIC 15, *Agreements for the Construction of Real Estate* (effective for financial years beginning on or after January 1, 2012), covers accounting for revenue and associated expenses by entities that undertake the construction of real estate directly or through subcontractors. The interpretation requires that revenue on construction of real estate be recognized only upon completion, except when such contract qualifies as construction contract to be accounted for under PAS 11, *Construction Contracts*, or involves rendering of services, in which case, revenue is recognized based on stage of completion. Contracts involving provision of services with the construction materials and where the risks and reward of ownership are transferred to the buyer on a continuous basis will also be accounted for based on stage of completion.

#### Improvements to PFRS (2009)

The omnibus amendments to PFRSs issued in 2009 were issued primarily with a view to removing inconsistencies and clarifying wording. The amendments are effective for financial years beginning on or after January 1, 2010, except otherwise stated. The Company has not yet adopted the following amendments and anticipates that these changes will have no material effect on its financial statements.

- PFRS 2, *Share-based Payment* (effective for financial years beginning on or after July 1, 2009), clarifies that the contribution of a business on formation of a joint venture and combinations under common control are not within the scope of PFRS 2 even though these are out of scope of Revised PFRS 3, *Business Combinations*.

- PFRS 5, *Non-current Assets Held for Sale and Discontinued Operations*, clarifies that the disclosures required in respect of non-current assets and disposal groups classified as held for sale or discontinued operations are only those set out in PFRS 5. The disclosure requirements of other PFRS only apply if specifically required for such non-current assets or discontinued operations.
- PFRS 8, *Operating Segments*, clarifies that segment assets and liabilities need only be reported when those assets and liabilities are included in measures that are used by the chief operating decision maker.
- PAS 1, *Presentation of Financial Statements*, clarifies that the terms of a liability that could result, at anytime, in its settlement by the issuance of equity instruments at the option of the counterparty do not affect its classification.
- PAS 7, *Statement of Cash Flows*, explicitly states that only expenditure that results in a recognized asset can be classified as a cash flow from investing activities.
- PAS 17, *Leases*, removes the specific guidance on classifying land as a lease. Prior to the amendment, leases of land were classified as operating leases. The amendment now requires that leases of land are classified as either 'finance' or 'operating' in accordance with the general principles of PAS 17.
- PAS 36, *Impairment of Assets*, clarifies that the largest unit permitted for allocating goodwill, acquired in a business combination, is the operating segment as defined in PFRS 8 before aggregation for reporting purposes.
- PAS 38, *Intangible Assets*, clarifies that if an intangible asset acquired in a business combination is identifiable only with another intangible asset, the acquirer may recognize the group of intangible assets as a single asset provided the individual assets have similar useful lives. It also clarifies that the valuation techniques presented for determining the fair value of intangible assets acquired in a business combination that are not traded in active markets are only examples and are not restrictive on the methods that can be used.
- PAS 39, *Financial Instruments: Recognition and Measurement*, clarifies the following:
  - that a prepayment option is considered closely related to the host contract when the exercise price of a prepayment option reimburses the lender up to the approximate present value of lost interest for the remaining term of the host contract;
  - that the scope exemption for contracts between an acquirer and a vendor in a business combination to buy or sell an acquiree at a future date applies only to binding forward contracts, and not derivative contracts where further actions by either party are still to be taken; and
  - that gains or losses on cash flow hedges of a forecast transaction that subsequently results in the recognition of a financial instrument or on cash flow hedges of recognized financial instruments should be reclassified in the period that the hedged forecast cash flows affect profit or loss.
- Philippine Interpretation IFRIC 9, *Reassessment of Embedded Derivatives*, clarifies that it does not apply to possible reassessment at the date of acquisition, to embedded derivatives in contracts acquired in a business combination between entities or businesses under common control or the formation of joint venture.

- Philippine Interpretation IFRIC 16, *Hedges of a Net Investment in a Foreign Operation*, states that in a hedge of a net investment in a foreign operation, qualifying hedging instruments may be held by any entity or entities within the group, including the foreign operation itself, as long as the designation, documentation and effectiveness requirements of PAS 39 that relate to a net investment hedge are satisfied.

#### Financial Instruments

*Date of Recognition.* The Company recognizes a financial asset or a financial liability in the balance sheet when it becomes a party to the contractual provisions of the instrument. In the case of a regular way purchase or sale of financial assets, recognition and derecognition, as applicable, is done using trade date accounting. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

*Initial Recognition of Financial Instruments.* Financial instruments are recognized initially at fair value, which is the fair value of the consideration given (in case of an asset) or received (in case of a liability). The initial measurement of financial instruments, except for those designated at FVPL, includes transaction costs.

*Determination of Fair Value.* The fair value for financial instruments traded in active markets at balance sheet date is based on their quoted market price or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. When current bid and asking prices are not available, the price of the most recent transaction provides evidence of the current fair value as long as there has not been a significant change in economic circumstances since the time of the transaction.

For all other financial instruments not listed in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include net present value techniques, comparison to similar instruments for which market observable prices exist, options pricing models, and other relevant valuation models.

*Classification of Financial Instruments.* Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument or a component that is a financial liability are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity, net of any related income tax benefits.

Financial assets are further classified into the following categories: financial assets at FVPL, loans and receivables, held-to-maturity (HTM) investments and available-for-sale (AFS) financial assets. Financial liabilities are classified as financial liabilities at FVPL or other financial liabilities.

The classification depends on the purpose for which the instruments are acquired and whether they are quoted in an active market. Management determines the classification at initial recognition and, where allowed and appropriate, re-evaluates this classification at every reporting date.

The Company has no financial assets or liabilities at FVPL, HTM investments and AFS financial assets as of December 31, 2009 and 2008.

*Loans and Receivables.* Loans and receivables are nonderivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, loans and receivables are subsequently carried at amortized cost using the effective interest method, less any allowance for impairment. Amortized cost is calculated taking into account any discount or premium on acquisition and includes fees that are integral part of the effective interest rate and transaction costs. Gains and losses are recognized in the statement of comprehensive income when the loans and receivables are derecognized or impaired, as well as through the amortization process. Loans and receivables are included in current assets if maturity is within 12 months from the balance sheet date. Otherwise, these are classified as noncurrent assets.

Classified as loans and receivables are the Company's cash in bank (see Note 4).

*Other Financial Liabilities.* Other financial liabilities pertain to issued financial instruments or their components that are not classified or designated at FVPL and contain contractual obligations to deliver cash or another financial asset to the holder or to settle the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares. The components of issued financial instruments that contain both liability and equity elements are accounted for separately, with the equity component being assigned the residual amount after deducting from the instrument as a whole the amount separately determined as the fair value of the liability component on the date of issue.

This category includes loans and borrowings which are initially recognized at fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method.

Gains or losses are recognized in the statement of comprehensive income when the liabilities are derecognized, as well as through the amortization process.

Classified as other financial liabilities are the Company's accounts payable and other current liabilities.

#### Impairment of Financial Assets

An assessment is made at each balance sheet date to determine whether there is objective evidence that a specific financial asset may be impaired. If such evidence exists, any impairment loss is recognized in the statement of comprehensive income.

The Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in the collective assessment of impairment.

If there is objective evidence that an impairment loss on loans and receivables carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (the effective interest rate computed at initial recognition). The carrying amount of the asset shall be reduced either directly or through the use of an allowance account. The amount of the loss is recognized in the statement of comprehensive income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in the statement of comprehensive income, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date.

#### Derecognition of Financial Assets and Liabilities

*Financial Assets.* A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the rights to receive cash flows from the asset have expired;
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

*Financial Liability.* A financial liability is derecognized when the obligation under the liability is discharged, cancelled or has expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of comprehensive income.

#### Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet if, and only if, there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

#### Investment in an Associate

Investment in an associate (entity over which the Company has significant influence and which are neither subsidiary nor a joint venture) is accounted for under the cost method. The investment is carried in the balance sheet at cost less any impairment in value. The Company recognizes income from the investment only to the extent that the Company receives distributions from accumulated profits of the associate arising after the date of acquisition. Distributions received in excess of such profits are regarded as recovery of investment and are recognized as a reduction of the cost of the investment.

#### Impairment of Nonfinancial Assets

The Company assesses at each balance sheet date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. Any impairment loss is recognized in the statement of comprehensive income in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of comprehensive income. After such a reversal, the depreciation and amortization is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

#### Capital Stock

Capital stock is measured at par value for all shares issued. Incremental costs incurred directly attributable to the issuance of new shares are shown in equity as deduction from proceeds, net of tax. Proceeds and/or fair value of considerations received in excess of par value, if any, are recognized as additional paid-in capital.

#### Revenue

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

*Interest Income.* Revenue is recognized as the interest accrues, taking into account the effective interest yield on the asset.

#### Expenses

Expenses are recognized as incurred.

#### Income Tax

*Current Tax.* Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at each balance sheet date.

*Deferred Tax.* Deferred tax is provided using the balance sheet liability method on temporary differences at each balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences.



Deferred tax assets are recognized for all deductible temporary differences and carryforward benefits of unused net operating loss carryover (NOLCO) to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carryforward benefits of unused NOLCO can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and liabilities are offset, if a legally enforceable right exists to offset current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

#### Contingencies

Contingent liabilities are not recognized in the financial statements but are disclosed in the notes to financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but are disclosed in the notes to financial statements when inflows of economic benefits are probable.

#### Events after Balance Sheet Date

Post year-end events that provide additional information about the Company's position at balance sheet date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to financial statements when material.

---

### **3. Significant Accounting Judgments, Estimates and Assumptions**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, future events may occur that could cause changes in judgment, estimates and assumptions which are reflected in the financial statements as they become reasonably determinable.

Judgments

In the process of applying the Company's accounting policies, management has made certain judgments, apart from those involving estimates, which have the most significant effect on the amounts recognized in the financial statements.

*Determination of Functional Currency.* The Company determined that its functional currency is the Philippine peso. The determination of functional currency was based on the currency that mainly influences the Company's revenue and cost of rendering services.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

*Fair Value of Financial Instruments.* PFRS requires certain financial assets and liabilities to be carried at fair value, which requires extensive use of accounting estimates. While significant components of fair value measurement were determined using verifiable objective evidence, the amount of changes in fair value would differ if the Company utilized different valuation methodologies. Any changes in fair value of these financial assets would affect profit and loss and equity.

The fair value of the Company's financial assets and liabilities are disclosed in Note 10.

*Impairment of Nonfinancial Assets.* An impairment review is performed when certain impairment indicators are present. Determining the value in use of investment and advances which requires the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets, requires the Company to make estimates and assumptions that can materially affect the financial statements. Future events could cause the Company to conclude that the investment and advances are impaired. Any resulting impairment loss could have a material adverse impact on the Company's financial position and performance.

The preparation of estimated future cash flows involves significant judgment and estimations. While the Company believes that the assumptions are appropriate and reasonable, significant changes in the assumptions may materially affect the assessment of recoverable values and may lead to future impairment charges.

The carrying values of investment and advances amounted to ₱3,401,965,489 and ₱3,401,980,779 as of December 31, 2009 and 2008, respectively (see Note 5).

*Realizability of Deferred Tax Assets.* The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized.

Unrecognized deferred tax assets amounted to ₱209,895 and ₱195,948 as of December 31, 2009 and 2008, respectively (see Note 8).

---

**4. Cash in Bank**

Cash in bank earns interest at the respective bank deposit rates. Interest income from cash in bank amounted to ₱362 and ₱510 in 2009 and 2008, respectively.

---

**5. Investment and Advances**

This account consists of:

	2009	2008
Investment in an associate	₱120,003,600	₱120,003,600
Advances (see Note 7)	3,281,961,889	3,281,977,179
	<u>₱3,401,965,489</u>	<u>₱3,401,980,779</u>

Investment in an associate pertains to the Company's investment in Alphaland Development, Inc., formerly Alphaland Corporation, (ADI). ADI, a company incorporated in the Philippines, is primarily engaged in real property acquisition and development. The Company owns 48% of ADI.

Advances to ADI are intended for future equity conversion.

The summarized financial information of the associate, not adjusted for the proportion of ownership interest held by the Company, is as follows:

	2009	2008
Total assets	₱12,631,907,651	₱8,309,780,680
Total liabilities	2,942,325,367	1,334,859,288
Revenue	39,196,306	-
Net income (loss)	23,266,897	(56,298,341)

---

**6. Equity**

On January 21, 2008, the SEC approved the increase in the Company's authorized capital stock from ₱100.0 million, consisting of 100,000,000 common shares, to ₱120.0 million, consisting of 120,000,000 common shares, both with a par value of ₱1 per share. Consequently, the deposits for future stock subscriptions amounting to ₱113.8 million were applied for the issuance of 113,750,000 million common shares.

---

**7. Related Party Transactions**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. This includes: (a) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with the Company; (b) associates; and (c) individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and close members of the family of any such individual.

In the ordinary course of business, the Company obtains from and grants its related parties noninterest-bearing cash advances to finance operational and capital expenditure requirements. Details of advances to and from related parties are as follows:

Related Party	Relationship	Year	Advances to (see Note 5)	Advances from
ADI	Associate	2009	₱3,281,961,889	₱-
		2008	3,281,977,179	-
Alphaland Holdings	Stockholder	2009	-	3,282,631,139
		2008	-	3,282,631,139
		2009	₱3,281,961,889	₱3,282,631,139
		2008	₱3,281,977,179	₱3,282,631,139

Advances from Alphaland Holdings represents direct fund remittances to ADI, which are intended for future equity conversion.

Also, ADI provides the administrative support such as legal, financial and human resource management of the Company at no cost.

#### 8. Income Taxes

No provision for income tax was recognized in 2009 and 2008 as the Company is in a tax loss position.

Unrecognized deferred tax assets amounting to ₱209,895 and ₱195,948 as of December 31, 2009 and 2008, respectively, relate to the tax effect of carryforward benefits of NOLCO. The deferred tax asset was not recognized since management believes that it is not probable that sufficient future taxable income will be available to allow the deferred tax asset to be utilized.

NOLCO that can be claimed as deduction from future taxable income are as follows:

Year Incurred	Year of Expiry	Amount
2007	2010	₱171,810
2008	2011	481,350
2009	2012	46,490
		₱699,650

A reconciliation of benefit from income tax computed at statutory income tax rates to provision for income tax at effective income tax rates is as follows:

	2009	2008
Income tax benefit computed at statutory tax rates	(₱13,838)	(₱168,294)
Change in unrecognized deferred tax assets	13,947	144,405
Interest income subjected to final tax	(109)	(179)
Effect of change in income tax rate	-	24,068
	₱-	₱-

Effective January 1, 2009, the rate of regular corporate income tax was reduced from 35% to 30% in accordance with Republic Act No. 9337.

---

## 9. Financial Risk Management Objectives and Policies

The Company's principal financial instrument comprise cash in bank. The main purpose of these financial instruments is to finance the Company's operations. The Company has other financial liabilities such as accounts payable and other current liabilities, which arise directly from its operations.

The main risks arising from the Company's financial instruments is liquidity risk. The BOD reviews and approves the policies for managing this risk.

### Liquidity Risk

Liquidity risk is the potential of not meeting obligations as they become due because of an inability to liquidate assets or obtain adequate funding.

The Company's exposure to liquidity risk relates to raising funds to meet obligations associated with financial liabilities.

The Company manages its liquidity profile to be able to finance capital expenditures. To cover its financing requirements, the Company intends to use internally generated funds.

The Company's accounts payable and other current liabilities are due and demandable.

### Capital Management

The primary objective of the Company's capital management is to ensure an adequate return to its shareholders and to maximize shareholders value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the return of capital to shareholder of issue new shares. The Company is not subject to externally imposed capital requirements in 2009 and 2008. No changes were made in the objectives, policies or processes in 2009 and 2008.

---

## 10. Financial Instruments

The table below sets forth the carrying values and estimated fair values of the Company's financial assets and financial liabilities recognized as of December 31.

	2009		2008	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>				
Loans and receivables -				
Cash in bank	₱84,325	₱84,325	₱85,163	₱85,163
<b>Financial Liabilities</b>				
Other financial liabilities -				
Accounts payable and other current liabilities	₱80,330	₱80,330	₱50,330	₱50,330

*Cash in Bank and Accounts Payable and Other Current Liabilities.* Due to the short-term nature of transactions, the carrying amounts of these instruments approximate the fair values as of balance sheet date.

Fair Value Hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As of December 31, 2009 and 2008, there were no financial assets and liabilities measured at fair value.

(To be filed up by the BIR)  
DTN:

BCR No.

PRIC:



Republika ng Pilipinas  
Kagawaran ng Pananalapi  
Kawanihan ng Rentas Internas

# Annual Income Tax Return

## ANNEX

Form No.

1702

July 2008 (ENCS)

77

For Corporations, Partnerships and Other Non-Individual Taxpayers

Fill in all applicable spaces. Mark all appropriate boxes with an "X".

1 2 2008

X

2.45 1.88 888 0.000 0.47

BOERSTAR CORPORATION

17/F TOWER 1, THE ENTERPRISE CENTER, AYALA AVE., MAKATI CITY

NO RETURNABLE TAXABLE INCOME

Stamp: RECEIVED  
MAR 15 2008  
SECTION

Stamp (Receiving Office/  
AAB and Date of Receipt  
(RO's Signature/  
Bank Teller's Initial)

Machine Validation/Revenue Official Receipt Details (if not filed with the bank)

**JAIME U. MANANSALA**  
**Certified Public Accountant**  
**4 Prater Village, Ampid San Mateo**  
**Rizal Philippines**

---

**INDEPENDENT AUDITOR'S REPORT**

April 15, 2010

**TO THE STOCKHOLDERS AND BOARD OF DIRECTORS**  
**BOERSTAR CORPORATION**  
17/F, Tower 1 The Enterprise Center  
Ayala Avenue, Makati City

I have audited the financial statements of Boerstar Corporation, comprise the balance sheets of December 31, 2009, and the financial statements of income, changes in equity and cash flows for the year ended, December 31, 2009.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted accounting principles. This responsibility includes: designing, implementing and maintaining internal control relevant to the presentation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Philippines Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.


An audit involves performing procedure to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessments of the risks of material misstatement of the financial statement whether due to fraud or error. In making those risk assessments; the auditor's considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriates of accounting policies used and the reasonableness of accounting estimate made by management, as well as evaluating the overall presentation of the financial statements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

APR 15 2010



**OPINION**

In my opinion, the financial statement present fairly, in all material respects, the financial position of Boerstar Corporation as of December 31, 2009 and of its financial performance for the year then ended in accordance with generally accepted accounting principles.

  
JAIME U. MANANSALA  
TIN - 10-647-866  
CPA CERT. No. 24608  
BOA No. 1198  
PTR No. 2098275  
January 7, 2010  
San Mateo, Rizal  
Philippines

APR 15 2010

**BOERSTAR CORPORATION  
BALANCE SHEET  
AS OF DECEMBER 31, 2009**

ASSETS	December 31, 2009	December 31, 2008
Cash on Hand & in Bank	P 334,075.07	P 59,978.28
Investment	832,347,153.73	142,153,166.50
<b>TOTAL ASSETS</b>	<b>P 832,681,228.80</b>	<b>P 142,213,144.78</b>
<b>LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>		
<b>Liabilities</b>		
Advances from Stockholders	P 832,431,882.02	P 141,963,144.78
<b>Total Liabilities</b>	<b>P 832,431,882.02</b>	<b>P 141,963,144.78</b>
<b>Stockholders' Equity:</b>		
Authorized Capital Stock	1,000,000 shares	
Share at P1.00 par value per share	P1,000,000.00	
	=====	
Subscribed Capital Stock	P 250,000.00	P 250,000.00
Retained Earning	(653.22)	
<b>Total Stockholders' Equity</b>	<b>P 249,346.78</b>	<b>P 250,000.00</b>
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>P 832,681,228.80</b>	<b>P 142,213,144.78</b>

REVENUE  
Booked

**FAPR 15 2010**

**BOERSTAR CORPORATION**  
**STATEMENT OF INCOME & RETAINED EARNINGS**  
**FOR THE MONTH ENDING DECEMBER 31, 2009**

		December 31, 2009	December 31, 2008
Interest Income, Net of Final Tax	P	2,346.78	
Loss on Investment, Decline on MV			P
<b>Less: Expenses</b>			
Professional Fee	P	3,000.00	P -
<b>TOTAL EXPENSES</b>	P	<b>3,000.00</b>	P -
<b>NET INCOME (LOSS)</b>	P -	<b>663.22</b>	P -





Republika ng Pilipinas  
Kagawaran ng Pananalapi  
Kawanihan ng Rentas Internas

# Annual Income Tax Return ANNEX 44

Form No. **4402**  
July 2008 (ENCS)

For Corporations, Partnerships and Other Non-Individual Taxpayers

Fill in all applicable spaces. Mark all appropriate boxes with an "X".

1 2 2,008

2.30 2.22 975. 0.000 0.47

**AZURESTAR CORPORATION**

**17/F TOWER 1, THE ENTERPRISE CENTER, AYALA AVE., MAKATI CITY**

NO RETURNABLE TAXABLE INCOME

Stamp of Receiving Office/  
AAB and Date of Receipt  
(RO's Signature/  
Teller's Initial)

EDGAR...  
COLLECTION SECTION

**JAIME U. MANANSALA**  
**Certified Public Accountant**  
**4 Prater Village, Ampid San Mateo**  
**Rizal Philippines**

---

INDEPENDENT AUDITOR'S REPORT

April 15, 2010

TO THE STOCKHOLDERS AND BOARD OF DIRECTORS  
AZURESTAR CORPORATION  
17/F, Tower 1 The Enterprise Center  
Ayala Avenue, Makati City

I have audited the financial statements of Azurestar Corporation comprise the balance sheets of December 31, 2009, and the financial statements of income, changes in equity and cash flows for the year ended, December 31, 2009.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted accounting principles. This responsibility includes: designing, implementing and maintaining internal control relevant to the presentation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**


My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Philippines Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

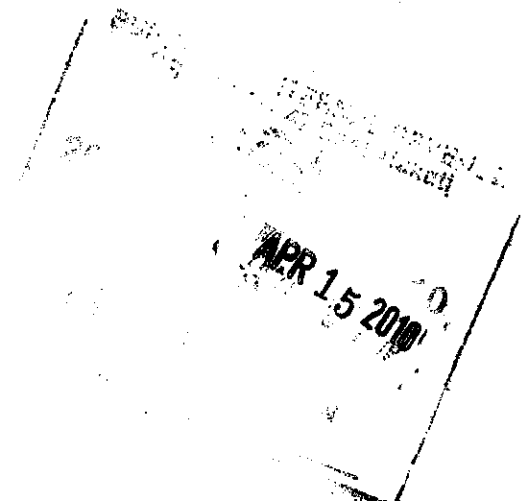
An audit involves performing procedure to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessments of the risks of material misstatement of the financial statement whether due to fraud or error. In making those risk assessments; the auditor's considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriates of accounting policies used and the reasonableness of accounting estimate made by management, as well as evaluating the overall presentation of the financial statements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

APR 15 2010

**OPINION**

In my opinion, the financial statement present fairly, in all material respects, the financial position of Azurestar Corporation as of December 31, 2009 and of its financial performance for the year then ended in accordance with generally accepted accounting principles.

  
JAIME U. MANANSALA  
TIN - 110-647-866  
CPA CERT. No. 24608  
BOA No. 1198  
PTR No. 2098275  
January 7, 2010  
San Mateo, Rizal  
Philippines



**AZURESTAR CORPORATION**  
**BALANCE SHEET**  
**AS OF DECEMBER 31, 2009**

		December 31, 2009		December 31, 2008
<b>ASSETS</b>				
Cash on Hand & in Bank	P	50,000	P	50,000
Investment in Shares of Stocks		201,173,121		201,173,121
Other Investment (Alphaland Corp.)		95,016,061		95,016,061
<b>TOTAL ASSETS</b>	<b>P</b>	<b>296,239,182</b>	<b>P</b>	<b>296,239,182</b>
<b>LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>				
<b>Liabilities:</b>				
Advances from Stockholders	P	166,555,325	P	166,555,325
<b>Total Liabilities</b>	<b>P</b>	<b>166,555,325</b>	<b>P</b>	<b>166,555,325</b>
<b>Stockholders' Equity:</b>				
Authorized Capital Stock, 10,000,000 shrs @ P1.00 per share				
Capital Stock	P	625,000	P	625,000
Retained Earnings		129,058,857		129,058,857
<b>Total Stockholders' Equity</b>	<b>P</b>	<b>129,683,857</b>	<b>P</b>	<b>129,683,857</b>
<b>TOTAL LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>	<b>P</b>	<b>296,239,182</b>	<b>P</b>	<b>296,239,182</b>

RECEIVED  
 APR 15 2010  
 OFFICE OF THE  
 CLERK OF THE  
 SUPREME COURT  
 OF THE STATE OF  
 CALIFORNIA



**AZURESTAR CORPORATION**  
**STATEMENT OF INCOME & RETAINED EARNINGS**  
**FOR THE MONTH ENDING DECEMBER 31, 2008**

December 31, 2009

December 31, 2008

		December 31, 2009		December 31, 2008
<b>Loss on Investment, Decline on MV</b>	P		P	(122,140,824)
<b>Less: Expenses</b>				
Professional Fee	P	5,000	P	5,000
<b>TOTAL EXPENSES</b>	P	5,000	P	5,000
<b>NET INCOME (LOSS)</b>	P	(5,000)	P	(122,145,824)

APR 15 2010