

**BY-LAWS OF THE
PHILIPPINE INTERNATIONAL TRADING CORPORATION**

Pursuant to Section 12, Sub-section (a) of Presidential Decree No. 1071 promulgated 25 January 1977, the Board of Directors of the Philippine International Trading Corporation (PITC) hereby adopts the following Code of By-Laws:

**Article I
CAPITAL STOCK**

Section 1. Certificate of Stock. - The stockholders whose shares of stock have been fully paid shall be entitled to a stock certificate for such shares of stock.

The stock certificate shall be in such form and design as may be approved by the Board of Directors. Every certificate shall be signed by the President or shall bear a facsimile of the President's signature, and shall be countersigned by the Corporate Secretary; and shall state on its face, its number, date of issue, the number of shares, par value, and the name of the person in whose favor it was issued. In the absence from the Philippines or incapacity of either or both the President and/ or Corporate Secretary, every stock certificate shall be signed by their respective substitutes or alternates or as may be duly designated by the Board of Directors for the purpose.

Section 2. Transfer of Stock. - When and as authorized by its charter, shares of stock shall be transferred by delivery of the certificate to the Corporate Secretary endorsed by the registered owner or his attorney-in-fact or other person legally authorized to make the transfer; but no transfer shall be valid or effective until such transfer is duly registered in the books of the corporation.

No new certificate in lieu of the surrendered certificate shall be issued until such surrendered certificate shall have been cancelled by the Corporate Secretary and such cancellation duly registered in the books of the corporation; and the Corporate Secretary shall keep the cancelled certificate as proof of substitution.

Section 3. Stock and Transfer Books. - Stock and transfer books of the corporation shall be closed for transfer during the five (5) days next preceding that of such annual or special stockholders' meetings.

Section 4. Procedure for Replacement of Lost Certificate. - In the event stock certificates of the corporation are alleged to have been lost, stolen or destroyed, their replacement shall be governed by the provisions of Republic Act No. 201, as amended.

Section 5. Payment of Subscribed Stock. - Payment of subscription to the capital stock of the corporation by the Republic of the Philippines, the Development Bank of the Philippines and the Philippine National Bank shall be governed by the provisions of Section 3 of PD No. 1071.

Subscription to the capital stock of the corporation by the public shall be covered by subscription agreements to be executed by the subscriber and the corporation through its President, subject to the following terms and conditions:

- (a) Not less than par value of P100 per share;
- (b) At least 25 per cent of the amount subscribed shall be paid in cash at the time of execution of the subscription agreement;
- (c) Payment of the balance of the amount subscribed shall be subject to call for payments in whole or in part by the Board of Directors unless the covering subscription agreements provided for the date or dates said balance is agreed to be payable.
- (d) All unpaid balances shall be subject to interest at 14% per annum from due date until fully paid; and
- (e) Delinquent shares of stock shall be subject to the remedies provided by the Corporation Law, Act 1459, as amended.

Article II

STOCKHOLDERS' MEETINGS

Section 1. **Place.** - All meetings of stockholders shall be held at the principal office of the corporation, unless written notice of such meetings shall fix another place within the Metro Manila area.

Section 2. **Quorum.** - No stockholders' meetings shall be competent to decide any matter or transact any business unless a majority of the subscribed capital stock entitled to vote is present except in those cases where the Corporation Law, Act 1459, as amended or the provisions of PD No. 1071 requires the affirmative vote of a greater proportion.

Section 3. **Vote.** -- Voting upon all questions at all meetings of stockholders shall be by shares of stock, each share of stock being entitled to one (1) vote.

Section 4. **Annual Meetings.** - After the public has subscribed to at least ten (10) per cent of the capital stock of the Corporation, the Board of Directors shall schedule annual meetings of stockholders before June 30 of each year.

Section 5. **Special Meetings.** - Special meetings of stockholders may be called by the President or by a majority of the directors actually appointed or designated or by stockholders holding a majority of the subscribed capital stock of the corporation. Notices of such meetings shall state the purpose or purposes thereof, the date, time and place of the meeting. No other business may be transacted at such meetings not stated in the notice.

Section 6. **Notices.** - Notices of annual and special meetings of stockholders shall be served personally or sent by registered mail or by cable to each of the stockholders of record at their recorded addresses at least ten (10) days before date of meeting. Such notice may also be published in a newspaper of general circulation in the Metro Manila area at least five (5) days before the meeting date.

Section 7. **Minutes.** - Minutes of all meetings of the stockholders shall be kept and

carefully preserved as a record of the business transacted at such meeting. The minutes shall contain such entries as may be required by law and by the Board of Directors.

Section 8. Order of Business. - The President shall preside at all meetings of the stockholders. The following order of business as far as practicable shall be observed at all meetings of stockholders, namely:

- (1) Calling of the roll and determination of quorum
- (2) Proof of service of notice
- (3) Presentation of the List of Stockholders
- (4) Approval of unapproved minutes of previous meetings
- (5) Report of the President and/or officers/committees
- (6) Unfinished business
- (7) New business
- (8) Adjournment

Article III BOARD OF DIRECTORS

Section 1. Composition. - The composition, qualification, removal, remuneration, powers and functions, absence and vacancy of the members of the Board of Directors shall be governed by the provisions of PD 1071.

Section 2. Quorum. - The Directors shall act only as a Board and the individual members of the Board shall have no power as such. The presence of a majority of the members of the Board actually appointed/designated as such shall be necessary to constitute a quorum for the transaction of business, and all decisions of the Board shall require the concurrence of a majority of the members present at the meeting at which there is a quorum.

Section 3. Date, Time and Place of Meetings. - The President may fix the date, time and place within the Metro Manila area of the meetings of the Board, regular or special. However, special meetings of the Board may be called upon request in writing by a majority of the members of the Board actually appointed or designated specifying the purpose or purposes of the request which shall be contained in the notice of such meetings.

The Board of Directors at any of its meetings whether regular or special shall have the power to decide all matters within their functions and authority as provided in PD 1071.

Section 4. Minutes. - Minutes of all meetings of the Board shall be kept and carefully preserved as a record of the business transacted at such meetings. The minutes shall contain the proceedings of the Board, the members present and absent, the date, place and time of the meeting, and such other data as may be required by the President and/or by the Board of Directors.

Article IV CORPORATE OFFICERS

Section 1. **Enumeration.** -- The officers of the Corporation shall consist of the Chairman of the Board, the President, who shall be the Chief Executive of the Corporation, an Executive Vice President, a Treasurer, a Corporate Secretary, and such other Vice Presidents, Assistant Vice Presidents, and other officers as may in the opinion of the President be necessary for the effective management of the Corporation. The appointment of these officers shall be made in accordance with the provisions of PD 1071.

Section 2. **The Chairman of the Board.** -- The Chairman of the Board shall preside over the meetings of the Board.

In the absence of the Chairman, the President shall preside over the meeting. In the absence of both the Chairman and the President, the members of the Board present, there being a quorum, shall elect from among themselves a presiding officer for that particular meeting.

Section 3. **The President.** - The qualifications, appointment, tenure, removal, salary, powers, duties, authorities, prerogatives and responsibilities of the President of the Corporation shall be governed by the provisions of PD No. 1071.

In case of the death, resignation, permanent incapacity or removal of the President of the Corporation, the Executive Vice President shall act as President until such time as the President of the Philippines appoints a successor.

Section 4. **Executive Vice President.** - The Executive Vice President shall be appointed by the Board of Directors upon recommendation of the President of the Corporation. He shall receive such compensation as may be approved by the Board of Directors upon recommendation of the President of the Corporation. He shall perform such duties and exercise such authorities as may from time to time be delegated to him by the President of the Corporation or by the Board of Directors.

Section 5. **Treasurer.** - The Treasurer shall be elected by the Board of Directors from among the members of the Board and shall serve as such at the pleasure of the Board. He shall have custody of all corporate funds and securities and shall keep accurate accounts of receipts and disbursements in the books of accounts of the Corporation. He shall deposit and/or withdraw all moneys and other valuable effects of the Corporation in the manner provided by the Board. These authorities and duties may be delegated to an Assistant Treasurer.

Section 6. **Corporate Secretary.** - The Corporate Secretary need not be a member of the Board and shall be appointed by the Board of Directors upon recommendation of the President of the Corporation. He shall serve as such at the pleasure of the Board. He shall be the ex-officio Secretary of the Board of Directors. He shall perform such duties as may be assigned to him by the President of the Corporation. Moreover, he shall also perform the following duties:

(a) Attend all sessions of the Board and record all votes and the minutes of the

proceedings thereat, and perform like duties for any committee of the Board when required;

- (b) Attend all meetings of the stockholders and record the minutes of all proceedings thereat;
- (c) Keep in his custody the corporate minute books, stock certificate books, and stock and transfer books containing the register of stockholders and their corresponding addresses;
- (d) Keep in his custody the corporate seal and stamp therewith all documents requiring such corporate seal;
- (e) Fill and countersign all stock certificates issued; annotating all necessary information in the stub thereof;
- (f) Give or cause to be given all notices required by law, by these by-laws and by the charter of the corporation as well as all notices of all meetings of the Board of Directors and of the stockholders.

The Board of Directors may by appropriate resolution, designate stock and transfer agents when the operations of the corporation so requires; Provided, however, such stock and transfer agents shall be under the general supervision of the Corporate Secretary.

Section 7. Vice Presidents, Assistant Vice Presidents and Other Officers. - Vice Presidents, Assistant Vice Presidents and other officers of the Corporation shall be appointed by the Board of Directors upon recommendation of the President of the Corporation; and they shall receive such compensation as may be approved by the Board of Directors upon recommendation of the President of the Corporation. They shall perform such duties as may be assigned to them by the President.

Section 8. Compensation. - Aside from the compensation of the officers of the Corporation, the Board of Directors may upon recommendation of the President of the Corporation approve and grant said officers of the Corporation as well as the other employees of the Corporation, allowances and bonuses and other emoluments.

Section 9. Vacancies and Functions. - Except for the Office of the President of the Corporation whose vacancy may be filled only by the President of the Philippines, any vacancy occurring in the other offices may be filled upon recommendation of the President of the Corporation by the Board of Directors.

No officer of the Corporation shall enjoy any inherent power, authority or prerogative by virtue of their offices; but, shall exercise only such authorities and enjoy such prerogatives as may be specifically granted to them by PD 1071 or delegated to them by the President of the Corporation.

Article V
FISCAL YEAR, ACCOUNTS AND DEPOSITORY BANKS

Section 1. The fiscal year of the Corporation shall begin on the 1st day of January and shall end on the last day of December of each year.

Section 2. Inspection of Books. - The books, accounts and records of the Corporation shall be open to inspection by the stockholders and by any member of the Board during office hours; Provided, however, that considering the nature of the business of the Corporation and the confidentiality of its international commercial transactions, the President of the Corporation may provide rules and regulations governing the exercise of this right of the stockholders.

Section 3. Depository Banks. - All funds, moneys and securities owned and held by and otherwise under the custody of the Corporation shall be deposited with the Philippine National Bank and/or the Philippine Veterans Bank and/or the Land Bank of the Philippines. The Corporation may maintain other accounts with other local or foreign banks within or outside of the Philippines when the commercial transactions and operations of the corporation so necessitate and/or warrant.

Article VI
SEAL

The Seal of the Corporation shall consist of two concentric circles within which shall be inscribed the name "Philippine International Trading Corporation", the year "1973", and in the center an appropriate artistic design symbolizing the objectives and scope of operations of the Corporation, and such seal as impressed on the margin hereof is hereby adopted as the corporate seal of the Corporation.

Article VII
AMENDMENTS

The Board of Directors shall have the power to make, amend and repeal the By-laws of the Corporation, by a vote of at least eight (8) Directors at any regular or special meeting of the Board.

Article VIII
APPLICABILITY OF CORPORATION LAW

The provisions of Act 1459 otherwise known as "The Corporation Law", as amended, shall in so far as they are not inconsistent with the provisions of Presidential Decree Numbered 1071 and these By-laws be applicable to the operations of the Corporation.

- CERTIFICATION -

KNOW ALL MEN BY THESE PRESENTS:

That, we, the undersigned Members and Secretary of the Board of Directors of the Philippine International Trading Corporation, do hereby certify that the foregoing Code of By-Laws, was duly adopted as the By-Laws of the said Corporation in 1977 by virtue of the authority vested upon the Board by Presidential Decree No. 1071 and that said Code of By-laws now constitutes, and is the Code of By-laws of the Philippine International Trading Corporation.

Hon. TROADIO T. QUIAZON, JR.
Chairman of the Board

Hon. DOMINATOR T. LIM
President

Hon. PANFILO O. DOMINGO
Director

Hon. GERARDO P. SICAT
Director

Hon. ARTURO TANCO
Director

Hon. JOSE LEIDO, JR.
Director

Hon. PLACIDO L. MAPA
Director

Hon. RUBEN B. ANCHETA
Director

Hon. ERNESTO ESCALER
Director

Hon. ANTONIO O. FLOIRENDO
Director

Hon. JULIO B. FRANCIA
Director

Hon. VICENTE T. PATERNO
Director

APOLINARIO A. MACALINTAL
Corporate Secretary