



REPUBLIC OF THE PHILIPPINES  
**SECURITIES AND EXCHANGE COMMISSION**

SEC Building, EDSA, Greenhills  
City of Mandaluyong, Metro Manila

COMPANY REG. NO. 30185

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

**KNOW ALL PERSONS BY THESE PRESENTS:**

This is to certify that the Amended By-Laws of

**DIZON COPPER-SILVER MINES, INC.**

copy annexed, adopted on March 06, 2012 by majority vote of the Board of Directors and on May 30, 2012 by the vote of the stockholders owning or representing at least two-thirds of the outstanding capital stock, and certified under oath by the Corporate Secretary and majority of the said Board was approved by the Commission on this date pursuant to the provisions of Section 48 of the Corporation Code of the Philippines Batas Pambansa Blg. 68, approved on May 1, 1980, and copies thereof are filed with the Commission.

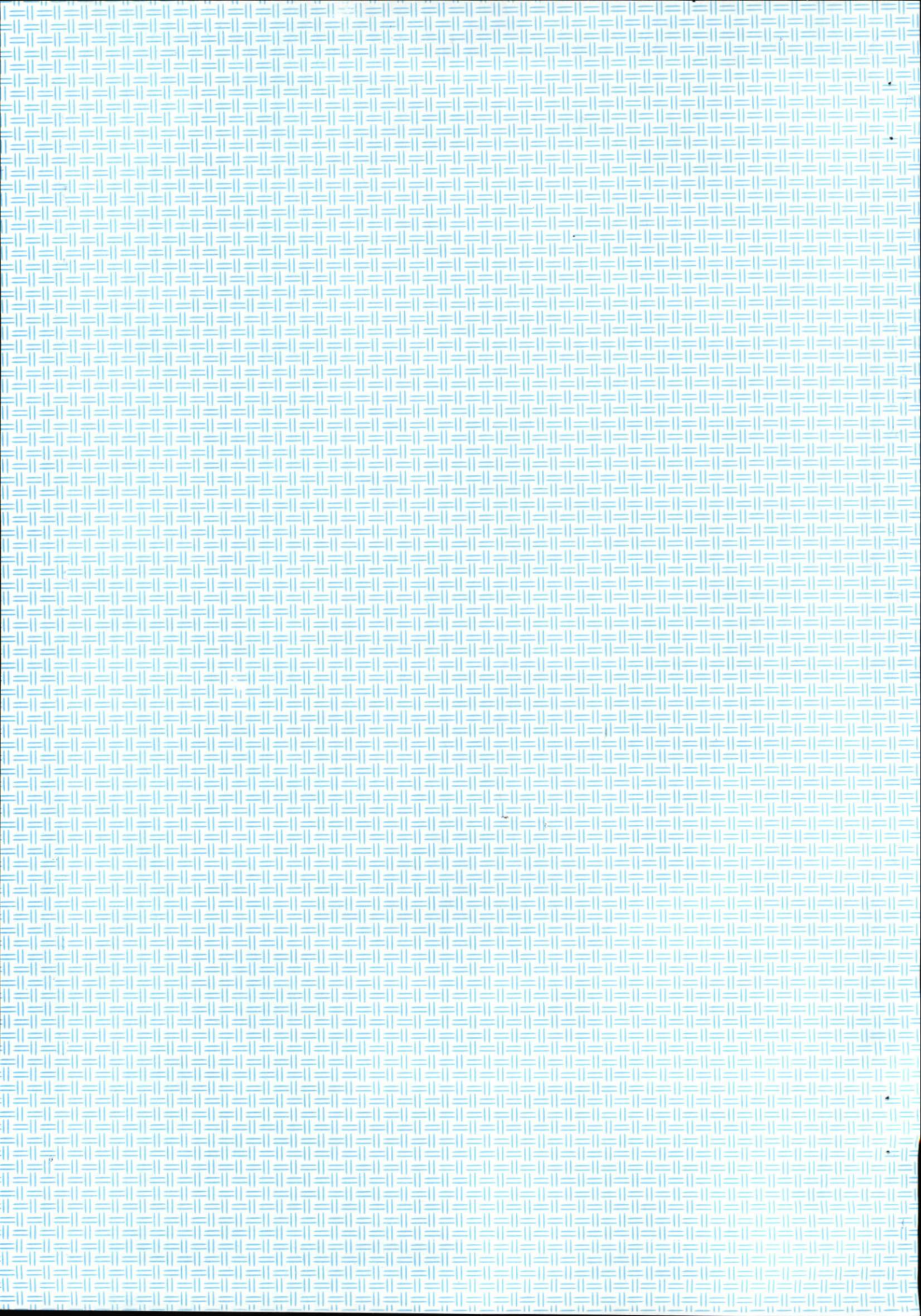
IN WITNESS WHEREOF, I have set my hand and caused the seal of this Commission to be affixed to this Certificate at Mandaluyong City, Metro Manila, Philippines, this 14<sup>th</sup> day of August, Twenty Twelve.



  
BENITO A. CATARAN  
Director

Company Registration and Monitoring Department





**AMENDED BY-LAWS**

**OF**

**DIZON COPPER-SILVER MINES, INC.**

**ARTICLE 1**

**OFFICE**

The Principal Office of the Corporation shall be located at the 6<sup>th</sup> Floor, Sun Plaza Building, City of Mandaluyong. ( As amended by a majority vote of the Directors on March 6, 2012 and by at least 2/3 majority vote of shareholders on May 30, 2012 )

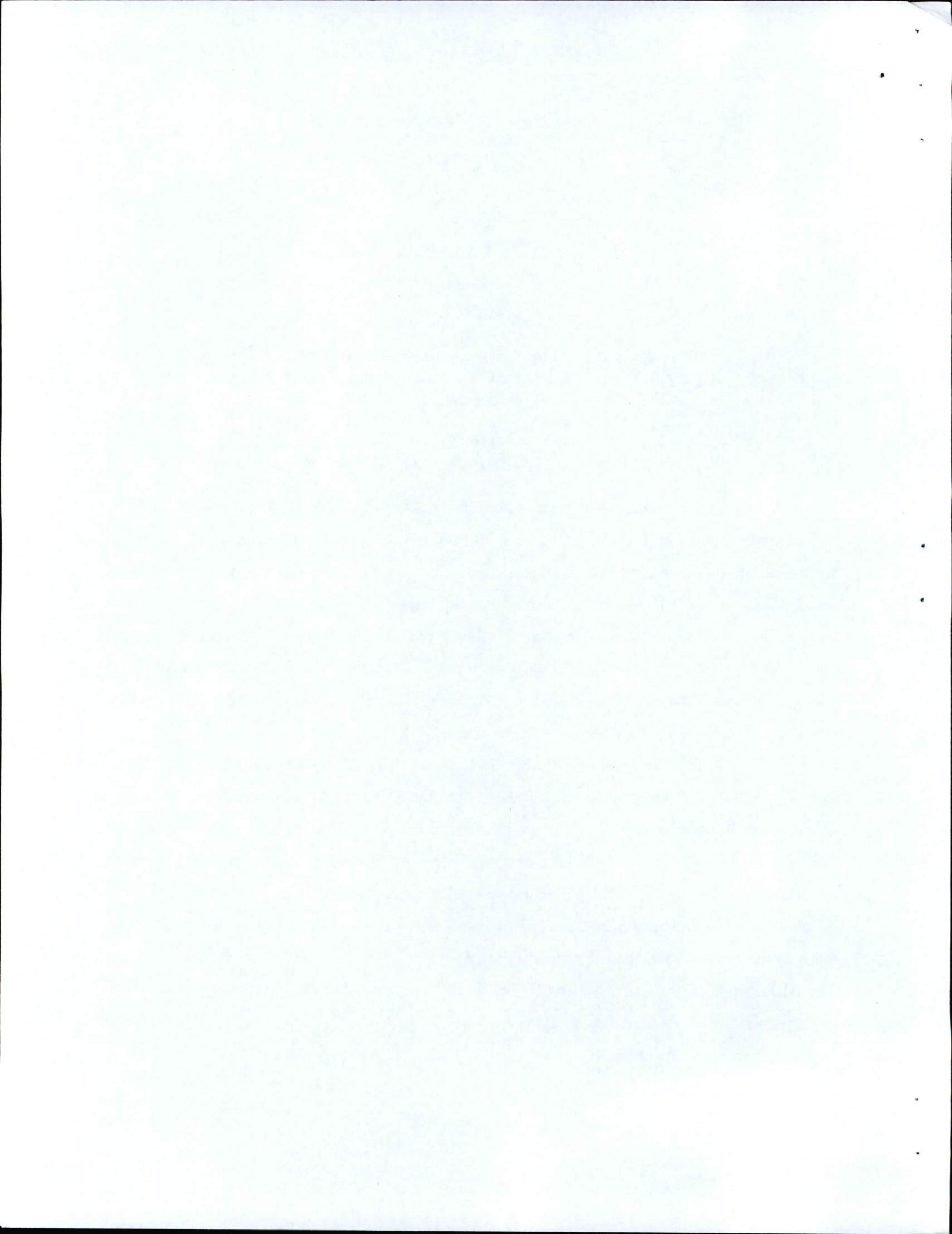
**ARTICLE II**

**STOCKHOLDERS' MEETINGS**

Sec. 1. Annual Meetings – The Annual Meeting of the Stockholders shall be held at the principal office of the corporation at 2:00 P.M. in the afternoon on the last Wednesday of the month of August in each calendar year, unless such day shall be a legal or declared a public holiday, in which case it shall be held on the next business day following.

The Annual Stockholders' Meeting may be postponed only once by Board Resolution approved by at least seven (7) directors. The maximum period for postponement of the Annual Stockholders' Meeting shall be only thirty (30) days from the date of the original schedule. In no instance shall the postponement exceed the maximum period.

In the event that the Board of Directors fails to set the date, time and place of the annual stockholders' meeting, or in the event that the Board of Directors fails to notify the stockholders by registered mail and by publication of the postponement, or in the event that the postponement exceeds thirty (30) days, or in any other instance where it appears that the annual stockholders' meeting has not been set or scheduled for a date not later than the last week of September of each year, the stockholders of record owning not less than one-third (1/3) of the outstanding capital stock of the corporation may directly set the date, time and place of the annual stockholders' meeting by filing a notice with the Securities and Exchange Commission and by publishing said schedule at least once a week for two weeks in at least two (2) newspapers of general circulation.



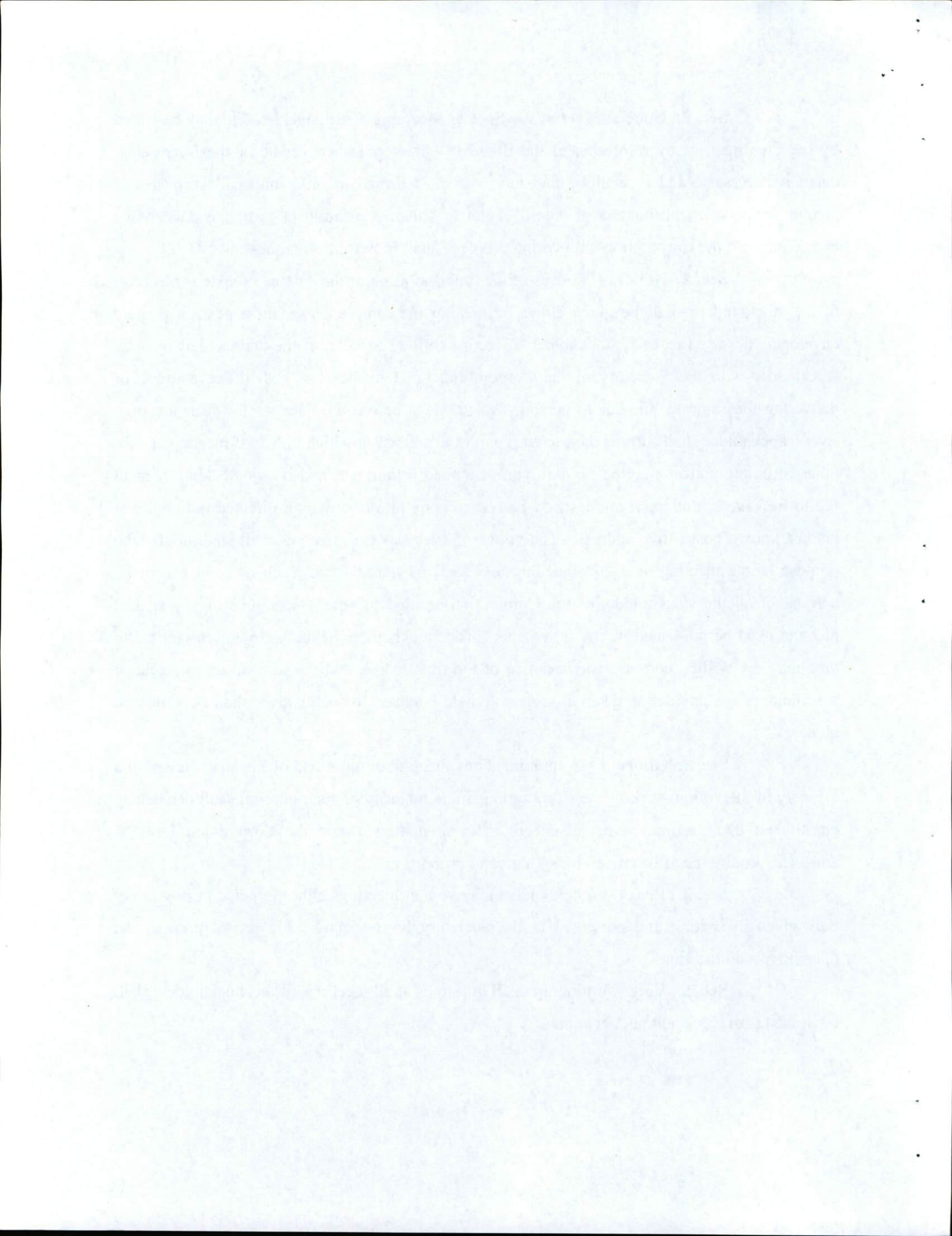
**Sec. 2. Special Meetings** - Special Meetings of the stockholders may be called by the Chairman, or by resolution of the Board of Directors, whenever he or the Board shall deem it necessary, and it shall be the duty of the Chairman to order and call such special meetings whenever the holders of record of not less than one-fourth (1/4) of the outstanding capital stock of the Corporation with voting privilege shall in writing so request.

**Sec. 2. Notices** - Notices of the time and place of the Annual or special meetings of the stockholders shall be given either by posting the same enclosed in a postage prepaid envelope, addressed to each stockholder of record entitled to vote, at the address left by such stockholder with the Secretary of the Corporation, or at his/her last post office address, or delivering the same to him/her in person, two (2) days before the date set for such meeting. Every stockholder shall furnish the secretary with the address at which notice of meeting and all other corporate notices may be served upon or mailed to him/her, and if any stockholder shall fail to furnish such address, notices may be served upon him/her by mail directed to him/her at his last known post office address. The notice of every special meeting shall state briefly the purpose of the meeting, and no other business shall be transacted at such meeting except by consent of all the stockholders of the Corporation entitled to vote. No notice of any special meeting need be published in any newspaper. The stockholders of the Corporation entitled to vote may, by written consent, waive notice of the time, place, and purpose of any meeting of stockholders and any action taken at a meeting held pursuant to such waiver shall be valid and binding.

**Sec. 3. Quorum** - A quorum at any meeting of the stockholders shall consist of a majority of the voting stock of the Corporation, and a majority of such quorum shall decide any question at the meeting, save and except in these matters where the Corporation Law, as amended, require the affirmative vote of a greater proportion.

**Sec. 4. Proxy** - Stockholders may vote at meetings either in person or by proxy duly given in writing and presented to the Secretary for inspection and record prior to the opening of said meeting.

**Sec. 5. Vote** - Voting upon all questions at all meetings of the stockholders shall be by shares of stock and not per capita.

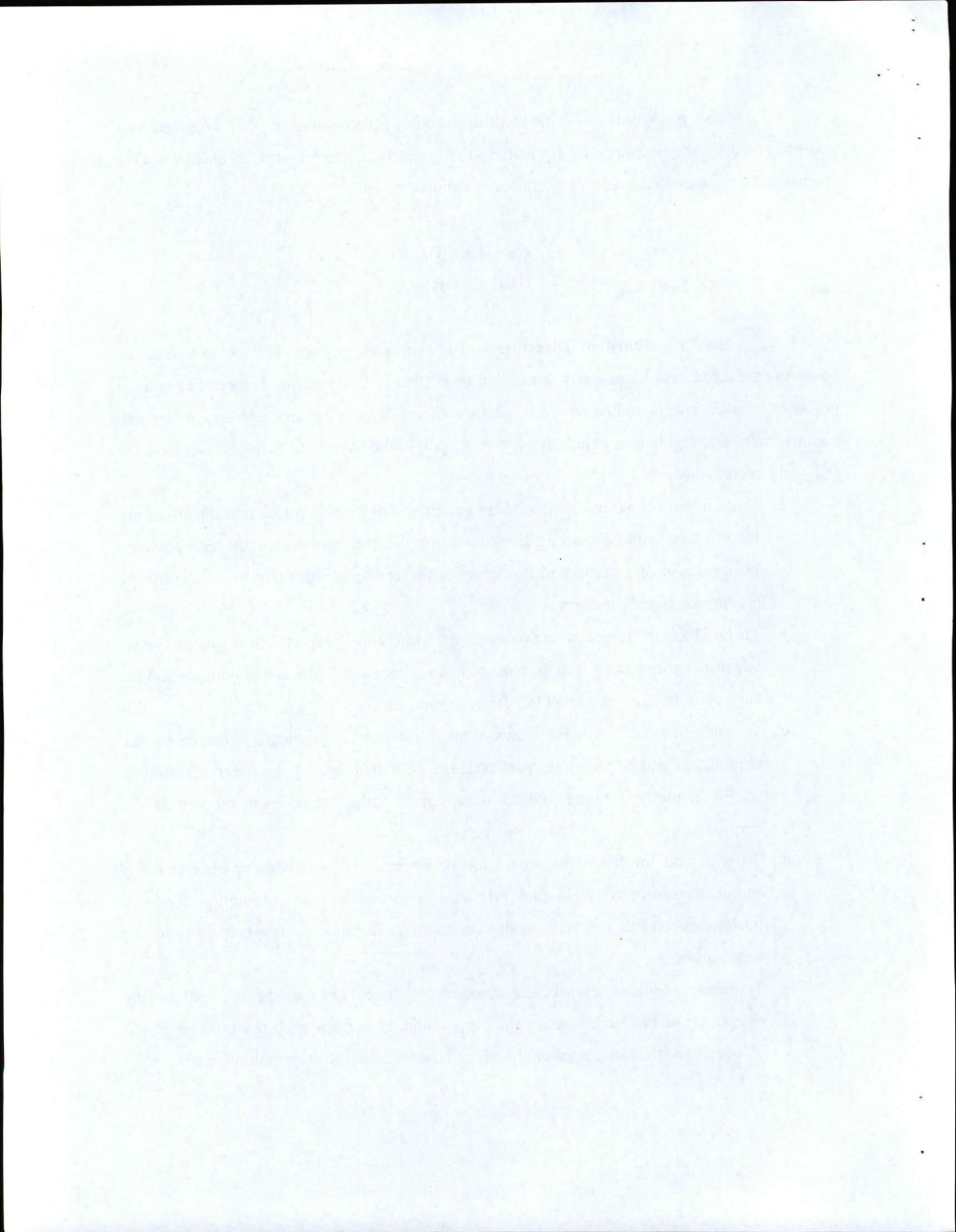


**Sec. 6. Minutes** – Minutes of all meetings of stockholders shall be taken, kept and preserved by the Secretary as a record of the business transacted at such meetings. The minutes shall contain such matters and entries as required by law.

### **ARTICLE III DIRECTORS**

**Sec. 1. Board of Directors** – The corporate powers shall be exercised, its business conducted, and its property controlled by a Board of Directors. Subject and without prejudice to such powers and authority as are by these by-laws or by-law, decrees, orders, and pertinent rules and regulations expressly conferred upon it, the Board of Directors shall have the following express powers:

- a. From time to time, to make and change, amend or modify rules and regulations not inconsistent with law or these by-laws for the management of the corporation's businesses or operations, and for rights, duties, conduct, and discipline of its officers, employees, agents and representatives;
- b. To purchase or otherwise acquire for the corporation property, rights or privileges which the corporation is authorized to acquire, or such terms and conditions and for such consideration as it shall from time to time see fit;
- c. To authorize the payment of any property, rights or privileges acquired by the corporation and to authorize the discharge of obligations of the corporation either wholly or partly in money, bonds, debentures or other securities or property of the corporation;
- d. To negotiate for the management and/or operation of the corporation's business and/or the property, right and privileges acquired by the corporation for such businesses, on such terms, conditions and considerations most beneficial to the corporation;
- e. To create positions and fix the emoluments thereof as may be required by the operations of the businesses of the corporation; to abolish such positions when the exigencies of the businesses or any of the businesses of the corporation demand;

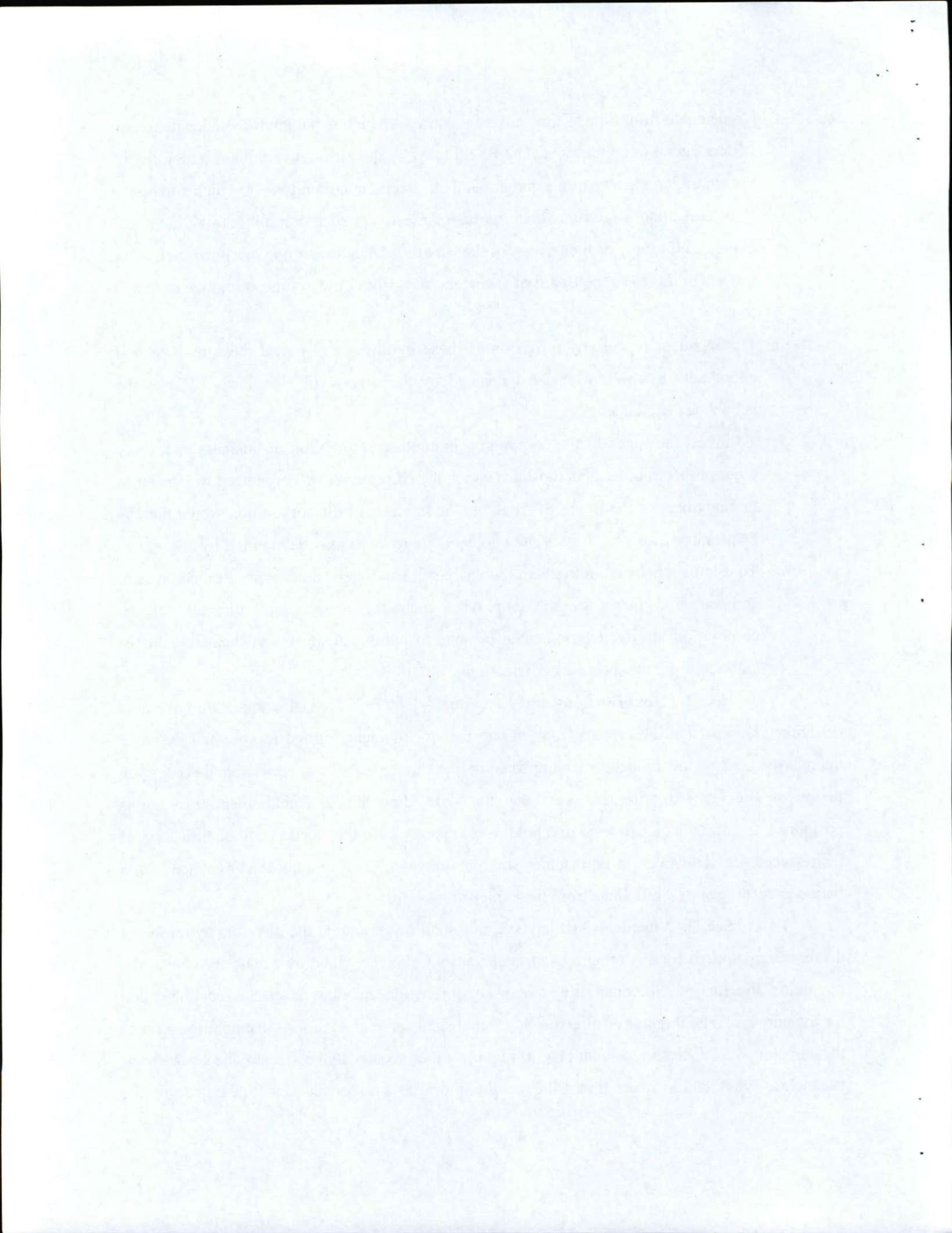




- f. To delegate from time to time any of its powers which it can lawfully delegate to any officer, agent or committee. The Board may, by the affirmative vote of a majority of the Board, create, constitute and appoint an executive committee, of which a majority shall constitute a quorum for purposes of meetings; such committee may have and exercise all or any of the powers of the Board of Directors or may perform such other powers or duties as the Board of Directors may, from time to time, authorize or assign to it.
- g. To amend or repeal any provision of these by-laws or to repeal these by-laws and adopt new by-laws, when so delegated by the owners of two thirds (2/3) of the subscribed capital stock.
- h. To invest the funds of the corporation in another corporation or business or for any other purposes other than those for which the corporation was organized, whenever in the judgment of the Board of Directors the interests of the corporation would thereby be promoted, subject to such stockholders' approval as may be required by law.
- i. To establish pension, retirement, bonus, profit sharing, or other types of incentives or compensation plans for the employees including officers and directors of the corporation and to determine the persons to participate in any such plans and the amount of their respective participations.

**Sec. 2. Qualifications and Elections.** – The Board of Directors shall have nine (9) Directors who shall be elected from among the stockholders entitled to vote and be voted upon at the annual stockholders' meeting fixed in these by-laws. The Directors shall serve for a period of one (1) year. In the event that the succeeding annual stockholders' meeting is postponed, the directors shall serve in a hold-over capacity until the election and qualification of their successors. However, in no instance shall any director serve in a hold-over capacity for a period exceeding sixty (60) days from the expiry of his term.

**Sec. 3. Vacancies** – If any vacancy shall occur among the directors by reason of death, resignation, or for any other reason, such vacancy shall be; filled by a majority vote of the remaining directors, if still constituting a quorum, at a regular meeting or special meeting called for the purpose. The director or directors so elected shall serve as such for the unexpired term of the director whose death, resignation, or for any other reason, gave rise to the vacancy or vacancies. Provided, however, that if the remaining directors no longer constitute a quorum, the



vacancy or vacancies shall be filled by a majority vote of the stockholders at a meeting specially called for the purpose and in like manner the director or directors so elected shall serve as such for the unexpired term of the director whose death, resignation, or for any other reason, gave rise to the vacancy or vacancies.

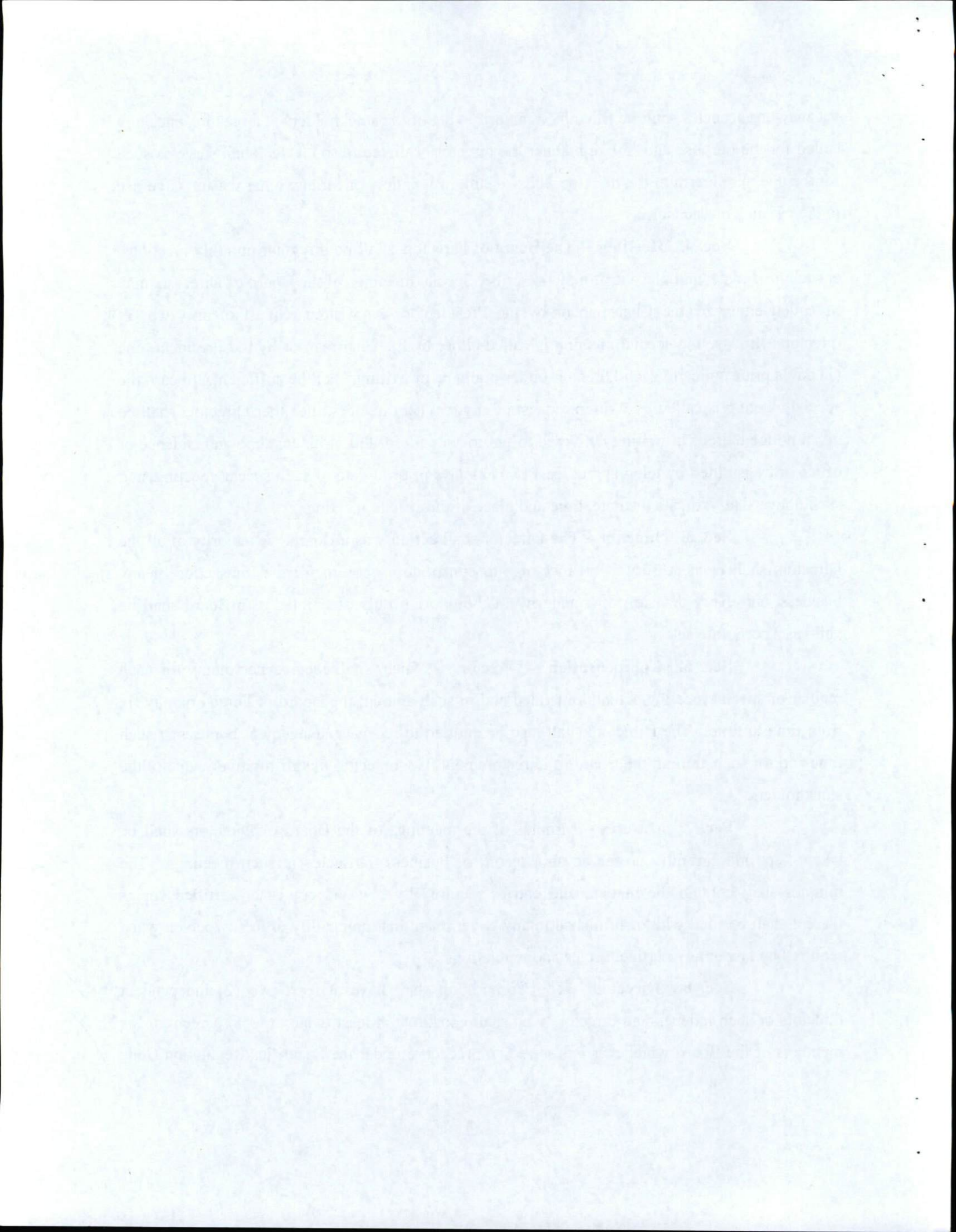
**Sec. 4. Meetings** – The Board of Directors shall hold regular monthly meetings, at such time, date, and place as it may prescribe, Special meetings of the Board of Directors may be called either by the Chairman or by the President or by written request of any two (2) directors. In case the special meeting is called either by the Chairman or by the President, one (1) day's prior notice to each Director, either orally or in writing, shall be sufficient. In case the special meeting is called by written request of any two (2) directors, the other Directors shall be given notice thereof in writing delivered to him personally or left at his last known residence or office or transmitted by telegraph at least two (2) days prior to date of such special meeting, and such notice shall indicate the date, time and place of the special meeting.

**Sec. 5. Quorum** – The Director shall act only as a Board. A majority of all the Directors shall be necessary at all meetings to constitute a quorum for the transaction of any business, and every decision of a majority of the quorum duly assembled as a Board shall be valid as a corporate act.

**Sec. 6. Compensation** – Directors, as such, shall receive per diems for each regular or special meeting actually attended and in such amount the Board of Directors may fix from time to time. The Directors shall also be entitled to receive management bonuses at such time and for such amount the Board of Directors may fix, subject to the affirmatively vote of the stockholders.

**Sec. 7. Minutes** – Minutes of the meetings of the Board of Directors shall be taken, kept and carefully preserved as a record of business transacted at such meetings. The minutes shall contain the matters and entries required by law and copies or certified copies thereof shall be filed with or furnished to any government instrumentality or to any person when required by law or any pertinent rules and regulations.

**Sec. 8. Director** – The Corporation shall have at least two (2) independent directors or such independent directors who shall constitute at least twenty (20%) percent of the members of the Board whichever is lesser. The procedure under the Securities Regulation Code



Rule 38 defining who is an independent director as well as the procedure for the nomination and election is hereby incorporated as part of the company's by-laws.

#### **ARTICLE IV OFFICERS**

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

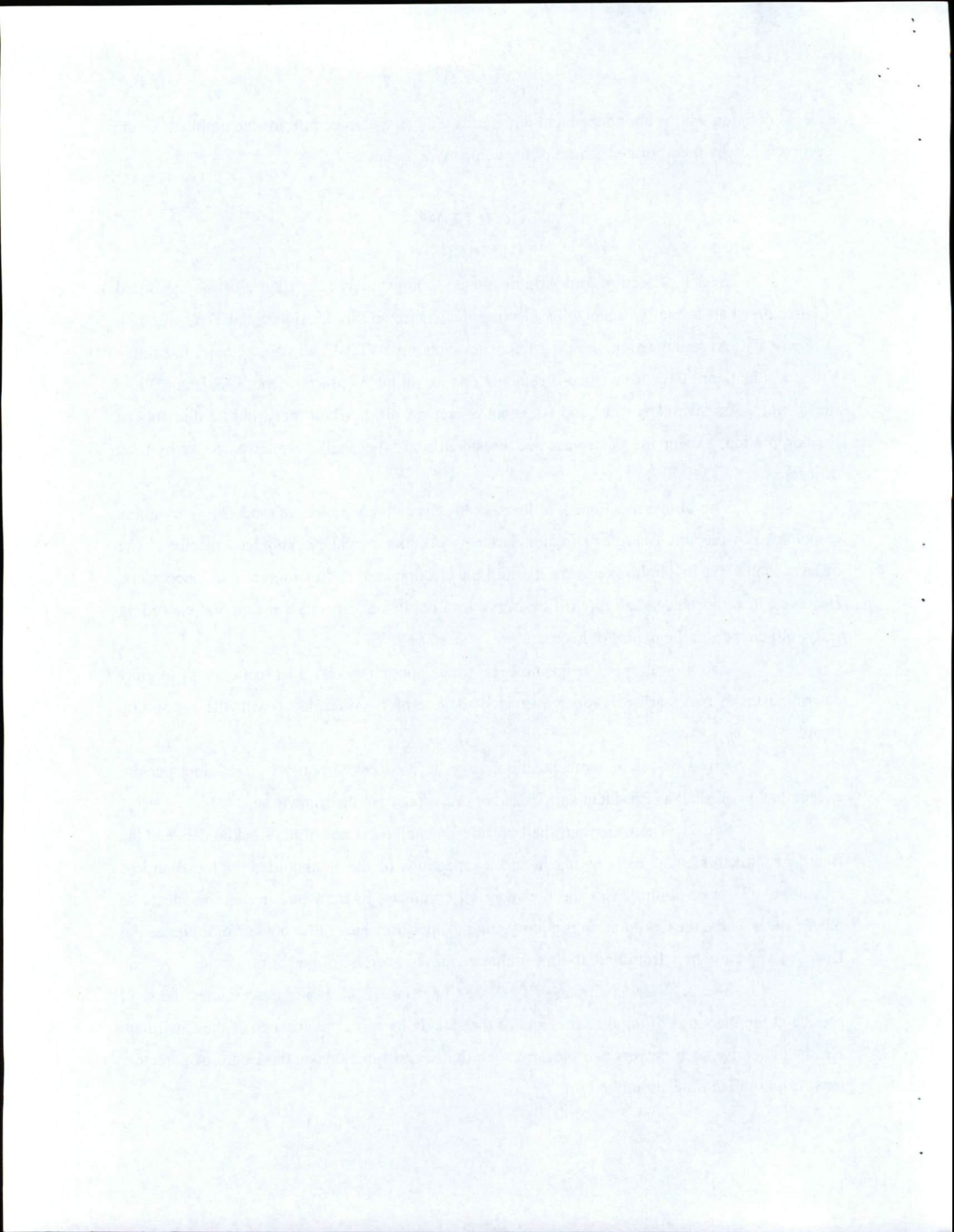
The above-mentioned officers shall serve for a period of one (1) year unless reappointed by the new Board of Directors at the succeeding annual stockholders' meeting. The officers shall serve in a hold-over capacity until the election and qualification of their successors. However, in no instance shall any officer serve in a hold-over capacity for a period exceeding sixty (60) days from the expiry of his term.

The Board may, from time to time, appoint such other officers as it may determine to be necessary or proper, provided their term is co-terminus with the appointing Board.

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

**Sec. 2.** The Chairman shall preside (1) at all meetings of the stockholders and the Board of Directors; (2) call regular a special meetings of the stockholders or the Board of Directors; (3) sign jointly with the president all contracts, instruments, deeds documents or other papers where the Corporation is a party; and (4) perform such other powers or duties as the Board of Directors may from time to time authorize him to exercise or perform.

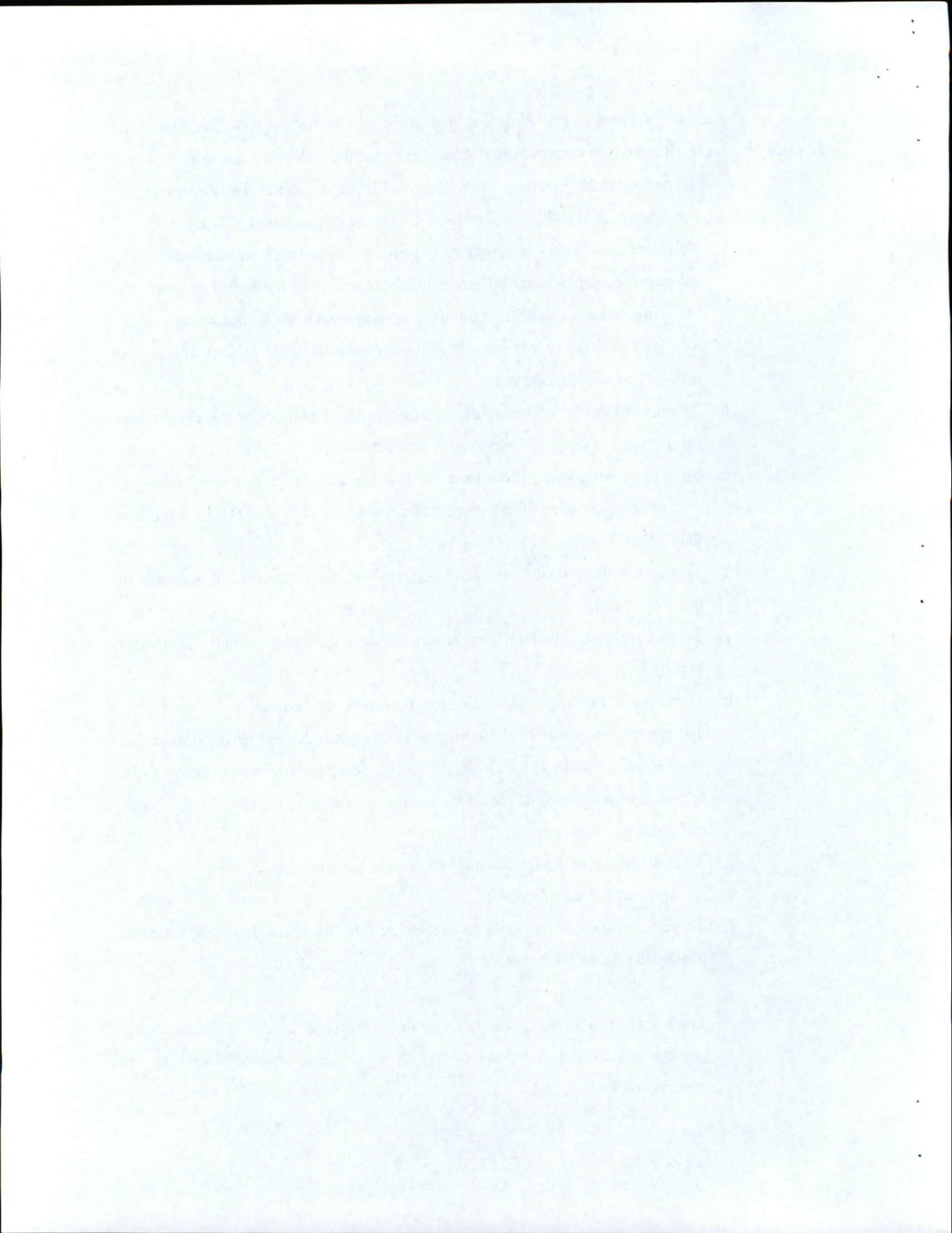
**Sec. 3.** Vice-Chairman – If a Vice-Chairman of the Board is appointed, he shall preside at the meetings of the directors and of the stockholders, in the absence of the Chairman. He shall exercise such powers and perform such duties and functions as the Board of Directors may, from time to time, assign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



**Sec. 4 President** – The President shall have administration and direction of the day-to-day business affairs of the corporation. He shall exercise the following functions:

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

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





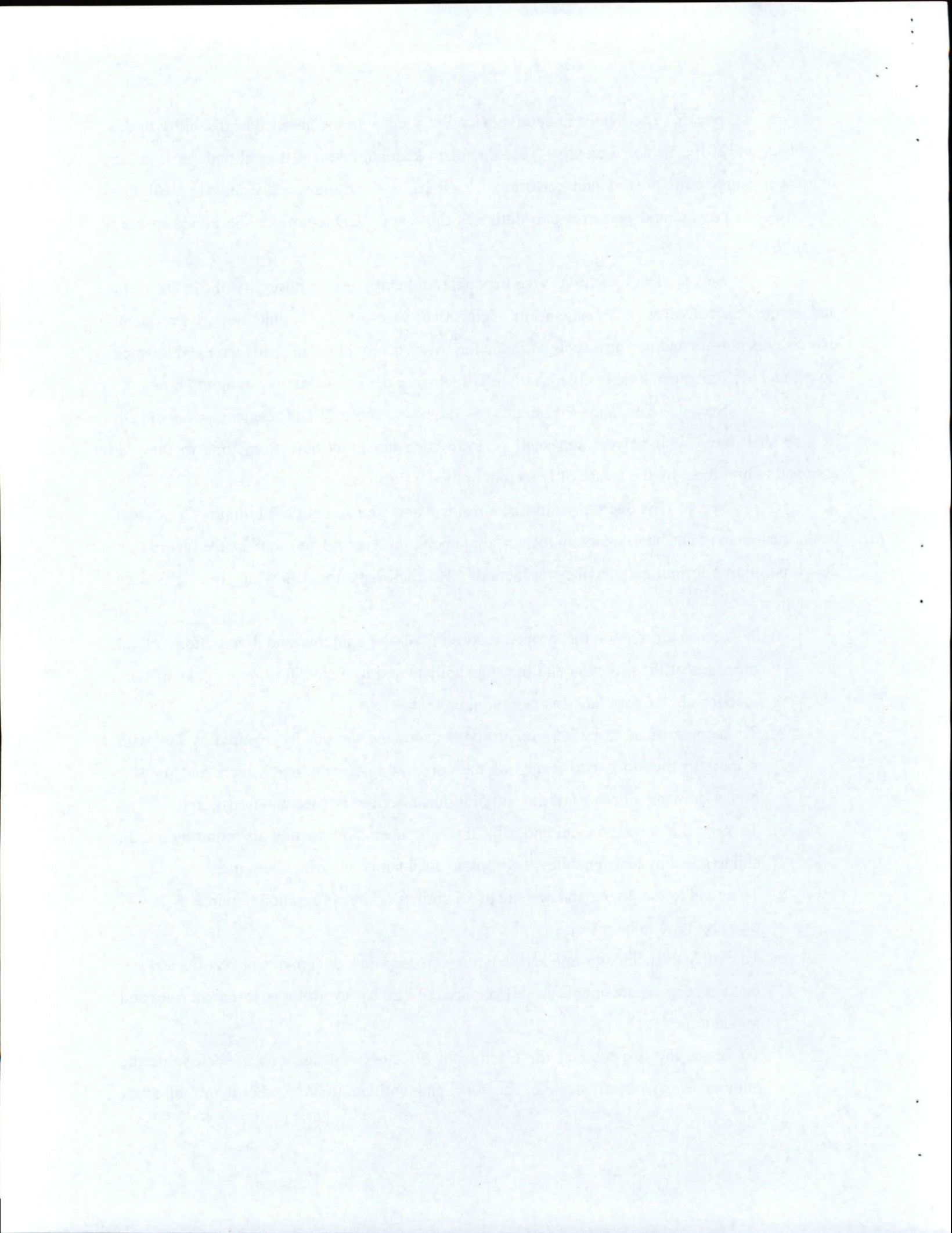
**Sec. 5.** The Senior Executive Vice President – in the absence or disability of the President, and if the Senior Executive Vice-President is appointed and is qualified, shall act in his place, exercise his powers and perform such duties as the by-laws provide. He shall also exercise such powers and perform such duties as the board of Directors or the President may assign to him;

**Sec. 6.** The Executive Vice President in the absence or disability of the President and senior Executive Vice President, the Executive Vice-President shall act as President, exercise his powers and perform such duties as the by-laws provide. He shall also exercise such power and perform such duties as the Board of Directors or the President may assign to him;

**Sec. 7.** The Vice-President(s) – If one or more Vice-President is appointed, he/they shall have such powers and shall perform such duties as may from time to time be assigned to him/them by the Board of Directors or by the President;

**Sec. 8.** The Secretary must be a resident and a citizen of the Philippines. He shall be the custodian of and shall maintain the corporate books and record and shall be the recorder of the corporation's formal actions and transactions. He shall have the following specific powers and duties:

- a) To record or see to the proper recording of the minutes and transactions of all meetings of the directors and the stockholders and to maintain minute books of such meetings in the form and manner required by law.
- b) To keep or cause to be kept record books showing the details required by law with respect to the stock certificates of the corporations, 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 required of him by law or by government rules and regulations;
- f) To act as the inspector at the election of directors and, as such, to determine the number of shares of stock outstanding and entitled to vote, the shares of stock



represented at the meeting, the existence of a quorum, the validity and effect of proxies, and to receive votes, ballots or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots or consents, determine the result, and do such acts as are proper to conduct the election or vote. The Secretary may assign the exercise or performance of any or all of the foregoing duties, powers and functions to any other person or persons, subject always to his supervision and control;

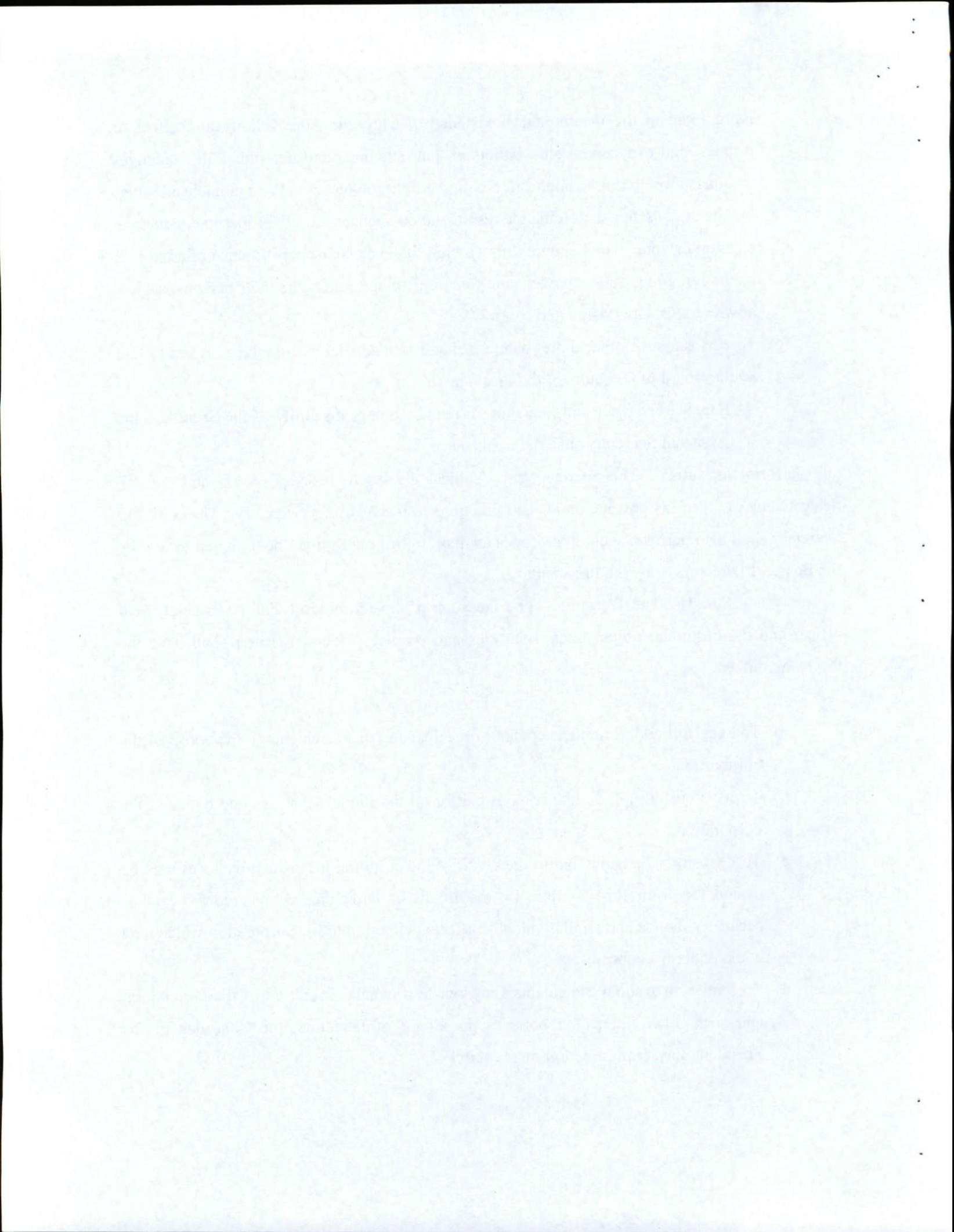
- g) To perform such other duties as are incident to his office or may be assigned to him by the Board of Directors or the President.

**Sec. 9.** The Assistant Secretary in the absence or disability of the Secretary, the Assistant Secretary shall act in his place

and perform his duties. The Secretary may subject always to his supervision and control, delegate any or all of his powers, duties and functions to the Assistant Secretary. The Assistant Secretary shall also perform such other duties as may, from time to time, be assigned to him by the Board of Directors or by the President;

**Sec. 10.** The Treasurer – The Treasurer of the corporation shall be its chief fiscal officer and the custodian of its funds, securities and property. The Treasurer shall have the following duties:

- a) To keep full and accurate accounts of receipts and disbursements in the books of the corporation;
- b) To have custody of, and be responsible for all the funds, securities and bonds of the corporation;
- c) To deposit in the name and to the credit of the corporation, in such banks as may be designated from time to time by the Board of Directors, all the moneys, funds, securities, bonds and similar valuable affects 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, the Chairman or the President may, from time to time, require;



- e) To prepare such financial reports, statements, certifications and other documents which may, from time to time, be required by government rules and regulations and to submit the same to the proper government agencies;
- f) To exercise such powers and perform such duties and functions as may be assigned to him by the President.

**Sec. 11.** The Assistant Treasurer - in the absence of the Treasurer, the Assistant Treasurer shall act in his place and perform his duties. The Treasurer may, at his request or in his disability, delegate any or all of his powers, duties and functions to the Assistant Treasurer. The Assistant Treasurer shall also perform such other duties as may from time to time be assigned to him by the President;

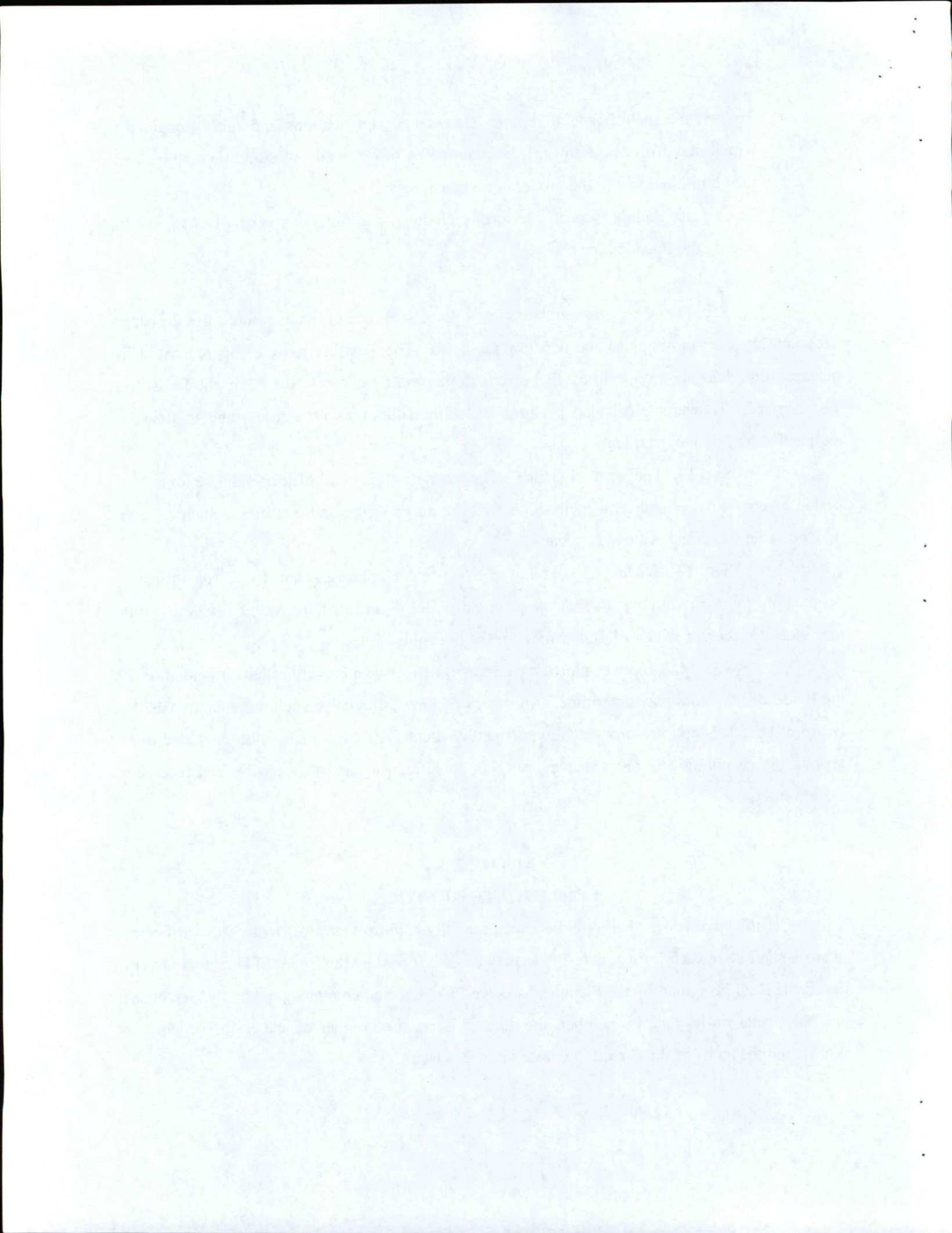
**Sec. 12.** The Term of Office – The term of office of all officers shall be for a period of one (1) year and until their successors are duly elected and qualified. Such officers may however be sooner removed for cause;

**Sec. 13.** Vacancies – If any of the officers become vacant by reason of death, resignation, failure to qualify, or for any other cause, the Board of Directors, by majority vote may elect a successor who shall hold office for the unexpired term.

**Sec. 14.** Compensation – The by-laws officers shall receive such remuneration as the Board of Directors may determine. All other officers shall receive such remuneration as the Board of Directors upon recommendation of the President. A Director shall not be precluded from serving the corporation in any other capacity as an officer, agent or otherwise, and receiving therefore.

## ARTICLE V CERTIFICATE OF STOCK

Certificate of Stock shall only be issued for fully paid-up shares of stock. The certificates of stock shall be in such form and design as may be determined by the Board of Directors. Every certificate shall be signed by the President or Vice-President and countersigned by the Secretary, and shall state on its face its number, the date of issue, the number of shares for which it is issued, and the name of the person in whose favor it is issued.



**ARTICLE VI**  
**TRANSFER OF SHARES OF STOCK**

Shares of stock shall be transferred by delivery of the certificate indorsed by the registered owner or his attorney-in-fact or other person legally authorized to make the transfer, but no transfer shall be valid until the transfer is effected in the books of the corporation.

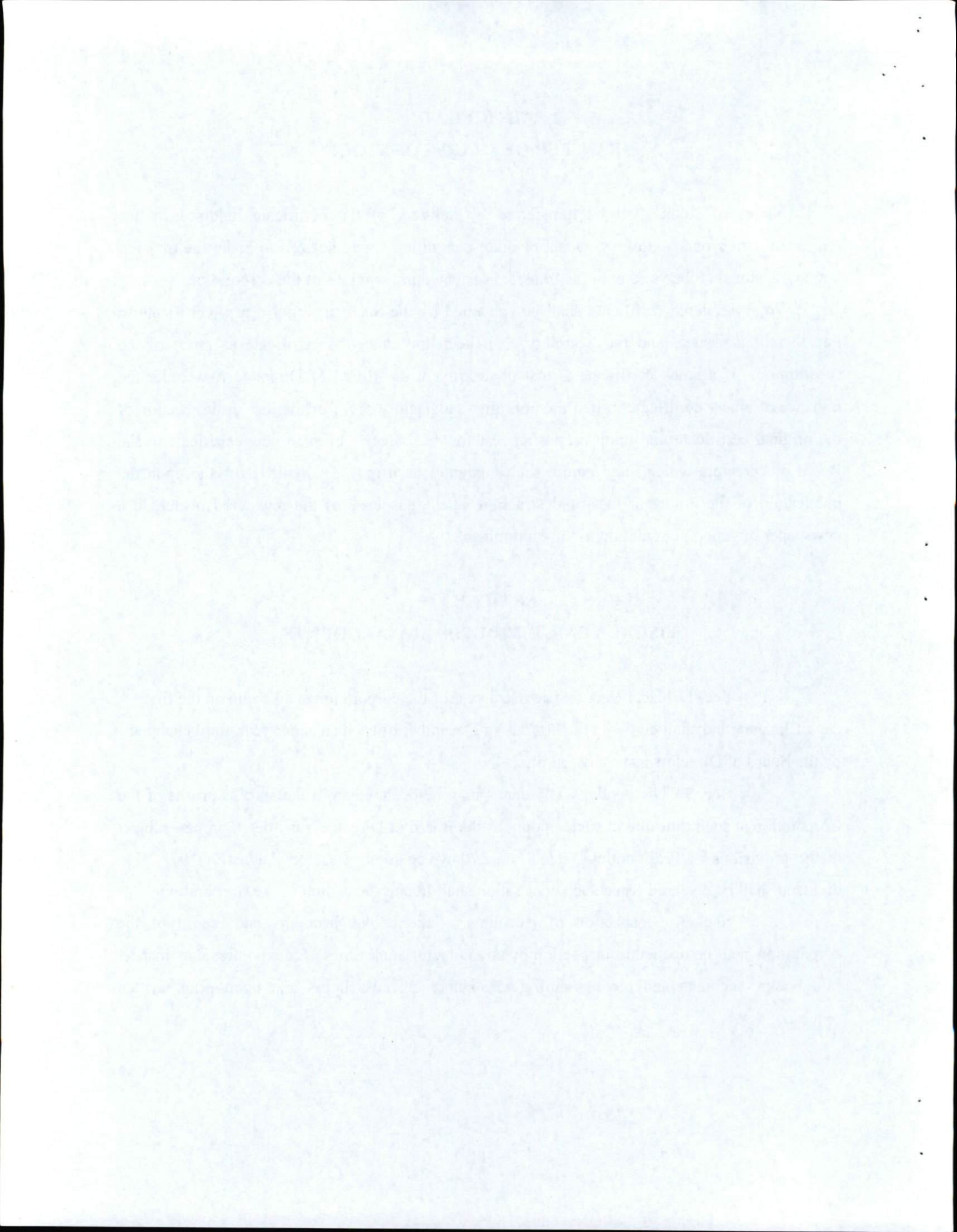
No surrendered certificate shall be cancelled by the Secretary until a new certificate in lieu thereof is issued, and the Secretary shall keep the cancelled certificate as proof of the substitution. If a stock certificate is lost or destroyed, the Board of Directors may order the issuance of a new certificate in lieu thereof, after satisfactory proof of the loss or destruction of the original certificate and upon proper request for the issuance of such new certificate to the Board of Directors which may require such guarantee as it may deem sufficient and upon the publication of the notice of loss or destruction, at the suspense of the registered owner, in a newspaper of general circulation in the Philippines.

**ARTICLE VII**  
**FISCAL YEAR, DIVIDENDS AND ACCOUNTS**

**Sec. 1.** Fiscal Year. – The fiscal year of the corporation shall begin on the first day of January and shall end with the last day of December of each calendar year, until changed by the Board of Directors as it may see fit.

**Sec. 2.** Dividends. – Dividends may be declared from the surplus profits of the Corporation at such time and in such amount as the Board of Directors may deem proper, subject to the provisions of Presidential Decree No. 270 which took effect on August 7, 1973. No dividend shall be declared when such declaration shall impair the capital of the Corporation.

**Sec. 3.** Inspection of Accounts. – the books, accounts and record of the corporation shall be opened to inspection by any Director at all times. Stockholders may inspect said books, accounts and records during reasonable business hours and upon prior written request.





## ARTICLE VIII

### SEAL

The seal of the Corporation shall consists of a circular dry seal (description of the corporation seal).

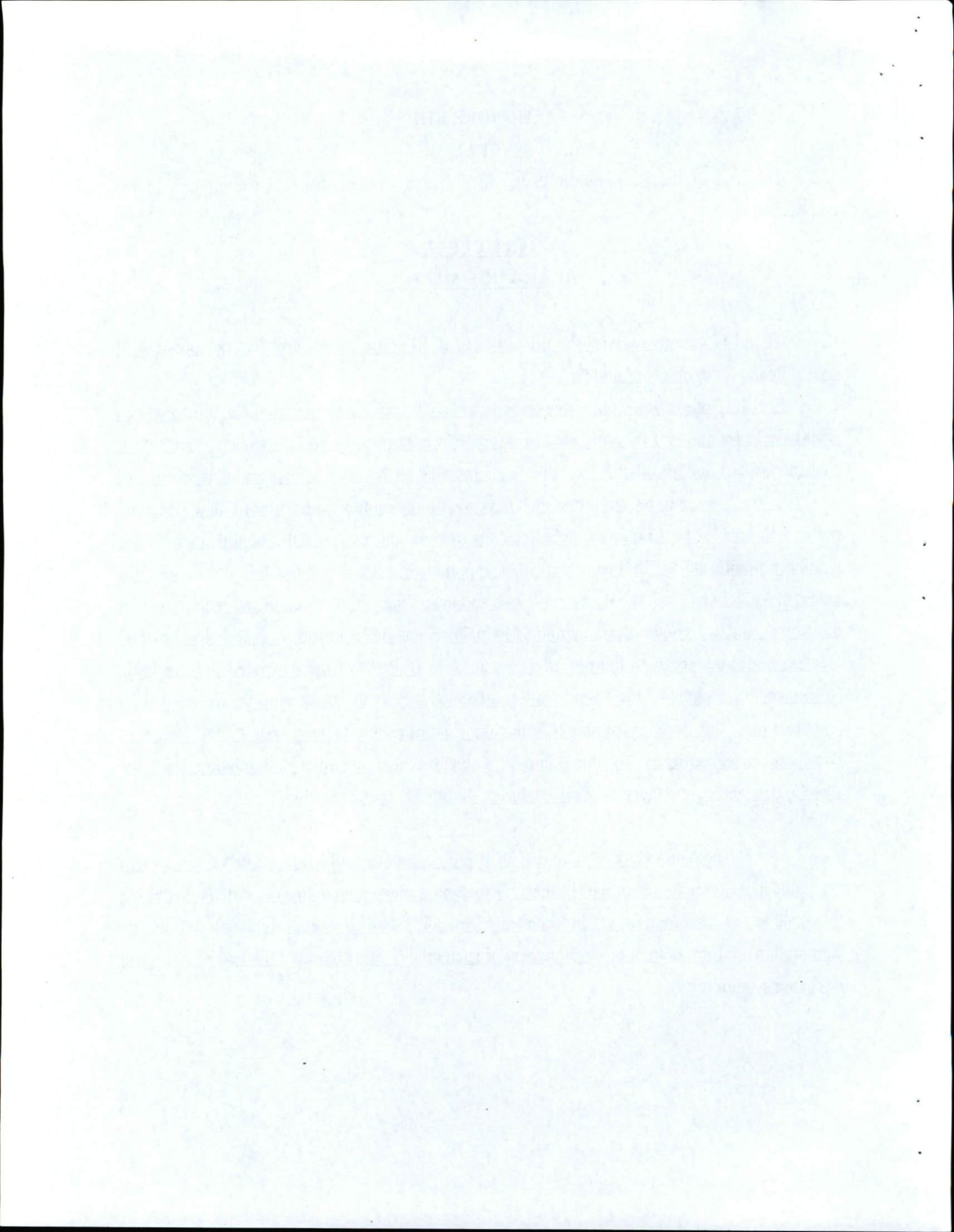
## ARTICLE IX

### BOARD COMMITTEES

To aid in complying with the principles of good corporate governance, the Board shall constitute the following Committees.

Sec. 1. Nomination Committee – the Board shall create a Nomination Committee which shall have at least three (3) voting members (one of whom must be an independent director). It shall pre-screen and shortlist all candidates nominated to become a member of the board of directors. The Nomination Committee shall have the following functions: (a) formulate screening policies to enable the Committee to effectively review and evaluate the qualification of the nominees nominated to the board and other appointments which require Board approval, (b) assess the effectiveness of the Board processes and procedures in the election and replacement of directors; and (c) conduct nominations for independent directors prior to the stockholders' meeting in accordance with the procedure set forth in Rule 38 of the Amended Implementing Rules and Regulations of the Securities Regulation Code, as the same may be amended from time to time. The decision of the Nomination Committee as to nominees to the Board of Directors, once confirmed by the Board of Directors, shall be final and binding upon the shareholders and may no longer be raised during the stockholders' meeting.

The Nomination Committee shall promulgate the guidelines or criteria to govern the conduct of nominations; provided, that any such promulgated guidelines or criteria governing the conduct of nomination of Independent Directors shall be properly disclosed in the Corporation's information or proxy statement or such other reports required by the Securities and Exchange Commission.



Section 1.1. The Nomination Committee shall pre-screen the qualifications and prepare a final list of all candidates and put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees.

After the nomination, the Nomination Committee shall prepare a Final List of Candidates which shall contain all the information about all the nominees, including, but not limited to, the following information: (i) Name, age and citizenship; (ii) List of positions and offices that each such nominee held, or will hold, if known, with the Corporation; (iii) Business experience during the past five (5) years; (iv) Directorship held in the other companies; (v) Involvement in legal proceedings; and (vi) Security ownership.

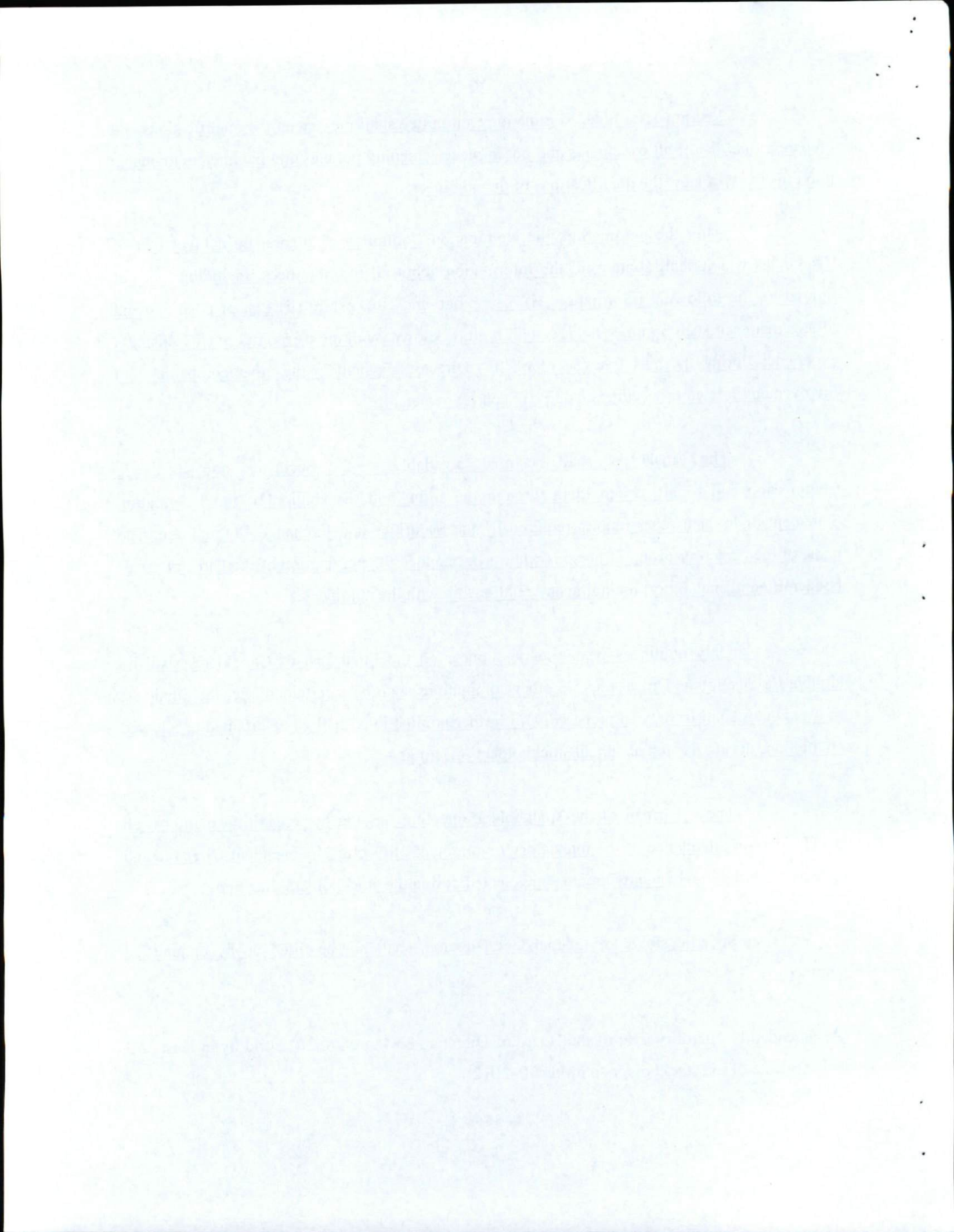
The Final List shall be made available to the Securities and Exchange Commission and to all stockholders through the filing and distribution of the Information Statement or in such other reports required by the Securities and Exchange Commission. The name of the person or group of persons who recommended the nomination of the Directors shall be identified in such report including any relationship with the nominee.

Only nominees whose names appear on the Final List of Candidates shall be eligible for election as Director/s. No other nominations shall be entertained after the Final List of Candidates shall have been prepared. No further nominations shall be entertained or allowed on the floor during the actual annual stockholders' meeting.

The Chairman of the stockholder' meeting has the responsibility to inform all stockholders in attendance of the mandatory requirement of electing Independent Directors and to ensure that the Independent Directors are elected during the stockholders' meeting.

Specific slot/s for Independent Directors shall not be filled up by unqualified nominees.

(As amended by majority vote of the Board of Directors on March 6, 2012 and by at least 2/3 majority vote of the stockholders on May 30, 2012.)



Sec. 2. Compensation and Remuneration Committee - The Compensation or Remuneration Committee shall be composed of at least three (3) members, one of whom shall be an independent director. It will establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors, and provide oversight over remuneration of senior management and other key personnel ensuring that compensation is consistent with the Corporation's culture, strategy and control environment.

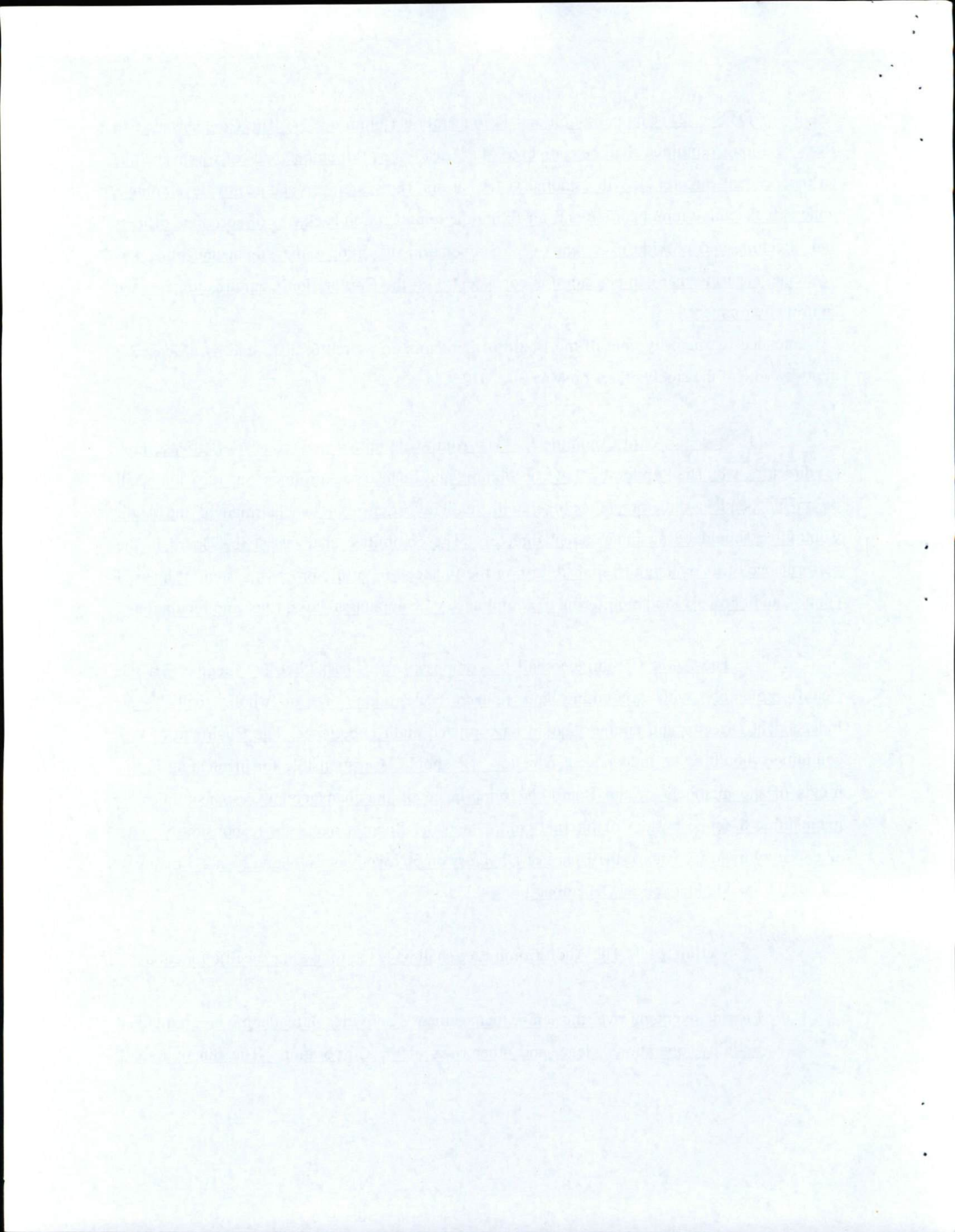
(As amended by majority vote of the Board of Directors on March 6, 2012 and by at least 2/3 majority vote of the stockholders on May 30, 2012.)

Sec. 3. Audit Committee - The Audit Committee shall consist of at least three (3) directors, who shall preferably have accounting and finance backgrounds, one of whom shall be an independent director and another with audit experience. The chairman of the Audit Committee should be an independent director. The committee shall assist the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process, and monitoring of compliance with applicable laws, rules and regulations.

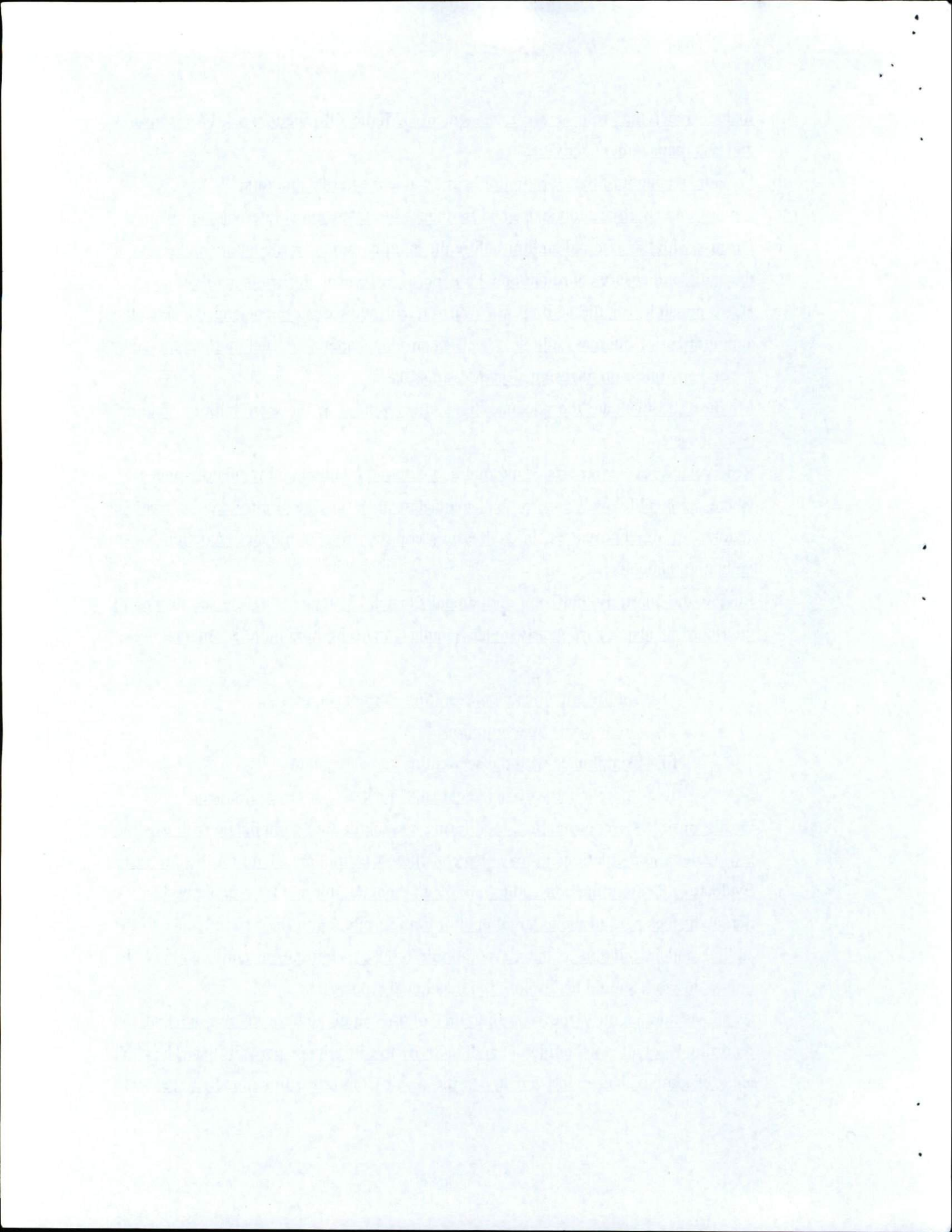
The Audit Committee shall be composed of at least three (3) members of the Board, preferably with accounting and finance background, one of whom shall be an Independent Director and another should have related audit experience. The Chairman of this committee should be an Independent Director. He should be responsible for inculcating in the minds of the members of the Board the importance of the management responsibilities in maintaining a sound system of internal control and the Board's oversight responsibility. (As amended by majority vote of the Board of Directors on 6 November 2009 and by a 2/3 majority vote of the stockholders on 17 December 2009)

Section 3.1. The Audit Committee shall have the following specific functions:

- a. Provide oversight over the senior management's activities in managing credit, market liquidity, operational, legal and other risks of the Corporation. The function shall



- include receiving from senior management periodic information on risk exposures and risk management activities.
- b. Provide oversight of the Corporation's internal and external auditors;
  - c. Review and approve audit scope and frequency, and the annual internal audit plan;
  - d. Discuss with the external auditor before the audit commences the nature and scope of the audit, and ensure coordination where more than one audit firm is involved;
  - e. Be responsible for the setting-up of an internal audit department and consider the appointment of internal auditor as well as an independent external auditor, the audit fee and any question of resignation or dismissal;
  - f. Monitor and evaluate the adequacy and effectiveness of the Corporation's internal control system;
  - g. Receive and review reports of internal and external auditors and regulatory agencies, where applicable and ensure that management is taking appropriate corrective actions, in timely manner in addressing control and compliance functions with regulatory agencies;
  - h. Review the quarterly, half year and annual financial statements before submission to the Board, focusing particularly on any change/s in accounting policies and practices;
    - i. Significant adjustment resulting from the audit;
    - ii. Going concern assumption;
    - iii. Compliance with the accounting standards; and
    - iv. Compliance with tax, legal, and stock exchange requirements;
  - i. Be responsible for coordinating, monitoring and facilitating compliance with existing laws, rules and regulations. It may also constitute a Compliance Unit for this purpose;
  - j. Evaluate and determine non-audit work by external auditor and keep under review the non-audit fees paid to the external auditor both in relation to their significance to the auditor and in relation to the Corporation's total expenditure on consultancy. The non-audit work should be disclosed in the annual report.
  - k. Establish and identify the reporting line of the chief audit executive so that the reporting level allows the internal audit activity to fulfill its responsibilities. The chief audit executive shall report directly to the Audit Committee functionally. The Audit





Committee shall ensure that the internal auditors shall have free and full access to all the Corporation's records, properties and personnel relevant to the internal audit activity and that the internal audit activity should be free from interference in determining the scope of internal auditing examinations, performing work, and communicating results, and shall provide a venue for the Audit Committee to review and approve the annual audit plan.

(As amended by majority vote of the Board of Directors on March 6, 2012 and by at least 2/3 majority vote of the stockholders on May 30, 2012.)

**IN WITNESS WHEREOF**, we have hereunto set our hands this 12<sup>th</sup> day of May 1975, in the Municipality of San Juan, Metro manila, Philippines.

(Sgd.) RAYMUNDO L. DIZON, SR.      (Sgd.) VICTOR H. DIZON  
RAYMUNDO L. DIZON, SR.                  VICTOR H. DIZON

(Sgd.) JUVENCIO D. DIZON                  (Sgd.) JESUS V. MATSUDA  
JUVENCIO D. DIZON                          JESUS V. MATSUDA

(Sgd.) LUIS D. DIZON                          (Sgd.) DANILO D. FELICIANO  
LUIS D. DIZON                                  DANILO D. FELICIANO

(Sgd.) LOURDES D. DIZON  
LOURDES D. DIZON

COUNTERSIGNED:

(Sgd.) LOURDES D. DIZON  
LOURDES D. DIZON  
Secretary

