Requirements and Procedure for Nomination and Election of Directors

I. Who can nominate a director

Each stockholder has the right to nominate any director who possesses all of the qualifications and none of the disqualifications set forth in the Revised Corporation Code.

II. Qualifications and Term of a director

Directors shall be elected for a term of one (1) year among the holders of stocks registered in the corporation's books. A director shall own at least one (1) share of stock.

Each director shall hold office until the successor is elected and qualified.

III. Disqualifications

A person is disqualified from being a director if, within five (5) years prior to the election or appointment, the person was:

a. Convicted by final judgment:

   i. Of an offense punishable by imprisonment for a period exceeding six (6) years;
   ii. For violating the Revised Corporation Code;
   iii. For violating Republic Act No. 8799, otherwise known as "The Securities Regulation Code";

b. Found administratively liable for any offense involving fraudulent acts; and

c. By a foreign court or equivalent foreign regulatory authority for acts, violations or misconduct similar to those enumerated in paragraphs (a) and (b) above.

IV. Quorum required

There must be present, either in person or through a representative authorized to act by written proxy, the owners of majority of the outstanding capital stock.

V. Manner of Nomination

A stockholder may nominate himself/herself or another stockholder as director of the corporation. The nomination must be seconded by another stockholder.

VI. Manner of Election

The election must be by ballot if requested by any voting stockholder.

VII. Manner of Voting

Stockholders may vote in person or by proxy. If by proxy, it shall be in writing, signed and filed, by the stockholder, in any form authorized in the bylaws and received by the corporate secretary within a reasonable time before the scheduled meeting.

Stockholders shall have the right to vote the number of shares of stock standing in their own names in the stock books of the corporation at the time of the election.

A stockholder has three (3) options on how he/she may allocate the number of shares he/she is entitled to vote:

   i. Vote such number of shares for as many persons as there are directors to be elected; or
   ii. Cumulate said shares and give one (1) candidate as many votes as the number of directors to be elected multiplied by the number of the shares owned; or
   iii. Distribute the votes on the same principle among as many candidates as may be seen fit.

The total number of votes cast shall not exceed the number of shares owned by the stockholders as shown in the books of the corporation multiplied by the whole number of directors to be elected. Furthermore, no delinquent stock shall be voted.