

**EMPERADOR INC.**

**Proposed Amendments to the Amended By-Laws**

<b>Article and Section Nos.</b>	<b>From</b>	<b>To</b>
<p>Article II, Section 3</p>	<p><b>ARTICLE II – STOCKHOLDERS</b></p> <p>Section 3. <u>Place of Meeting</u>. - Stockholders' meetings, whether regular or special, shall be held at the principal office of the corporation or at any place designated by the Board of Directors in the city or municipality where the principal office of the corporation is located.</p>	<p><b>ARTICLE II - STOCKHOLDERS</b></p> <p>Section 3. <u>Place of Meeting</u>. - Stockholders' meetings, whether regular or special, shall be held at the principal office of the corporation or at any place designated by the Board of Directors in the city or municipality where the principal office of the corporation is located.</p> <p><b><u>Upon the determination of the Board of Directors, the Corporation may conduct the regular or special meeting of the stockholders fully or partially through teleconferencing, video conferencing or other remote or electronic means of communication, in accordance with the relevant regulations of the Securities and Exchange Commission.</u></b></p>
<p>Article II, Section 4</p>	<p>Section 4 <u>Notice of Meeting</u> – 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 post office address or by publication in a newspaper of general circulation. The notice shall state the place, date and hour of the meeting, and the purpose or purposes for which the meeting is called. In case of special meetings, only matters stated in the notice can be the subject of motions or deliberations at such meetings.</p> <p>When the meeting of stockholders is adjourned to another time or place, it shall not be necessary to give notice of the adjourned meeting if the time and place to which meeting is adjourned are announced at the meeting during which the adjournment is taken. At the reconvened meeting, any business may be transacted that might have</p>	<p>Section 4 <u>Notice of Meeting</u> – Notices for regular or special meetings of stockholders may be sent by the Secretary by personal delivery, <b><u>by mail to each stockholder of record at his last known post office address, or through electronic mail, electronic transmission or other recognized means of electronic transfer of data or information, or by publication in a newspaper of general circulation, in print and online format, for two consecutive days, or by such other means or manner as the Securities and Exchange Commission shall allow under its rules or guidelines, no later than twenty-one (21) calendar days prior to the date of the meeting. In the case of sending notices by publication, the last publication of the notice, in print and online, shall be made no later than twenty-one (21) days prior to the scheduled annual meeting, or one (1) week prior to the scheduled special meeting.</u></b> The notice shall state the place, date and hour of the meeting, and the purpose or purposes for which the meeting is called. In case of special meetings, only matters stated in the notice can be the</p>

	<p>been transacted on the original date of the meeting.</p>	<p>subject of motions or deliberations at such meetings.</p> <p>When the meeting of stockholders is adjourned to another time or place, it shall not be necessary to give notice of the adjourned meeting if the time and place to which meeting is adjourned are announced at the meeting during 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.</p>
<p>Article III – Board of Directors Section 2</p>	<p><b>ARTICLE III – BOARD OF DIRECTORS</b></p> <p>Section 2. Number and Term – The Board of Directors, consisting of such number of members as provided for in the Articles of Incorporation, shall be nominated by the Nomination Committee and elected at the annual meeting of the stockholders to serve for a term of ONE (1) YEAR until their successors shall have been duly elected and qualified, provided however, that at least two (2) members of the Board of Directors, or at least twenty percent (20%) of the total number of members thereof, whichever is the lesser, but in no case less than two, shall be independent as hereinafter defined. It shall be the responsibility of the Chairman of the Stockholder’s Meeting to inform all stockholders in attendance of the mandatory requirement of electing independent directors.</p>	<p><b>ARTICLE III – BOARD OF DIRECTORS</b></p> <p>Section 2. Number and Term – The Board of Directors, consisting of such number of members as provided for in the Articles of Incorporation, shall be nominated by the <b><u>Corporate Governance</u></b> Committee and elected at the annual meeting of the stockholders to serve for a term of ONE (1) YEAR until their successors shall have been duly elected and qualified, provided however, that at least two (2) members of the Board of Directors, or at least twenty percent (20%) of the total number of members thereof, whichever is the lesser, but in no case less than two, shall be independent as hereinafter defined. It shall be the responsibility of the Chairman of the Stockholder’s Meeting to inform all stockholders in attendance of the mandatory requirement of electing independent directors.</p>
<p>Article III – Board of Directors Section 8</p>	<p>Section 8. Place of Meeting. - The Board of Directors may hold its meeting at the principal office of the Corporation or at such other places within or outside the Republic of the Philippines as the Chairman or, in his absence, the President, may from time to time determine.</p>	<p>Section 8. Place of Meeting. - The Board of Directors may hold its meeting at the principal office of the Corporation or at such other places within or outside the Republic of the Philippines <b><u>or through teleconferencing, video conferencing or other remote or electronic means of communication</u></b>, as the Chairman or, in his absence, the President, may from time to time determine.</p>
<p>Article III – Board of</p>	<p>Section 14. Vacancies. – Any vacancy occurring in the Board of Directors by a reason of death, resignation, retirement, or disqualification may be filled by the affirmative vote of a majority of the</p>	<p>Section 14. Vacancies. – Any vacancy occurring in the Board of Directors by reason of death, resignation, retirement, or disqualification may be filled by the affirmative vote of a majority of the</p>

<p>Directors Section 14</p>	<p>remaining directors constituting a quorum, upon the nomination of the Nomination Committee; provided that, specific slots for independent directors shall not be filled by unqualified nominees. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.</p>	<p>remaining directors constituting a quorum, upon the nomination of the <b><u>Corporate Governance</u></b> Committee; provided that, specific slots for independent directors shall not be filled by unqualified nominees. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.</p>
<p>ARTICLE III – COMMITTEES, A. Nomination Committee and C. Compensation and Remuneration Committee</p>	<p>ARTICLE III – COMMITTEES A. Nomination Committee</p> <p>Section 1. Composition. - The Nomination Committee shall have at least three (3) members, one of whom is an independent director. The Nomination Committee shall (1) ensure that the Board of Directors has an appropriate balance of required industry knowledge, expertise, and skills needed to govern the Corporation toward achieving its intended goals and objectives; (ii) review and evaluate all candidates nominated to Officer positions in the Corporation that require Board approval prior to effectivity such appointments or promotions; and (iii) shortlist, assess, and evaluate all candidates nominated to become a member of the Board.</p> <p>Section 2. Nomination of Directors. - Nomination of directors shall be conducted by the Nomination Committee prior to a stockholders' meeting.</p> <p>All nominations shall be submitted to the Nomination Committee by any stockholder of record on or before January 30 of each year to allow the Nomination Committee sufficient time to assess and evaluate the qualifications of the nominees.</p> <p>All recommendations for the nomination of independent directors shall be signed by the nominating stockholders together with the acceptance and conformity of the would-be nominees.</p>	<p>ARTICLE III – COMMITTEES <b><u>A. Corporate Governance Committee</u></b></p> <p><b><u>Section 1. Composition. - The Corporate Governance Committee shall have at least three (3) members of the Board, two of whom must be independent directors, including the Chairman.</u></b></p> <p><b><u>Section 2. Functions.- The Corporate Governance Committee has the following powers, duties and responsibilities:</u></b></p> <ol style="list-style-type: none"> <li>a. <b><u>Oversee the implementation of the corporate governance framework and periodically review to ensure that it remains appropriate in light of material changes to our Group’s size, complexity and business strategy, as well as its business and regulatory environments;</u></b></li> <li>b. <b><u>Oversee the periodic performance evaluation of the Board and its committees as well as executive management, and conducts an annual self-evaluation of its performance;</u></b></li> <li>c. <b><u>Ensure that the results of the Board evaluation are shared, discussed, and that concrete action plans are developed and implemented to address the identified areas for improvement;</u></b></li> <li>d. <b><u>Recommend continuing relevant education/training programmes for directors, assignment of tasks/projects to board committees, succession plan for the board members and senior officers, and remuneration packages for corporate and individual performance;</u></b></li> <li>e. <b><u>Adopt corporate governance policies and ensure that these are reviewed and</u></b></li> </ol>

Section 3. List of Candidates. - After the nomination, the Committee shall prepare a List of Candidates which shall contain all the information about all the nominees for election as members of the Board of Directors, which shall be made available to the SEC and to all stockholders through the filing and distribution of the Information Statement or Proxy Statement, or in such other reports as the Corporation will be required to submit to the SEC.

The name of the person or group of persons who recommended the nomination of the independent director(s) shall be identified in such report, including any relationship with the nominee.

Only nominees whose names appear on the List of Candidates shall be eligible for election as directors. No other nominations for elections shall be entertained after the List of Candidates shall have been prepared and finalized. No further nominations for election as director shall be entertained or allowed on the floor during the actual annual stockholders' meeting.

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#### C. Compensation and Remuneration Committee

Section 1. Composition. - The Compensation and Remuneration Committee shall have at least three (3) members, one of whom is an independent director.

Section 2. Functions. - The Compensation and Remuneration Committee shall:

(a) Establish a formal and transparent procedure for developing a policy on remunerations of directors and officers to ensure that their compensations is consistent with the corporation's culture, strategy, and the business environment in which it operates;

(b) From time to time, review and evaluate the standard arrangements pursuant to which the directors and officers are to be compensated for any services provided, including amounts payable

- updated regularly, and consistently implemented in form and substance;**
- f. **Establish a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers that is consistent with our Group's culture and strategy as well as the business environment in which it operates;**
  - g. **Determine the nomination and election process for our Group directors and the general profile of board members that our Group may need to ensure that appropriate knowledge, competencies and expertise that complement the existing skills of the Board;**
  - h. **Review, evaluate, pre-screen and shortlist all candidates nominated to become a member of the Board and other appointments requiring Board approval to ensure that candidates possess all the required qualifications, including whether candidates: (1) possess the knowledge, skills, experience, and particularly in the case of non-executive directors, independence of mind given their responsibilities to the Board and in light of the entity's business and risk profile; (2) have a record of integrity and good repute; (3) have sufficient time to carry out their responsibilities; and (4) have the ability to promote a smooth interaction between Board members; and**
  - i. **Ensure that the following nomination and election policy and procedures are conducted:**
    - 1. **Nomination of independent directors shall be conducted by a committee prior to a stockholders' meeting. All recommendations shall be signed by nominating stockholders and shall bear the conformity of the nominees.**
    - 2. **The committee shall pre-screen the nominees and prepare a final list of candidates.**
    - 3. **The final list of candidates shall contain the business and/or professional experience of the nominees for independent directors, which list shall be made available to the Commission and to**

for participation in different committees or other special assignments, vis-a-vis the approved compensation policy, and, where necessary, to recommend changes thereon for approval of the Board of Directors;

(c) Review, subject to the approval of the Board of Directors, all recommendations for additional compensation in the form of bonuses or options; and

(d) Supervise and oversee the Company's stock option and other compensatory plans.

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D. Audit Committee

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E. Other Committees

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**all stockholders through the filing and distribution of the Information Statement, in accordance with SRC Rule 20, or in such other reports the Company is required to submit to the Commission. The name of the person or group of persons who recommended the nominees for independent directors shall be identified in such report including any relationship to the nominees.**

**4. Only nominees whose names appear in the final list of candidates shall be eligible for election as independent directors. 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.**

**5. The conduct of the election of independent directors shall be made in accordance with the standard election procedures of the Company in its By-laws, subject to pertinent laws, rules and regulations of the Commission.**

**6. It shall be the responsibility of the Chairman of the Meeting to inform all stockholders in attendance of the mandatory requirement of electing independent directors. He shall ensure those independent directors are elected during the stockholders' meeting.**

**7. In case of failure of election for independent directors, the Chairman of the Meeting shall call a separate election during the same meeting to fill up the vacancy.**

**j. Perform other duties and activities that the Board may consider appropriate in the context of its Charter.**

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**C. Audit Committee**

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**D. Other Committees**

<p>ARTICLE IV– OFFICERS, Section 1</p>	<p><u>Section 1. Election/Appointment.</u> – Immediately after their election, the Board of Directors shall formally organize by electing the Chairman, the President, one or more Vice-Presidents, the Treasurer, and Secretary at the said meeting.</p> <p><u>The Board may, from time to time, appoint such officers as it may determine to be necessary or proper.</u></p>	<p>Xxx</p> <p><u>Section 1. Election/Appointment.</u> – Immediately after their election, the Board of Directors shall formally organize by electing the Chairman, and the President, <b><u>who shall both be members of the Board of Directors. The Board shall appoint</u></b> one or more Vice-Presidents, the Treasurer, <b><u>Corporate Secretary, and an Assistant Corporate Secretary</u></b> at the said meeting.</p> <p><u>The Board may, from time to time, appoint such officers as it may determine to be necessary or proper.</u></p>
<p>ARTICLE IV– OFFICERS, Section 5</p>	<p>Section 5. <u>The Secretary.</u> -The Secretary must be a resident and a citizen of the Philippines. He shall be the custodian of and shall maintain the corporate books and records and shall be the recorder of the corporation's formal actions and transactions. He shall have the following specific powers and duties:</p> <p>xxxxx</p>	<p>Section 5. <u>The Secretary.</u> -The <b><u>office of the Secretary shall be held by a Corporate Secretary and an Assistant Corporate Secretary, both of whom</u></b> must be a resident and a citizen of the Philippines. <b><u>They</u></b> shall be the custodian of and shall maintain the corporate books and records and shall be the recorder of the corporation's formal actions and transactions. <b><u>They shall each</u></b> have the following specific powers and duties:</p> <p>xxxxx</p> <p><b><u>In the absence or inability of the Corporate Secretary, the Assistant Secretary shall act in his place and perform his duties. The Assistant Secretary shall also perform such other duties as may, from time to time, be delegated to him by the Corporate Secretary and as the Board of Directors or the President may prescribe or assign to him.</u></b></p>