

THE SUBIC BAY FREEPORT CHAMBER OF COMMERCE, INC

AMENDED¹ BY-LAWS

ARTICLE 1 - MEMBERSHIP

Section 1 - Eligibility, Qualifications and Classifications

In general, individual persons, corporations, proprietorships, partnerships and other organizations and enterprises having an interest in trade and commercial relations with the Philippines in or through the Subic Bay Freeport (hereinafter referred to as the "SBF") and an interest in the objectives of the Subic Bay Freeport Chamber of Commerce (hereinafter referred to as the "Chamber") shall be eligible and qualified for membership in the Chamber under the membership classifications and qualifications as described below.

(A) Corporate Membership

Corporate membership is available to corporations, partnerships and other business organizations and enterprises which are registered in SBF ("SBF Registered Entities") and corporations, partnerships and other business organizations and enterprises which are not registered in SBF ("Non-SBF Registered Entities"), provided that Non-SBF Registered Entities shall not collectively comprise more than 33% of the entire Corporate membership. This class of membership shall be exercised by an individual representative of the relevant corporate member duly accredited to the Chamber by such Corporate member.

(B) Associate Membership

Available only to:

- i. Individual persons, companies or organizations involved or interested in commercial or representative relationships in or through the SBF.
- ii. Non-profit charitable, civic, educational, religious and other eleemosynary organizations, associations and institutions in the Philippines, which shall exercise membership in the Chamber through an individual representative duly accredited to the Chamber by such organization, association or institution.
- iii. Foreign diplomatic and consular representatives duly accredited by the Philippine government.

(C) Honorary Membership

Available to individual persons who have gained distinction in government, business, trade,

commerce, civic affairs, arts or sciences; and shall be granted only upon the invitation of the Board of Directors of the Chamber.

Section 2 - Admission of Members

All classifications of membership shall be granted and become effective upon compliance with the following requirements:

- (A) Filing with the Chamber of a duly completed and signed application form prescribed by the Chamber, indicating the applicant's acceptance of the Articles of Incorporation and the By-laws of the Chamber, as the same may be amended from time to time.
- (B) Review and favorable recommendation of the application by the Membership Committee of the Chamber.
- (C) Approval of membership application by a majority vote of the Board of Directors of the Chamber.
- (D) Payment of the membership admission fee as provided in Article II hereof.

Section 3 - Rights and Privileges of Membership

- (A) All privileges and rights of membership shall be exercised only by natural persons and by individual representatives duly accredited to the Chamber by the relevant Corporate member or Associate member .
- (B) Only Corporate members shall be entitled to vote, with one vote per Corporate member.
- (C) All members shall have full and free access to the office and facilities of the Chamber and all of its information and membership functions.

Section 4 - Suspension or Loss of Membership

- (A) Non-payment of Dues - Membership in the Chamber may be suspended or lost for non-payment of dues, under conditions provided in Article II hereof.
- (B) The Board of Directors shall have the power to suspend or expel any member for causes deemed

¹ As amended at the Special Meeting of the Board of Directors and General Meeting of the Members held on August 31, 2004.

inimical to the interests of the Chamber as may be determined by the Board of Directors. Membership in the Chamber automatically ceases when a member is expelled.

- (C) Disqualification - Membership in the Chamber will cease when the qualifications for membership under Article I no longer exist.

Section 5 - Transfer of Membership

Membership in the Chamber shall be non-transferable, except and unless approved by the Board of Directors under circumstances which are deemed exceptional and unusual by the Board of Directors.

Section 6 - Certificates of Membership

Certificates of membership shall be issued to all classes of members and shall be signed by the President and countersigned by one other member of the Board of Directors or by the Executive Director.

ARTICLE II - FEES AND DUES

Section 1

The setting of all membership dues and admission fees shall be the responsibility of and determined by the Board of Directors. Said dues and fees may change from time to time as deemed necessary by the Board of Directors.

Section 2

Membership dues shall be payable in advance on a quarterly, semi-annual or annual basis as may be determined by the Board of Directors of the Chamber. Failure to pay membership dues or other valid financial obligations of members to the Chamber within thirty (30) days after due date shall automatically result in denial of membership privileges and rights. Failure to pay membership dues or other valid financial obligations of members to the Chamber within ninety (90) days after due date for payment shall be cause for suspension or loss of membership by action of the Board of Directors of the Chamber; and in the event of suspension of membership such suspension will be on such terms and conditions as the Board of Directors may determine.

Section 3

Honorary members shall not be charged any admission fees or membership dues.

ARTICLE III - FINANCE

Section 1 - Disbursement of Funds

Funds of the Chamber shall be disbursed in conformity with Article IV of these By-laws.

Section 2 - Ownership of Assets

The beneficial ownership of the assets of the Chamber shall be vested exclusively in the Corporate members.

ARTICLE IV - MANAGEMENT OF THE CHAMBER

The general management, direction, supervision and control of the property, activities and affairs of the Chamber as well as the determination of the policies and procedures governing disbursements and investments of Chamber funds shall be vested in a Board of Directors composed of seven (7) members who shall be elected from among the duly accredited representatives of the Corporate members which are SBF Registered Entities and constituted as hereinafter provided.

Section 1 - Board of Directors

- (A) The members of the Board of Directors shall consist of seven (7) members who shall be elected from among the duly accredited representatives of the Corporate members which are SBF Registered Entities at the Annual Meetings of the Chamber to serve for a period of two years. The immediate past President, if not elected to serve as Director in his own right for the ensuing year, shall automatically become a Director, ex-officio, during the ensuing one-year period, without voting rights.

- (B) In the election of Directors at the first Annual Meeting in 1994, nine (9) Directors shall be elected, with the first four (4) Directors receiving the highest number of votes serving for two-year terms and remaining five (5) serving for one year. At the next Annual Meeting, five (5) Directors shall be elected for two-year terms and at the next Annual Meeting four (4) Directors shall be elected for two-year terms, which procedure shall continue thereafter so that five (5) Directors and four (4) Directors are elected in alternate years. [After the approval of the amendments to these By-laws, which reduce the number of Directors from nine \(9\) to seven \(7\), among others, the foregoing provisions shall be deemed amended to state that henceforth four \(4\) and three \(3\) Directors shall be elected in alternate years.](#)

- (C) Vacancies occurring on the Board of Directors except those caused by removal or expiration of term between Annual Meetings shall be filled by a majority vote of the Directors at a meeting of the Board of Directors at which a quorum is present and voting. The member of the Board of Directors so elected to fill a vacancy shall serve for the remainder of the term of the Director whom he replaced. (D) Only duly accredited representatives of Corporate members which are SBF Registered Entities, as defined in Article I of these By-laws, shall be eligible for election to and service on the Board of Directors of the Chamber. Resignation, retirement, removal or transfer of such elected Director from the SBF Registered Entity which he represents

automatically disqualifies such representative as a member of the Board of Directors.

- (E) Members of the Board of Directors of the Chamber shall serve without compensation.

Section 2 - Election of the Board of Directors

- (A) At least sixty (60) days before the Annual Meeting of the Chamber in 1994, the Corporate members shall appoint a Nominating Committee and a Returning Officer which shall nominate as many as possible eligible and qualified persons for election to the Board of Directors at said Annual Meeting. In subsequent years, the Board of Directors will be responsible for appointing such a Nominating Committee and Returning Officer. [The Returning Officer shall supervise the conduct of](#) shall be appointed by the Board of Directors and shall be given such powers as may be determined by the Board of Directors, provided that no candidate for Director shall be qualified for appointment as a Returning Officer. With respect to all ensuing Annual Meetings, the same procedure shall be followed, except that in the years in which four (4) Directors are to be elected, at least seven (7) persons shall be nominated, and in years in which three (3) Directors are to be elected, at least six (6) persons shall be nominated. The Nominating Committee will be solely responsible for the selection of the slate of candidates/nominees for election to the Board of Directors and will submit same to the Board of Directors for final approval by the Board of Directors at least thirty (30) days prior to the Annual Meeting.

- (B) Not later than ten (10) days before the Annual Meeting of the Chamber at which Directors are to be elected, the Board of Directors shall cause to be mailed or delivered to each and every member entitled to vote a list containing the names of nominees for election as Directors, as well as a ballot containing the names of said nominees, together with such other relevant material as the Nominating Committee and/or the Board of Directors deem advisable; said list, ballot and other materials shall be in such form as may be prescribed by the Nominating Committee and approved by the Board of Directors. The ballots, in order to be counted in and for the election of Directors, must be received by the Returning Officer before the commencement of the Annual Meeting. The Board of Directors will prescribe and provide for proper procedures for examination, counting and recording the ballots and the votes therein.

- (C) At Annual Meetings no nominations for Directors from the floor will be accepted or received.

Section 3 - Representation in and Delegates to other organizations

The Board of Directors may appoint delegates or representatives to any organization, meeting or convention in which representation from the Chamber shall appear desirable. Such delegates or representatives shall not,

unless specifically authorized, commit the Chamber to any policy or action, but the Directors may subsequently concur in the action of any such meeting or convention.

Section 4 - Meetings of the Board

- (A) The Board of Directors shall meet no less than six (6) times per annum.
- (B) Special meeting of the Board of Directors may be called by the President in his discretion, or shall be called by the President upon the written request of not less than three (3) members of the Board of Directors or not less than twenty (20) Corporate members which are SBF Registered Entities as defined in Article I hereof.

Section 5 - Additional Duties of the Board

The Board of Directors, in addition to the other duties specifically enjoined by these By-laws, shall enact rules and regulations for the governance of the Chamber and for the guidance and control of its officers and committees. The Board shall also provide suitable officers and other facilities for the Chamber, shall be the final judge of the qualifications of persons or entities applying for membership and shall generally do such proper and needful things as in the judgment of the Board will promote the effectiveness and usefulness of the Chamber and carry out the purposes for which it is maintained.

Section 6 - Absence from Meetings

If any member of the Board of Directors shall be absent for more than three (3) consecutive regular meetings of the Board without having been previously excused by the President, that member shall be considered as having resigned from the Board and from such offices as he may hold.

Section 7 - Election of Officers

- (A) Except for salaried officers appointed by the Board of Directors pursuant to Section 8 of this Article IV, only accredited representatives of Corporate members which are SBF Registered Entities as defined in Article I hereof shall be qualified for election or appointment as officers of the Chamber. The Principal Officers of the Chamber shall be a President, a Vice-President, a Treasurer and a [Corporate](#) Secretary. No two offices may be held concurrently by the same person. The [Corporate](#) Secretary (or an Assistant [Corporate](#) Secretary appointed by the Board of Directors) shall be responsible for recording the minutes of all meetings of the Board of Directors.
- (B) As soon as possible after the Annual Meeting of the Chamber each year, the members of the Board of Directors duly elected at such Annual Meeting, together with the carry-over Directors, shall hold an organizational meeting at which they shall elect the officers enumerated in Subsection (A) of this Section 7, Article IV, to serve in their respective offices for the ensuing year and until successors are duly elected and qualified.
- (C) All officers of the Chamber, except any Assistant [Corporate](#) Secretary or Assistant Treasurer as the Board of Directors may appoint under and

pursuant to Section 8 of this Article IV, shall serve without compensation.

Section 8 - Appointment of Other Officers

The Board of Directors may appoint from time to time Assistant Corporate Secretaries and Assistant Treasurers and such additional Vice Presidents and other officers and agents as it may deem necessary and proper for the best interests of the Chamber. All such additional officers and agents need not be members of the Board of Directors and shall hold office at the pleasure of the Board of Directors, and the compensation, if any, for such officers and agents shall be as determined from time to time by the Board of Directors. Where possible, Assistant Corporate Secretaries, Assistant Treasurers and other agents or officers shall be citizens of the Philippines.

Section 9 - Committees

The President, subject to the approval of the Board of Directors, shall appoint such standing, special or ad hoc committees and sub-committees as he deems necessary or desirable. So far as practicable, such appointments shall be diversified for the purpose of achieving a balanced, comprehensive, and intelligent consideration of the subject matters within each committee's jurisdiction. All such committees shall take minutes of their meetings for release to any members wishing to read them and shall report periodically to the Board of Directors on their findings and recommendations.

ARTICLE V - DUTIES OF OFFICERS

Section 1 - The President and Vice-President

The President, and in his absence the Vice-President, and in the absence of both the President and Vice-President, the Treasurer or [Corporate](#) Secretary shall preside at all meetings of the members and of the Board of Directors of the Chamber; shall, with the approval of the Board, appoint all committees; shall carry into effect the decisions of the Board; shall have general supervision over the affairs of the Chamber except as otherwise directed by the Board of Directors; shall be ex-officio members of all committees; and shall assume such additional responsibilities and perform such additional duties as may from time to time be assigned by the Board of Directors.

Section 2 - The Treasurer

(A) The Treasurer of the Chamber, or in his absence or unavailability, the President or Vice-President, shall have charge of the corporate funds and, upon receipt of vouchers signed by the President or Vice-President or [Corporate](#) Secretary, shall cause to be approved the issuance of corporate checks and other instruments for disbursement of Chamber funds, which shall be signed jointly by any two of the members of the Chamber's Board of Directors.

(B) He shall cause to be kept proper books of accounts of the finances of the Chamber and shall cause a report thereof to be rendered to the

President and the Board of Directors at the end of each fiscal year.

(C) He shall be subject to the control of the Board of Directors and shall, if required by the Board of Directors, give bond for the faithful discharge of his duties in such amount as the Board from time to time may determine.

Section 3 – The Corporate Secretary

The [Corporate](#) Secretary, who must be a resident and citizen, shall be responsible for keeping the records of the Chamber under the direction of the Board of Directors and shall perform such other duties as may be assigned to him from time to time by the Board of Directors.

ARTICLE VI - MEETINGS OF MEMBERS

Section 1 - Annual Meetings

(A) The Annual meeting of the members of the Chamber shall be held on the last Tuesday of November of each year at such time and in such place as may be designated by the Board of Directors. If such day is a legal holiday, the Annual meeting shall be held on the first business day of the following week.

(B) Notice of the date, time and place of holding the Annual meeting of members, if held otherwise than as above provided, shall be given by mailing or delivering same in writing to members at their last known address on file with the Chamber, at least ten (10) calendar days before the date set for such meeting.

Section 2 - Regular (or Special) Meetings

(A) Regular (or Special) meetings of members may be held at any time and at the call of the Board of Directors or upon written request of not less than twenty (20) Corporate members which are SBF Registered Entities as defined in Article I hereof .

(B) Notice of the date, time and place of holding any Annual or Regular meeting of members shall be given in the same manner as prescribed in Section 1 (B) of this article VI.

Section 3 - Elections

The election of Directors shall be as provided for in Article IV hereof.

Section 4 - Voting Rights

The right to vote at membership meetings of the Chamber, whether Annual or Regular, shall be limited to Corporate members present at such meetings in person or by proxy. Presence in person with respect to Corporate members shall mean presence of the accredited individual representative of the corporation, partnership or business organization.

Section 5 - Proxies and Representatives

Any Corporate member entitled to vote may, in writing, appoint a proxy or representative to represent such member

at any Annual or Regular membership meeting of the Chamber.

Section 6 - Participation in Meetings by Associate and Honorary Members

Associate and Honorary members (or their duly accredited representatives) shall be entitled to participate in all membership meetings of the Chamber, whether Annual or Regular, to take part in all discussions, to serve on committees, and generally to assist in the conduct of the business of the Chamber, but shall not be entitled to vote.

Section 7 - Quorum

- (A) At any Annual or Regular membership meeting of the Chamber, majority of the members entitled to vote who are present in person or by proxy shall constitute a quorum for the transaction of business unless the law of the Philippines requires a greater number. If less than a majority of such voting members are present in person or by proxy, the presiding officer shall have power to adjourn the meeting to another date, time and place, and at the date, time and place so designated the re-convened meeting (known as an Adjourned meeting) may then be held, provided that a majority of the members who are entitled to vote are present in person or by proxy. Such an Adjourned meeting may take place no sooner than one week after the previous Annual or Regular meeting, and after giving the appropriate notice as described in Section 1(B) of Article VI above.
- (B) A majority of votes cast in the affirmative by members entitled to vote, in person or by proxy, at any Annual, Regular, or Adjourned meeting of the Chamber as herein provided, shall be binding upon the Chamber in all matters, except in matters with respect to which the Corporation Law of the Philippines or these By-laws requires an affirmative vote of a greater proportion.
- (C) Unless otherwise provided by law, a quorum of the Board of Directors necessary for transaction of business shall be a majority of the number of directors set out in Section 1, Article IV of these By-laws present in person.

ARTICLE VII - SEAL OF CHAMBER

The seal of Chamber shall be in the form of a circle and shall bear the name of the corporation and the year of its incorporation.

ARTICLE VIII - ORDER OF BUSINESS

Section 1 - Membership Meetings

At all Annual or Regular meetings of members of the Chamber, the order of business shall be in accordance with the agenda specified in the notice of such meetings.

Section 2 - Meeting of the Board of Directors

The order of business at meetings of the Board of Directors shall be determined by the presiding officer.

ARTICLE IX - 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 the same year.

ARTICLE X - AMENDMENTS

Section 1

These By-laws may be amended or repealed, or new By-laws may be adopted, at any Annual, Regular or Special meeting of members, by the affirmative vote of a majority of the Corporate members and by majority vote of the Board of Directors. Two thirds of the Corporate members may, however, delegate to the Board of Directors the power to amend or repeal the By-laws or to adopt new By-laws; provided, however, that such power shall be considered as revoked whenever a majority of the Corporate members shall so vote at an Annual, Regular, Special meeting of members.

Section 2

Notice of proposed amendments to the By-laws shall be posted on the bulletin board in the office of the Chamber at least two weeks before being acted upon. The [Corporate Secretary](#) shall also mail or cause to be delivered to each member entitled to vote written notice of such proposed amendments at least ten (10) days prior to being presented for vote at any Annual or Regular meeting of members.

The foregoing By-laws was adopted by all incorporators in a meeting held on 28 December 1994 at Subic Bay Freeport, Philippines.

(SGD.) ERNESTO L. ALBANO

MICHEAL RENFREW

(SGD.) SUSAN DUDLEY

(SGD.) JOSE A. SADDUL, JR.

(SGD.) LEO H. LARKIN JR.

(SGD.) MICHAEL D. SELLERS