

FREQUENTLY ASKED QUESTIONS:

1. BIDDING PROCESS:

The formal bidding process for the PMA building project began in 2012 during the Presidency of Dr. Oscar Tinio. Several companies were invited but only three presented their proposals during a special Meeting of the Board of Governors, held in Davao City. The Board awarded the project to Filinvest. However, no contract was signed, and the required 2/3 vote of the membership was not achieved.

During the start of the term of Dr. Jose Santiago, in June of 2018, the Board decided to pursue the PMA building project. Dr. Oscar Tinio was asked to reconnect to Filinvest and inquire about their interest in the project. At this time also, Ms Ginie Ang, Asst Vice Pres for Corporate Planning and organization development formerly with Filinvest, and this time with Truline, signified their interest in the PMA project.

In October of 2018, the Board created the AdHoc Committee on the Building project.

Beginning December of 2018, formal and independent meetings were conducted by the AdHoc committee with Filinvest and Truline. In February of 2019, final proposals were submitted.

The Board of Governors, during the March 14, 2019 meeting in Cebu City, passed unanimously Resolution No. 170: Approving to favorably consider the proposal of Truline Holdings and Development Corporation (Subsequently called here as “Truline”), on the PMA Building project, subject to final negotiations and approval of terms and conditions for both parties. It was further approved that proxy votes for such endeavor be initiated.

2. WHAT IS TRULINE HOLDINGS AND DEVELOPMENT CORPORATION AND WHO ARE THE PEOPLE BEHIND THIS CORPORATION?

Truline is a Philippine-based corporation, with Principal address at Unit 3001 One San Miguel Avenue, Office Condominium, San Miguel Avenue, Corner Shaw Boulevard, San Antonio, City of Pasig; which was SEC registered on **13 July 2018**, with Registration Number CS20183873, Tax Identification Number 010073393, and PHIC Employer Number 001000059435. Registered Telephone Number 09159439004.

Officers: President/Chairman: Mr. Justin-Youngjin Ko
Treasurer/Secretary: Annaliza J. Rivera
Director: Yolanda T. Maranan
Alona Dela Cruz
Nino L. Viray

Manpower:

Current projects:

1. Department of Environment and Natural Resources
 - Provider for STP projects
 - Boracay, Surigao
2. Pag-ibig Project:
 - 837unit mixed use commercial and residential development
 - Area: 53,500 sqm lot
 - Location: Tala, Caloocan
 - Total project cost: P 1.2 B.
3. Bureau of Quarantine:
 - Supply of STP of the Ninoy Aquino International Airport.
4. Power plant in Surigao



2019 - PAG-IBIG
837UNITS - HOUSING PROJECT SUMMARY





3. WHO IS TRUBEN?

(material taken from powerpoint presentation of Truben given to the Adhoc committee in December of 2018)

Truben Investment Co., Ltd.

Established: January 11, 2012

CEO: Bonjin Koo

No. of Professionals: 6

Services: PEF Management, Consulting Services

Location: Seoul, Korea

“Truben Investment focuses on investment opportunities in a broad range of industries in Korea, seeking control or significant minority stake in a target company. We rely on our local network and insight in identifying and sourcing investment opportunities and in enhancing value of our investments. Our team possesses a broad array of experiences and expertise. Our significant presence and commitment in Korea allow us to identify and source proprietary investment opportunities and to actively manage our portfolio companies. “

“Truben Investment’s goal is to help companies create value for all of its stakeholders. We bring our investment and management expertise as well as financial support when we commit to an investment. We are a long-term investor, actively working with the management teams to build successful businesses rather than focusing on short-term gains.”

Investment Strategy

“Truben Investment invests in Korean companies across a broad spectrum of industries, seeking outright control or co-management stakes in companies that create stable cash flow and that are relatively inelastic to macro changes. Truben Investment also invests overseas in energy-related assets.”

“Truben Investment’s primary investment focus is on proprietary investment opportunities based on our local network and insight. We also participate in limited auction processes in situations where we see a clear edge over the competitors. Generally, we seek to invest in mid-cap companies requiring US\$50 million to US\$300 million in equity capital.”

“Truben Investment’s objective is to create additional value for our investments in addition to providing financial resources. Although we are not usually involved in the day-to-day operations of our investments, we work closely with the management team to find new opportunities for growth. We also bring our extensive experience and network to strengthen management capabilities, find strategic growth opportunities and streamline operations.”

Investment Professionals

Position	Name	Education	Career
Managing Partner	Song Ho Hahn	BA in Economics from Yonsei Univ.	<ul style="list-style-type: none"> • Korea Development Bank (KDB) • Korea Investment & Securities Co., Ltd., • Incheon Oil Refinery Co. Ltd
Managing Director	Young Gon Yoo	BA in Mechanical Engineering and PhD in Economics from Hanyang Univ.	<ul style="list-style-type: none"> • Korea Electric Power Corporation (KEPCO) • Korea District Heating Corp • DAESUNG Corp. • Keangnam Enterprises.,Ltd.
Director	Ki Ho Um	BA in Industrial Engineering, Seoul National Univ.	<ul style="list-style-type: none"> • Standard Chartered Securities / Investment Banking Division • Korea Investment & Securities/Research Analyst
Director	Seong hoon Kim	BA in Business Administration, Seoul National Univ.	<ul style="list-style-type: none"> • PwC Korea/Deal Business, CPA
Deputy General Manager	Yong Seon Joo	BA in Architecture Engineering and Business Administration from Hanyang Univ.	<ul style="list-style-type: none"> • Keangnam Enterprises., Ltd. / Resources & Energy Development Team, Legal Team(Arbitration) • Management of SPC (Develop 900MW LNG Power plant)

Private Equity Fund

Under management

Category	Project	Region	Size (Krw bn)	Time of foundation
PEF (Corporate Financial Stability)	Blind Fund	Domestic	101	June, 2013
Private Equity Fund	Blind Fund (sports, game, entertainment)	Domestic	50	1 st Q, 2014
Private Equity Fund	Blind Fund Information and Communications Technologies(ICT)	Domestic	40	4 th Q, 2015
Private Equity Fund	Project Fund LNG Power Plant (900MW)	Domestic	200	1 st Q, 2018
Total			391	

Consulting Services

Attraction of Investment & Financing, Restructuring, M&A Consulting

Category	Company / Project	Term	Responsibility	Remark
Restructuring	A company	Dec. 2012 ~ Nov. 2013	Improving financial structure & Managing financial situation	
Attraction of Investment	Myanmar Hanthawaddy Airport	'13.04 ~	Business Development & Financial Management	Selection of a Preferred bidder
Investment Advisory	H Securities	Sep. 2014 ~ Nov. 2014	Investment structuring and negotiations	
Investment Advisory	A Plant company	'16.03 ~ '16.11	Strategies of Advancing to the maintenance business in Nuclear Power	Advanced to maintenance business of Shin-Wolsong
Investment Advisory	P Company	'16.12 ~ '17.12	LNG Terminal construction & operation project in Indonesia	Ongoing

4. WHAT IS THE RELATIONSHIP OF TRULINE AND TRUBEN?



5. WHO WILL ACTUALLY BUILD THE PMA BUILDINGS?

Mr Justin-YoungJin Ko of Truline has contracted the DAELIM CONSTRUCTION & PETROCHEMICAL COMPANY to validate the financial and feasibility study made by Truline personnel, as well as to be the Contractors for the PMA Project. Daelim was founded in 1939 with a gross asset of 13 trillion KRW (consolidated). It is the first Construction Company founded in Korea.

6. WHO ARE THE MANAGING PARTNERS OF TRULINE FOR THE PMA PROJECT?

Truline is communicating with the following companies to manage the components of the PMA Building Project

- a. **AccorHotels** Company of Sofitel, Raffles, Banyan Tree, to name a few.
- b. **World Trade Center** Metro Manila / ICCP Group (Investment and Capital Corporation of the Philippines) for the PMA Convention Center

7. WHAT IS THE PROPOSED DEVELOPMENT PLAN FOR THE PMA PROJECT?

Mixed-use Development: Two towers with Commercial Podium

a. Tower A: PMA Tower

- 1) PMA offices
- 2) Offices of Societies renting spaces at PMA
- 3) Doctors' Inn
- 4) Indigency Clinic
- 5) Parking Space
- 6) Leasable spaces for BPO and other opportunities

b. Tower B: Truline Tower

- 1) High-technology Medical Research Center (Korean)
- 2) Leasable spaces for BPO and other opportunities
- 3) Hotel – 4-star Business hotel
- 4) Skyview Bar & Health spa
- 5) Helipad

c. Podium:

- 1) Retail Center
- 2) Convention and Exhibit Halls

8. HOW MUCH IS THE COST OF THE PMA BUILDING PROJECT?

Total Project Cost: P 3,600,000,000.00

- a) PMA Building: ₱ 697,132,800.00
- b) Truline Building: ₱ 2,466,672,000.00
- c) Podium ₱. 330,220,800.00

Add: P 2M Goodwill Fund
P 1B PMA Relocation Fund

9. WHAT ARE THE PMA RULES OR GUIDELINES RELEVANT TO A PLAN WITH THE MAGNITUDE OF THE PMA BUILDING PROJECT?

A. CONSTITUTION AND BY-LAWS:

ARTICLE SIX. BOARD OF GOVERNORS

The Board of Governors, hereinafter referred to as the Board, shall be responsible for the affairs of the Association.

ARTICLE NINE. FUNDS

The funds of the Association shall be derived from dues, assessments, donations, bequests, income from annual conventions and other meetings, income from investments and from other sources as may be determined by the Board.

B. BY-LAWS:

ARTICLE II. OBLIGATIONS AND RIGHTS

Section 1. Obligations - a member of the Association, to be considered in good standing, shall:

- a. Pay all national and local dues as well as all assessments that may be imposed by the duly authorized bodies of the Association.

ARTICLE V. BOARD OF GOVERNORS

Section 2. The Board shall have the following functions:

- a. To approve the program of activities of the Association

ARTICLE VI. GENERAL ASSEMBLY AND OTHER MEETINGS

Section 1. The General Assembly shall discharge the powers and functions of the members of the Association in all instances where the vote, action, or ratification by the members may be exercised by a representative body as provided by law.

ARTICLE X. FUNDS AND FINANCES

Section 1. Sources of Funds. the funds of the Association shall be derived from dues and assessments, donations, bequests, contributions of life members, affiliation fees, as well as income from conventions, investments and projects of the Association,

and income-generating facilities of the Association and such other means as approved by two-third [2/3] of the members of the Board.

C. ADMINISTRATIVE CODE

CHAPTER III Board of Governors and Officers

2. General Powers

2.1 The Board of Governors shall exercise the corporate powers of the Association.

3. Functions

3.1. To approve the program of activities of the Association for the year;

3.6. To prepare and submit the annual budget of the Association to the General Assembly at least 30 days before the annual convention;

3.8 To approve all contracts entered into in behalf of the organization by its authorized officers or agencies;

3.10 To perform such other functions as provided for in the By-Laws, Corporation Code of the Philippines, and other pertinent laws, rules and regulations.

CHAPTER V General Assembly and Other Meetings

1. **General Assembly** - The General Assembly shall discharge the powers and functions of the members of the Association in all instances where the vote, action, or ratification by the members may be exercised by a representative body as provided for by law.

4. **Decisions of the General Assembly** - Unless otherwise provided for in the Constitution of the Association, or the By-Laws, or the Corporation Code of the Philippines, the acts of the General Assembly shall be approved by a simple majority. There shall be two types of voting over matters presented to the General Assembly for decision, which are as follows:

4.1. **Approval by Ordinary Vote** - This is a type of voting in which the vote of each voting member present shall count as one vote.

4.2. **Approval by Weighted Proxy Vote** - In this type of voting the weight of the vote of each representative member shall depend on the vote of the delegate plus the proxy votes entrusted to him. A proxy vote should indicate the designation of the delegate as proxy, and which should be duly recorded by the Secretary of the Assembly. The designation of an officer or an individual as proxy shall be valid for one year from the date the proxy vote is signed.

Therefore, if the signatory of a proxy is personally present in the assembly, the proxy power designated to another person is not valid. Approval by Weighted Proxy Vote shall be called for only in matters requiring a specified majority of the membership of the Association.

7. Functions - The functions of the General Assembly are the following:

7.2. To review and ratify the proposed annual budget as recommended by the Board;

7.3. To review the acts and ratify the resolutions of the national officers and the Board;

CHAPTER XI Funds and Finances

1. Sources of Funds - The funds of the Association shall be derived from dues and assessments, donations, bequests, contributions of life members, affiliation fees, as well as income from conventions, investments and projects of the Association, and income-generating facilities of the Association and such other means as approved by two-thirds (2/3) of the members of the board.

D. CORPORATION CODE OF THE PHILIPPINES

Sec. 40. Sale or other disposition of assets. –

Subject to the provisions of existing laws on illegal combinations and monopolies, a corporation may, by a majority vote of its board of directors or trustees, sell, lease, exchange, mortgage, pledge or otherwise dispose of all or substantially all of its property and assets, including its goodwill, upon such terms and conditions and for such consideration, which may be money, stocks, bonds or other instruments for the payment of money or other property or consideration, as its board of directors or trustees may deem expedient, when authorized by the vote of the stockholders representing at least two-thirds (2/3) of the outstanding capital stock, or in case of non-stock corporation, by the vote of at least two-thirds (2/3) of the members, in a stockholder's or member's meeting duly called for the purpose. Written notice of the proposed action and of the time and place of the meeting shall be addressed to each stockholder or member at his place of residence as shown on the books of the corporation and deposited to the addressee in the post office with postage prepaid, or served personally: Provided, That any dissenting stockholder may exercise his appraisal right under the conditions provided in this Code.

A sale or other disposition shall be deemed to cover substantially all the corporate property and assets if thereby the

corporation would be rendered incapable of continuing the business or accomplishing the purpose for which it was incorporated.

After such authorization or approval by the stockholders or members, the board of directors or trustees may, nevertheless, in its discretion, abandon such sale, lease, exchange, mortgage, pledge or other disposition of property and assets, subject to the rights of third parties under any contract relating thereto, without further action or approval by the stockholders or members.

Nothing in this section is intended to restrict the power of any corporation, without the authorization by the stockholders or members, to sell, lease, exchange, mortgage, pledge or otherwise dispose of any of its property and assets if the same is necessary in the usual and regular course of business of said corporation or if the proceeds of the sale or other disposition of such property and assets be appropriated for the conduct of its remaining business.

In non-stock corporations where there are no members with voting rights, the vote of at least a majority of the trustees in office will be sufficient authorization for the corporation to enter into any transaction authorized by this section. (28 1/2a)

10. WHEN WILL THE PROJECT START?

- a. A memorandum of agreement with Truline will be inked as a preliminary document once there is express approval of the project by Truben.
- b. Efforts to pursue the proxy votes will continue through the first half of the second term of Dr. Santiago
- c. The final contract will be signed by both parties after the 2/3 vote of active members is achieved, during the Board of Governors' meeting scheduled in December 2019.
- d. Actual work on the property is projected to commence in 2020, after relocation of the PMA headquarters..

11. WHAT WILL HAPPEN WITH THE MONEY?

The disposition of the influx of funds will rest on the Board of Governors. For now, we can relay that these are our priorities.

- a. Membership
- b. Mutual Funds
- c. CPD

It will be crucial to create a Financial Management Professional/Consultant group and maybe create PMA legislation on the matter.

12. VALIDITY OF PROXY VOTES

If there is no indication, the proxy vote is valid only for ONE YEAR. However, since we may not be able to get all the votes in by that time, we have indicated the 5-year validity which was decided by the Board in its special Board Meeting in Naga City on April 7, 2019.