

PENALTIES FOR NON-COMPLIANCE

To strictly observe and implement the provisions of this Manual, the following penalties shall be imposed, after notice and hearing, on the Company's Directors, Management Officers, staff, subsidiaries and affiliates and their respective Directors, Management Officers and staff in case of violation of any of the provision of this Manual:

- A. First Violation - The subject person shall be reprimanded.
- B. Second Violation - Suspension from office shall be imposed. The duration of the suspension shall depend on the gravity of the violation.
- C. Third Violation - The maximum penalty of removal from office shall be imposed.

The commission of a third violation of this Manual by any Director of the Corporation or its subsidiaries and affiliates shall be a sufficient cause for removal from directorship.

The Compliance Officer shall be responsible for determining violation/s through notice and hearing and shall recommend to the Chairman of the Board the imposable penalty for such violation, for further review and approval of the Board.