

**BY-LAWS  
OF  
PENTAMED GROUP OF HOSPITALS INC.**

**ARTICLE I  
MEETINGS**

**Section 1.** *Annual Membership Meetings* - The annual meetings of the members shall be held at the principal office of the Corporation on any date in June of each year. The President shall render his/her annual report to the members regarding the activities of the Corporation. The election of trustees shall also be held during this regular meeting.

**Section 2.** *Special Meetings* - Special meetings of the members shall be called as the need thereof arises, by majority of the Board of Trustees or the President or upon petition of 1/3 of the general membership.

**Section 3.** *Notices* - Notices of the time and place of annual meetings of the members shall be given either personally or by special delivery mail, or by telephone, electronic mail or by written message, i.e., SMS and other means of written or electronic communication, at least two (2) weeks before the date set for such meeting. Notices for special meetings, on the other hand, shall be sent at least one (1) week before the date set for such meeting. The notice of every meeting shall state briefly the purpose or purposes of the meeting. Accordingly, it shall be agreed that the Corporation shall rely on the contact details on record, as provided by each member, and it is the responsibility of each member to regularly update its contact details with the Corporation for purposes of notice under these By Laws.

**Section 4.** *Quorum* - A quorum for any meeting of the members shall consist of a majority of the members and a majority of such quorum may decide any question at the meeting, except those matters where the Corporation Code requires the affirmative vote of a greater proportion.

**Section 5.** *Order of Business* - The order of business at the annual meeting of the members shall be as follows:

- a. Proof of service of the required notice of the meeting.
- b. Proof of the presence of a quorum.
- c. Reading and approval of the minutes of the previous annual meeting.
- e. Report of the President.
- f. Election of the Trustees for the Ensuing Year.
- g. Appointment of External Auditor

h. Other matters.

**Section 6.** *Voting Proxy* - Members shall be entitled to one vote, and they may vote either in person or by proxy which shall be in writing and filed with the Secretary of the Corporation before the scheduled meeting. Unless otherwise provided, the proxy shall be valid only for the meeting for which it was intended. No proxy shall be valid and effective for a period longer than five (5) years at any other time.

**Section 7.** *Regular Meetings of Board of Trustees.* - Regular meetings of the Board of Trustees shall be held once a month on such dates and at places as may be called by the Chairman of the Board, or upon the request of a majority of the Trustees.

**Section 8.** *Special Meetings.* – Special meetings of the Board of Trustees may be held at any time upon the call of the President or majority of the Board of Trustees, as may be provided in this By Laws.

**Section 9.** *Notice* - Notice of the regular or special meeting of the Board, specifying the date, time and place of the meeting, shall be communicated by the Secretary to each trustee personally, or by telephone, electronic mail or by written message, i.e., SMS and other means of written or electronic communication. A director may waive this requirement, either expressly or impliedly. For this purpose, it shall be agreed that the Corporation shall rely on the contact details provided by each member and it is the responsibility of each member to regularly update its contact details with the Corporation for purposes of notice under these By Laws.

**Section 10.** *Venue* – Meetings of the Board of Trustees may be held anywhere in or outside the Philippines.

**Section 11.** *Quorum* - A majority of the number of trustees as fixed in the Articles of Incorporation shall constitute a quorum for the transaction of corporate business and every decision of at least a majority of the trustees present at a meeting at which there is a quorum shall be valid as a corporate act, except for the election of officers which shall require the vote of a majority of all the members of the Board.

**Section 12.** *Conduct of the Meetings* - Meetings of the Board of Trustees shall be presided over by the Chairman of the Board, or in his absence, by any other director chosen by the Board. The Secretary, shall act as secretary of every meeting, if not present, the Chairman of the meeting, shall appoint a secretary of the meeting.

## ARTICLE II TRUSTEES

**Section 1.** *Board of Trustees* - The corporate powers of the Corporation shall be exercised, its business conducted and its property controlled by the Board of Trustees.

**Section 2.** *Powers of the Board of Trustees* - Unless otherwise provided by law, the corporate powers of the corporation shall be exercised, all business conducted and all property of the corporation controlled and held by the Board of Trustees, to be elected by and from among the members. The first seven (15) members of Board of Trustees shall be those named in the Articles of Incorporation who shall serve as such until their successors shall have been elected and qualified.

Without prejudice to such powers as may be granted by law, the Board of Trustees shall also have the following powers:

- a.) From time to time, to make and change rules and regulations not inconsistent with these by-laws for the management of the corporation's business and affairs;
- b.) To purchase, receive, take or otherwise acquire in any lawful manner, for and in the name of the corporation, any and all properties, rights, or privileges, including securities and bonds of other corporations, as the transaction of the business of the corporation may reasonably or necessarily require for such consideration and upon such terms and conditions as the Board may deem proper or convenient;
- c.) To invest the funds of the corporation in other corporations or for purposes other than those for which the corporation was organized whenever in the judgment of the Board of Trustees the interests of the corporation would thereby be promoted, subject to such members' approval as may be required by law;
- d.) To incur such indebtedness as the Board may deem necessary, and, for such purpose, to make and issue evidence of such indebtedness including without limitation, to notes, deeds of trust, bonds, debentures, or securities, subject to such members' approval as may be required by law, and/or pledge, mortgage, or otherwise encumber all or part of the properties of the corporation;
- e.) To guarantee, for and in behalf of the corporation, obligations of other corporations or entities in which it has lawful interest;
- f.) To make provisions for the discharge of the obligations of the corporation as they mature, including payment for any property,

or in stocks, bonds, debentures, or other securities of the corporation lawfully issued for the purpose;

- g.) To impose conditions as the Board may deem convenient, subject to the limitations prescribed by law, regarding the transfer of shares issued in total or partial payment of debt contracted or properties acquired by, or services rendered to the corporation;
- h.) To sell, lease, exchange, assign, transfer or otherwise dispose of any property, real or personal, belonging to the corporation whenever in the Board's judgment the corporation's interest would thereby be promoted;
- i.) To establish pension, retirement, bonus, profit sharing, or other types of incentives or compensation plans for the employees, including officers and trustees of the corporation and to determine the persons to participate in any such plans and the amount of their respective participants;
- j.) To prosecute, maintain, defend, compromise or abandon any lawsuit in which the corporation or its officer are either plaintiffs or defendants in connection with the business of the corporation and likewise to grant installments for the payments or settlement of whatsoever debts or payments of the corporation;
- k.) To delegate, from time to time, any of the powers of the Board which may lawfully be delegated in the course of the current business of the corporation to any standing or special committee or to any officer or agent and to appoint any person to be agent of the corporation with such powers and upon such terms as may be deemed fit;
- l.) To implement these by-laws and to act on any matter not covered by these by-laws, provided such matter does not require the approval or consent of the members under the Corporation Code and other existing law, rules and regulation.

**Section 2.** *Qualifications* – The Board shall prescribe rules on the qualifications, nominations and election of the members of the Board, from time to time. Such rules shall be prospective in nature and shall take effect on the next term of the Board of Trustees; under no circumstances shall the said rules be applicable to the Board of Trustees approving the same.

- a) The Board may create a Nominations Committee that shall screen and shortlist individuals who are qualified to become members of the Board of Trustees of the Corporation, to ensure that all nominees are fit to be elected to the Board and possesses the qualifications and none of the disqualification provided for by law and the Corporation's By Laws.

b) Qualifications of Board of Trustees. No member shall be eligible for election to the Board of Trustees unless he/she has the following qualifications:

1. Must be a practicing OB-GYN specialist
2. Actively practicing OB-GYN
3. Specialist in any one of the member hospitals
4. Must have the favorable endorsement of the member hospital from where he/she belongs.
5. He/she shall have proven to possess integrity and probity;  
and
6. He/she must be strategic, collaborative and outspoken.

Any additional qualifications in order to further clarify the foregoing shall be issued by the Nomination Committee, with the knowledge and consent of the Board.

c) Grounds for Disqualification

1. Any person finally convicted judicially of an offense involving moral turpitude or fraudulent Act or transgression or any act punishable by revocation of license to practice profession by the applicable government agency governing the particular practice of profession.
2. Any person finally found by the Securities and Exchange Commission or a court or other administrative body to have wilfully violated, or wilfully aided, abetted, counselled, induced or procured the violation of, any of the provision of the Securities Regulation Code, the Corporation Code, or any other law administered by the Commission or Bangko Sentral ng Pilipinas, or any rule, regulation or order of the Commission or Bangko Sentral ng Pilipinas;
3. Any person judicially declared to be insolvent;
4. Any person finally found guilty by a foreign court or equivalent financial regulatory authority of acts, violations, or misconduct similar to any of the acts, violations or misconduct listed in the foregoing paragraphs; and
5. Conviction by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Corporation Code, committed within five (5) years prior to the date of his or her election or appointment

d) Grounds for Temporary Disqualification

1. Disrupting or tending to disrupt the operations and order in the Corporation and through deliberate refusing to cooperate or observe the policies implemented and/or go through grievance procedures and amicable settlement of disputes or differences. This disqualification shall apply for the next two (2) years following such event.
2. Resignation or removal from the Board in the past two (2) terms of the Board
3. Absence or non-participation for whatever reason/s for more than fifty percent (50%) of all meetings, both regular and special, of the Board of Trustees during his incumbency, or any twelve (12) month period during said incumbency. This disqualification applies for purposes of the succeeding election;
4. Dismissal / termination from trusteeship in another corporation. This disqualification shall be in effect until he has cleared himself of any involvement in the alleged irregularity;
5. Being under preventive suspension by the Corporation;
6. Conviction that has not yet become final referred to in the ground for the disqualification of trustees.

e) Other Guidelines in the determination of eligibility to be a member of the Board of Trustees:

1. Representation to the Board, particularly on whether he has been a former member of the Board.
2. Physical capacity to be a director of the Corporation;
3. Nature of the business of other corporations where he is a director;
4. Number of trusteeship/active membership and officerships in other corporations or organizations; and
5. Possible conflict of interest as defined by the Board.

**Section 3.** *Disqualification of Trustees or Officers* - No member convicted by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Corporation Code of the Philippines committed within five (5) years prior to the date of his election or appointment, shall qualify as a trustee or officer.

**Section 4. *Election of Trustees.*** – The election of the Board of Trustees for the ensuing year shall be conducted during the annual or special meeting of the members. Members shall vote for the number of trustees required to fill the Board, from the list of nominees presented by the Board in such meeting called for the purpose; provided, however, that each member hospital shall not have more than two (2) representatives/members in the Board of Trustees at any term.

**Section 5. *Term of Office of Trustees*** - The trustees shall hold office for one year and until their successors are duly elected and qualified.

**Section 6. *Vacancies.*** – Any vacancy occurring in the Board of Trustees other than by removal by the members or by expiration of term, may be filled by the vote of at least a majority of the remaining trustees, if still constituting a quorum; otherwise, the vacancy must be filled by the members at a regular or at any special meeting called for the purpose. A trustee so elected to fill a vacancy shall be elected only for the unexpired term of his/her predecessor in office.

The vacancy resulting from the removal of a trustee by the members in the manner provided by law may be filled by election at the same meeting of members without further notice, or at any regular or at any special meeting called for the purpose, after giving notice as prescribed in these by-laws.

Any trusteeship to be filled by reason of an increase in the number of trustees shall be filled only by an election at a regular or special meeting called for the purpose, after giving notice as prescribed in this by-laws.

**Section 7. *Compensation*** – The Trustees shall not receive any compensation as such trustees, except for reasonable per diems. Any compensation may be granted to trustees by the vote of the members representing at least a majority of the membership at a regular or special members' meeting. In no case shall the total yearly compensation of trustees, as such trustees, exceed ten percent (10%) of the net income before income tax of the corporation during the preceding year.

### **ARTICLE III OFFICERS**

**Section 1. *Election / Appointment*** - Immediately after their election, the Board of Trustees shall formally organize by electing the Chairman, President, the Treasurer, and the Secretary at said meeting, the latter two not necessarily being trustees. At said meeting, the Board may also appoint an Assistant Treasurer and Assistant Secretary, all of whom need not be trustees of the corporation, and who shall be referred to as by-laws officers.

The Board may, from time to time, appoint such other officers as it may determine to be necessary or proper. Any two (2) or more positions may be held concurrently by the same person, except that no one shall act as President and Treasurer or Secretary at the same time.

**Section 2.** *Term of Office of Officers* - All officers of the Corporation shall hold office for one year and until their successors are duly elected and qualified.

#### **ARTICLE IV FUNCTIONS & POWERS OF OFFICERS**

**Section 1.** *Chairman of the Board* – the Chairman of the Board of Trustees shall preside at the meetings of the trustees and members. He shall also exercise such powers and perform such duties as the Board of Trustees may assign to him.

**Section 2.** *President* - The President, who shall be a director, shall be the Chief Executive Officer of the corporation and shall also have administration and direction of the day-to-day business affairs of the corporation. He shall exercise the following functions:

- a.) To preside at the meetings of the Board of Trustees and of the members in the absence of the Chairman of the Board of Trustees;
- b.) To initiate and develop corporate objectives and policies and formulate long range projects, plans and programs for the approval of the Board of Trustees, including those for executive training, development and compensation;
- c.) To ensure that the administrative and operational policies of the corporation are carried out under his supervision and control;
- d.) To supervise and manage the business affairs of the corporation upon the direction of the Board of Trustees;
- e.) To execute all resolutions and/or decisions of the Board of Trustees.
- f.) Subject to guidelines prescribed by law, to appoint remove, suspend or discipline employees of the corporation, prescribe their duties, and determine their salaries;
- g.) To oversee the preparation of the budgets and the statements of accounts of the corporation;
- h.) To prepare such statement and reports of the corporation as may be required of him by law;
- i.) To represent the corporation at all functions and proceedings;
- j.) To execute on behalf of the corporation all contracts, agreements and other instruments affecting the interests of the corporation which require the approval of the Board of Trustees;

- k.) To make reports to the Board of Trustees and members;
- l.) To sign certificates of stock;
- m.) To perform such other duties as are incident to his office or are entrusted to him by the Board of Trustees.

**Section 3.** *Vice-President* - The Vice-President, if qualified, shall exercise all powers and perform all duties of the President during the absence or incapacity of the latter and shall perform duties that maybe assigned by the Board of Trustees.

**Section 4.** *The Secretary* - The Secretary must be a resident and a citizen of the Philippines. He/she 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/she shall have the following specific powers and duties:

- a.) To record or see to the proper recording of the minutes and transactions of all meetings of the trustees and the members and to maintain minute books of such meetings in the form and manner required by law;
- b.) To keep or cause to be kept record books showing the details required by law with respect to the stock certificates of the corporation, including ledgers and transfer books showing all shares of the corporation subscribed, issued and transferred;
- c.) To keep the corporate seal and affix it to all papers and documents requiring a seal, and to attest by his signature all corporate documents requiring the same;
- d.) To attend to the giving and serving of all notices of the corporation required by law or these by-laws to be given;
- e.) To certify to such corporate acts, countersign corporate documents or certificates, and make reports or statements as may be required of him by law or by government rules and regulations;
- f.) To act as inspector at the election of trustees and, as such, to determine the number of shares of stock outstanding and entitled to vote, the shares of stock represented at the meeting, the existence of a quorum, the validity and effect of proxies, and to receive votes, ballots or consents, hear and determine questions in connection with the right to vote, count and tabulate all votes, determine the result, and do such acts as are proper to conduct the election. The Secretary may assign the exercise or performance of any or all of the foregoing duties, powers and

functions to any other persons or person, subject always to his supervision and control;

- g.) To perform such other duties as are incident to his office or as may be assigned to him by the Board of Trustees or the President.

**Section 5.** *Assistant Secretary* – In the absence of disability of the Secretary, the Assistant Secretary shall act in his or her place and perform his or her duty. The Secretary may, subject always to his supervision and control, delegate any and all of his powers, duties and functions to the Assistant Secretary. The Assistant Secretary shall also perform such other duties as may from time to time be assigned to him by the board of trustees.

**Section 6.** *Treasurer* - The Treasurer of the corporation shall have the following duties:

- a.) To keep full and accurate accounts of receipts and disbursements in the books of the corporation;
- b.) To have custody of, and be responsible for, all the funds, securities and bonds of the corporation;
- c.) To deposit in the name and to the credit of the corporation, in such bank as may be designated from time to time by the Board of Trustees, all the moneys, funds, securities, bonds, and similar valuable effects belonging to the corporation which may come under his control;
- d.) To render an annual statements showing the financial condition of the corporation and such other financial reports as the Board of Trustees, or the President may, from time to time require;
- e.) To prepare such financial reports, statements, certifications and other documents which may, from time to time, be required by government rules and regulations and to submit the same to the proper government agencies;
- f.) To exercise such powers and perform such duties and functions as may be assigned to him by the President.

**Section 7.** *Assistant Treasurer* – In the absence of the Treasurer, the Assistant Treasurer, shall act in his or her place and perform his or her duties. The Treasurer may, at his or her request or in his or her disability, delegate and or all of his or her powers, duties and functions to the Assistant Treasurer. The Assistant Treasurer shall also perform such other duties as m may time to time be assigned to him by the President.

**Section 8.** *Term of Office* - The term of office of all officers shall be one (1) year and until their successors are duly elected and qualified.

**Section 9.** *Vacancies* - If any position of the officers becomes vacant by reason of death, resignation, disqualification or for any other cause, the Board of Trustees, by majority vote may elect a successor who shall hold office for the unexpired term.

**Section 10.** *Compensation* - The officers shall receive such remuneration as the Board of Trustees may determine. All other officers shall receive such remuneration as the Board of Trustees may determine upon recommendation of the President. A director shall not be precluded from serving the corporation in any other capacity as an officer, agent or otherwise, and receiving compensation therefor.

## **ARTICLE V MEMBERS**

**Section 1.** *Qualifications for Membership* – Each member must at least be a practicing OB-GYN specialist, actively practicing OB-GYN from any of the member hospitals. In addition thereto, the Board may, from time to time, determine any additional qualifications of an applicant for membership as it may deem necessary and required for the Corporation.

**Section 2.** *Rights of Members* - A member shall have the following rights:

- a. To exercise the rights to vote on all matters relating to the affairs of the Corporation;
- b. To be eligible to any elective or appointive office of the Corporation;
- c. To participate in all deliberations/ meetings of the Corporation;
- d. To avail of all the facilities of the Corporation;
- e. To examine all the records or books of the Corporation during business hours.

**Section 3.** *Duties and Responsibilities of the Members* - A member shall have the following duties and responsibilities:

- a. To obey and comply with the by-laws, rules and regulations that may be promulgated by the Corporation from time to time;
- b. To attend all meetings that may be called by the Board of Trustees;
- c. To pay membership dues and other assessments of the Corporation.

## **ARTICLE VI SUSPENSION, EXPULSION AND TERMINATION OF MEMBERSHIP**

Suspension, expulsion and termination of membership, shall be in accordance with the rules and regulations of the Corporation, taking into main consideration the members' non-compliance or violation or willful or negligent disregard of his/her duties and responsibilities as a member of the Corporation.

Any member of the Corporation may file charges against a member by filing a written complaint with the Secretary of the Corporation. The Board of Trustees shall call a special meeting to consider the charges. The affirmative vote of majority of all the trustees shall be necessary to suspend a member; Provided that where the penalty is expulsion, the affirmative vote of majority of all the members of the Corporation shall be necessary.

## **ARTICLE VII FUNDS**

**Section 1.** *Funds* - The funds of the Corporation shall be derived from admission fees, annual dues and special assessments of members, gifts, or donations.

**Section 2.** *Disbursements* - Withdrawal from the funds of the Corporation, whether by check or any other instrument shall be signed by the Treasurer and countersigned by the President. If necessary, the Board of Trustees may designate other signatories.

**Section 3.** *Fiscal Year* - The fiscal year of the Corporation shall be from January 1st to December 31 of each year.

## **ARTICLE VIII CORPORATE SEAL**

**Section 1.** *Form* - The corporate seal of the Corporation shall be in such form and design as may be determined by the Board.

## **ARTICLE IX AMENDMENTS OF THE BY-LAWS**

**Section 1.** *Amendments* - These by-laws, or any provision thereof, may be amended, repealed or new by-laws adopted by a majority vote of the members and by a majority vote of the Trustees at any regular or special meeting duly held for the purpose.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_ , in \_\_\_\_\_ by  
the affirmative vote of the undersigned members:

**TRINIDAD VERA**

**GRACE DELOS ANGELES**

**FLORENTINA VILLANUEVA**

**MELINDA CATHERINE PANGILINAN**

**JANETTE TUQUERO**

**MA. CECILIA VICENCIO**

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**SUSAN LAZAGA**