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**SECURITIES AND EXCHANGE COMMISSION**

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# COVER SHEET

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SEC Registration No.

F O R U M P A C I F I C , I N C.

(Company's Full Name)

3 5 T H F L R. O N E C O R P O R A T E C E N T E R

D O Ñ A J U L I A V A R G A S C O R. M E R A L C O

A V E., O R T I G A S C E N T E R, P A S I G C I T Y

(Business Address : No. Street City / Town / Province)

Atty. Arsenio A. Alfiler, Jr.

Contact Person

687-7536/706-7888

Contact Telephone No.

C O R P O R A T E G O V E R N A N C E  
D I S C L O S U R E S U R V E Y

1 2 3 1

Fiscal Year

FORM TYPE

Month Day  
Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

889

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

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# **THE PHILIPPINE STOCK EXCHANGE, INC.**

## **Corporate Governance Guidelines For Listed Companies**

**Disclosure Template for the Year 2015 – Forum Pacific, Inc.**

	APPLY	EXPLAIN
<b>Guidelines No.1: DEVELOPS AND EXECUTES A SOUND BUSINESS STRATEGY</b>		
1.1 Have a clearly defined vision, mission and core values.	✓	<p>The Company's vision, mission and core values are stated in its website.</p> <p>Source:  <a href="http://forumpacific.com/visionmissionvalues.html">http://forumpacific.com/visionmissionvalues.html</a></p>
1.2 Have a well-developed business strategy.	✓	<p>The Company's business strategy is included in its website, Annual Corporate Governance Report (ACGR) and *Annual Report (SEC Form 17-A)</p> <p>Source:  <a href="http://forumpacific.com/secfilings.html">http://forumpacific.com/secfilings.html</a>  <a href="http://forumpacific.com/acgr.html">http://forumpacific.com/acgr.html</a></p> <p><i>*2015 Company Annual Report information are updated according to the cover period of submission. Appropriate submission deadline shall be followed. Please refer to <a href="http://forumpacific.com/secfilings.html">http://forumpacific.com/secfilings.html</a> for the 2015 Annual Report.</i></p>
1.3 Have a strategy execution process that facilitates effective performance management, and is attuned to the company's business environment, management style and culture.	✓	<p>The Company's strategy execution process is aligned with its risk management objectives and framework. This information is included in the Company's SEC Form 17-A and identified in its ACGR.</p> <p>Source:  <a href="http://forumpacific.com/secfilings.html">http://forumpacific.com/secfilings.html</a>  <a href="http://forumpacific.com/acgr.html">http://forumpacific.com/acgr.html</a></p>



## CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY

Company Name: **FORUM PACIFIC, INC.**Date: **March 7, 2016**

<p>1.4 Have its board continually engaged in discussions of strategic business issues.</p>	<p>✓</p> <p>Included in the specific duties and responsibilities of the Board as prescribed in the Company's Revised CG Manual is to oversee the formulation and implementation of sound strategic policies and guidelines on major capital expenditures, business strategies, plans and policies and periodically evaluate Management's overall performance.</p> <p>Source: <a href="http://forumpacific.com/manualoncorporategovernance.html">http://forumpacific.com/manualoncorporategovernance.html</a></p>
<p><b>Guidelines No.2: ESTABLISHES A WELL-STRUCTURED AND FUNCTIONING BOARD</b></p>	
<p>2.1 Have a board composed of directors of proven competence and integrity.</p>	<p>✓</p> <p>Company website section of about Our Company: "Board of Directors and Management" to read about director's profile</p> <p>Source: <a href="http://forumpacific.com/boardofdirectorsandmanagement.html">http://forumpacific.com/boardofdirectorsandmanagement.html</a></p>
<p>2.2 Be led by a chairman who shall ensure that the board functions in an effective and collegial manner.</p>	<p>✓</p> <p>Company website section of about Our Company: "Board of Directors and Management" to read about profile of FPI Chairman, Mr. Rogelio D. Garcia.</p> <p>Source: <a href="http://forumpacific.com/boardofdirectorsandmanagement.html">http://forumpacific.com/boardofdirectorsandmanagement.html</a></p>

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<p>2.3 Have at least three (3) or thirty percent (30%), whichever is higher, of its directors as independent directors.</p>	<p>✓ FPI currently has 11-seat Board with two (2) Independent Directors. The number of independent director is in accordance with the requirements of the Securities Regulation Code.</p> <p>Source Document: FPI Revised Manual of Corporate Governance <a href="http://forumpacific.com/manualoncorporategovernance.html">http://forumpacific.com/manualoncorporategovernance.html</a></p> <p>Article 3: Board Governance; Section (A) Composition of the Board The Board shall have at least two (2) independent directors or such number of independent directors that constitutes twenty (20%) of the members of the Board, whichever is lesser, but in no case less than two (2).</p>
<p>2.4 Have in place written manuals, guidelines and issuances that outline procedures and processes.</p>	<p>✓ Manuals, guidelines and issuances are accessible for reading and reference by its officers and employees on the Company's website under Corporate Governance Manual, ACGR and Code of Ethics.</p> <p>Source: <a href="http://forumpacific.com/manualoncorporategovernance.html">http://forumpacific.com/manualoncorporategovernance.html</a> <a href="http://forumpacific.com/acgr.html">http://forumpacific.com/acgr.html</a> <a href="http://forumpacific.com/codeofbusinessconductandethics.html">http://forumpacific.com/codeofbusinessconductandethics.html</a></p>

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<p>2.5 Have Audit, Risk, Governance and Nomination and Election Committees.</p>	<p>✓ Have Audit and Nomination Committee. The Company does not have separate Risk and Governance Committees. The Audit Committee's mandate includes the assessment and management of enterprise risks. The Compliance Officer and Corporate Secretary are responsible for governance matters, which are extensively and regularly discussed at the Board level.</p> <p>FPI website section: Board Committees under Corporate Governance section</p> <p>Source: <a href="http://forumpacific.com/boardcommittees.html">http://forumpacific.com/boardcommittees.html</a></p> <p><b>Audit Committee Charter</b> <a href="http://forumpacific.com/Audit%20Committe%20Charter.pdf">http://forumpacific.com/Audit%20Committe%20Charter.pdf</a></p> <p><b>Nomination Committee Charter</b> <a href="http://forumpacific.com/Nomination%20Committee%20Charter.pdf">http://forumpacific.com/Nomination%20Committee%20Charter.pdf</a></p>
<p>2.6 Have its Chairman and CEO positions held separately by individuals who are not related to each other.</p>	<p>✓ FPI website section of Home-Our Company under Board of Directors and Management section. FPI Chairman, Mr. Rogelio D. Garcia, is not related to the President/CEO, Mr. Peter S. Salud.</p> <p>Source: <a href="http://forumpacific.com/boardofdirectorsandmanagement.html">http://forumpacific.com/boardofdirectorsandmanagement.html</a></p>



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<p>2.7 Have a director nomination and election process that ensures that all shareholders are given the opportunity to nominate and elect directors individually based on the number of shares voted.</p>	<p>✓</p> <p>Company By-Laws Article III Board of Directors. Section 11 (page 6)</p> <p>Source:  <a href="http://forumpacific.com/ABL%20Dated%20Sept302011.pdf">http://forumpacific.com/ABL%20Dated%20Sept302011.pdf</a></p> <p>Company's revised Manual on Corporate Governance. Article 6: Stockholders' Right and Protection of Minority Stockholders' Interests</p> <p>Source:  <a href="http://forumpacific.com/Revised%20Manual%20on%20Corporate%20Governance%207312014.pdf">http://forumpacific.com/Revised%20Manual%20on%20Corporate%20Governance%207312014.pdf</a></p>
<p>2.8 Have in place a formal board and director development program.</p>	<p>--</p> <p>The members of the Company's Board are seasoned directors with extensive business experience. A "formal" board and director development program is not seen as necessary, but directors are often suggested to attend CG seminars for updates and development. New directors are briefed and oriented regarding Company's operations and particular concerns of the Company.</p> <p>In compliance with SEC Memorandum Circular No. 20 series of 2013, the company required all its directors and key officers to attend at least one corporate governance seminar per year.</p>
<p>2.9 Have a corporate secretary.</p>	<p>✓</p> <p>Appointed Atty. Arsenio A. Alfiler, Jr.  Refer to company website under Company Disclosure section "Results of Organizational Meeting of the Board of Directors" last October 22, 2015</p> <p>Source:  <a href="http://forumpacific.com/otherdisclosuretosecpse.html">http://forumpacific.com/otherdisclosuretosecpse.html</a></p>



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2.10 Have no shareholder agreement, by-laws provisions, or other arrangements that constrains the	✓	None to FPI's knowledge.
<b>Guidelines No. 3: MAINTAINS A ROBUST INTERNAL AUDIT AND CONTROL SYSTEM</b>		
3.1 Establish the internal audit function as a separate unit in the company which would be overseen at the Board level.	✓	Internal audit functions are stated on Company website under Corporate Governance section as stated in ACGR (page 26 -28) and Manual on Corporate Governance  Source: <a href="http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%202014.pdf">http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%202014.pdf</a>
3.2 Have a comprehensive enterprise-wide compliance program that is annually reviewed.	✓	Concerned Executives of the Company are required to monitor and supervise the compliance of their respective assigned areas. Checklist are being instituted and reviewed annually.  Company website under Corporate Governance section as stated in ACGR (page 26 -28) and Manual on Corporate Governance  Source: <a href="http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%202014.pdf">http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%202014.pdf</a>
3.3 Institutionalize quality service programs for the internal audit function.	✓	Internal audit functions are stated on Company website under Corporate Governance section as stated in ACGR (page 26 -28) and Manual on Corporate Governance  Source: <a href="http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%202014.pdf">http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%202014.pdf</a>

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<p>3.4 Have in place a mechanism that allows employees, suppliers and other stakeholders to raise valid issues.</p>	<p>✓ Please refer to company's whistle blowing policy under Corporate Governance section on the Company's website. The website also accepts email for any suggestions, queries and issues that employees, suppliers and other stakeholders would like to raise.</p> <p>Source: <a href="http://forumpacific.com/Whistle-blowing%20Policy.pdf">http://forumpacific.com/Whistle-blowing%20Policy.pdf</a></p>
<p>3.5 Have the Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.</p>	<p>✓ The Audit Committee submits to the Board of Directors (BOD) an annual Committee Report signed by the Chairman and all Committee members. The report contains the Committee's performance in assisting the BOD in fulfilling its oversight responsibility to the shareholders relating to a) financial statements and financial reporting processes; b) system of internal controls; c) risk management; d) performance of internal and independent auditors; and e) compliance with the legal and regulatory matters. The Audit Committee Chairman is reporting functionally to the Audit Committee</p> <p>Both the Company President and Audit Committee Chairman attest and duly execute the Audit Committee Report.</p>
<p><b>Guidelines No. 4:</b> <b>RECOGNIZES AND MANAGES ITS ENTERPRISE RISKS</b></p>	
<p>4.1 Have its board oversee the company's risk management function.</p>	<p>✓ Manual on Corporate Governance. Duties and Responsibilities of the Board of Directors and Board Committees (Page 14-15).</p> <p>Source: <a href="http://forumpacific.com/Revised%20Manual%20on%20Corporate%20Governance%207312014.pdf">http://forumpacific.com/Revised%20Manual%20on%20Corporate%20Governance%207312014.pdf</a></p>



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<p>4.2 Have a formal risk management policy that guides the company's risk management and compliance processes and procedures.</p>	<p>✓</p>	<p>Annual Corporate Governance Report (ACGR) 2014 (page 26) under the Corporate Governance section of the company website and Manual on Corporate Governance.</p> <p>Source:  <a href="http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%202014.pdf">http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%202014.pdf</a></p>
<p>4.3 Design and undertake its Enterprise Risk Management (ERM) activities on the basis of, or in accordance with, internationally recognized frameworks such as but not limited to, COSO, (The Committee of Sponsoring Organizations of the Treadway Commission) I and II.</p>	<p>--</p>	<p>No Enterprise Risk Management activities. During the previous years, we have not encountered any instances that necessitated the need to form ERM. The Management and the Board of Directors are evaluating the enterprise risk every year.</p>
<p>4.4 Have a unit at the management level, headed by Risk Management Officer (RMO).</p>	<p>--</p>	<p>The Audit Committee has oversight responsibility for risk management as part of its scope in auditing the Company's operations. However, no one particular officer is formally designated as over-all "Risk Management Officer".</p>
<p>4.5 Disclose sufficient information about its risk management procedures and processes as well as the key risks the company is currently facing including how these are being managed.</p>	<p>✓</p>	<p>Annual Corporate Governance Report (ACGR) 2014 (page 26) under the Corporate Governance section of the company website and Manual on Corporate Governance.</p> <p>Source:  <a href="http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%202014.pdf">http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%202014.pdf</a></p>
<p>4.6 Seek external technical support in risk management when such competence is not available internally.</p>	<p>✓</p>	<p>All risks (financial and non-financial) pertaining to the business of the company are regularly monitored and managed by the Board of Directors (BOD) through the Audit Committee and Management. The Management will consider seeking external technical support in risk management if need arises.</p>



<b>Guidelines No. 5:</b> <b>ENSURES THE INTEGRITY OF FINANCIAL REPORTS AS WELL AS ITS EXTERNAL AUDITING</b>		
5.1 Have the board Audit Committee approve all non-audit services conducted by the external auditor. The Committee should ensure that the non-audit fees do not outweigh the fees earned from the external audit.	✓	All External Auditor reports are subject to Audit Committee approval. Refer to Company's Annual Report (SEC Form 17-A) page 18 and Audit Committee Charter  <i>Source:</i> <a href="http://forumpacific.com/FPI%20-%20SEC%20Form%2017-A%202014%20with%20ACGR%20(1).pdf">http://forumpacific.com/FPI%20-%20SEC%20Form%2017-A%202014%20with%20ACGR%20(1).pdf</a>  <a href="http://forumpacific.com/Audit%20Committe%20Charter.pdf">http://forumpacific.com/Audit%20Committe%20Charter.pdf</a>
5.2 Ensure that the external auditor is credible, competent, and should have the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	✓	Refer to Company's Annual Report (SEC Form 17-A) page 18 and Audit Committee Charter.  <i>Source:</i> <a href="http://forumpacific.com/FPI%20-%20SEC%20Form%2017-A%202014%20with%20ACGR%20(1).pdf">http://forumpacific.com/FPI%20-%20SEC%20Form%2017-A%202014%20with%20ACGR%20(1).pdf</a>  <a href="http://forumpacific.com/Audit%20Committe%20Charter.pdf">http://forumpacific.com/Audit%20Committe%20Charter.pdf</a>
5.3 Ensure that the external auditor has adequate quality control procedures.	✓	Considered during the evaluation of external auditor. In 2015, Diaz Murillo Dalupan and Company (DMDC) was evaluated and upon finding that the quality control procedures are found adequate, DMDC was re-appointed upon endorsement by the Audit Committee.  Definitive Information Statement (SEC Form 20-IS) page 13. <i>Source:</i> <a href="http://forumpacific.com/Definitive%2020-IS%20-%20September%202015%202015.pdf">http://forumpacific.com/Definitive%2020-IS%20-%20September%202015%202015.pdf</a>
5.4 Disclose relevant information on the external auditors.	✓	Definitive Information Statement (SEC Form 20-IS) page 13. <i>Source:</i> <a href="http://forumpacific.com/Definitive%2020-IS%20-%20September%202015%202015.pdf">http://forumpacific.com/Definitive%2020-IS%20-%20September%202015%202015.pdf</a>

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<p>5.5 Ensures that the external audit firm is selected on the basis of a fair and transparent tender process.</p>	<p>✓ Auditor is selected by Audit Committee and approved by the stockholders during ASM. Definitive Information Statement (SEC Form 20-IS) page 13. <a href="http://forumpacific.com/Definitive%2020-IS%20-%20September%2015%202015.pdf">http://forumpacific.com/Definitive%2020-IS%20-%20September%2015%202015.pdf</a></p>
<p>5.6 Have its audit committee conduct regular meetings and dialogues with the external audit team without anyone from management present.</p>	<p>✓ In 2015, the Company's non-executive directors met 4 times without the presence of executive directors. Among the items discussed were the operations and financial reports presented by the Management for the four (4) quarters, corporate governance policies and reports of compliance to such reports of the external auditors and performance assessment of the President/CEO. Annual Corporate Governance Report (ACGR), page 38. <a href="http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%202014.pdf">http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%202014.pdf</a></p>
<p>5.7 Have the financial reports attested to by the Chief Executive Officer and Chief Financial Officer.</p>	<p>✓ Please refer to "Statement of Management Responsibility" in the 2014 Annual Report (SEC Form 17-A), page 31. <a href="http://forumpacific.com/FPI%20-%20SEC%20Form%2017-A%202014%20with%20ACGR%20(1).pdf">http://forumpacific.com/FPI%20-%20SEC%20Form%2017-A%202014%20with%20ACGR%20(1).pdf</a></p>
<p>5.8 Have a policy of rotating the lead audit partner every five years.</p>	<p>✓ Considered during the evaluation of external auditor. In 2015, Diaz Murillo Dalupan and Company (DMDC) was evaluated and upon finding that the quality control procedures are found adequate, DMDC was re-appointed upon endorsement by the Audit Committee. The lead audit partner is Mr. Jozel Francisco C. Santos since 2014. He replaced Ms. Rosemary D. De Mesa after the latter has been lead audit partner for 5 years. Definitive Information Statement (SEC Form 20-IS) page 13. <a href="http://forumpacific.com/Definitive%2020-IS%20-%20September%2015%202015.pdf">http://forumpacific.com/Definitive%2020-IS%20-%20September%2015%202015.pdf</a></p>



Guidelines No. 6: RESPECTS AND PROTECTS THE RIGHTS OF ITS SHAREHOLDERS, PARTICULARLY THOSE THAT BELONG TO THE MINORITY OR NON-CONTROLLING GROUP		
6.1 Adopt the principle of "one share, one vote."	✓	<p>Amended By-Laws Section 7. <a href="http://forumpacific.com/ABL%20Dated%20Sept302011.pdf">http://forumpacific.com/ABL%20Dated%20Sept302011.pdf</a></p> <p>Definitive Information Statement (SEC Form 20-IS) page 5. <a href="http://forumpacific.com/Definitive%2020-IS%20-%20Septemb%2015%202015.pdf">http://forumpacific.com/Definitive%2020-IS%20-%20Septemb%2015%202015.pdf</a></p> <p>Annual Corporate Governance Report (ACGR) 2014 page 35. <a href="http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%202014.pdf">http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%202014.pdf</a></p>
6.2 Ensure that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	✓	<p>Annual Corporate Governance Report (ACGR) 2014 page 33-36. <a href="http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%202014.pdf">http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%202014.pdf</a></p> <p>Definitive Information Statement (SEC Form 20-IS) page 5-6. <a href="http://forumpacific.com/Definitive%2020-IS%20-%20Septemb%2015%202015.pdf">http://forumpacific.com/Definitive%2020-IS%20-%20Septemb%2015%202015.pdf</a></p> <p>Manual on Corporate Governance page 20-21. <a href="http://forumpacific.com/Revised%20Manual%20on%20Corporate%20Governance%207312014.pdf">http://forumpacific.com/Revised%20Manual%20on%20Corporate%20Governance%207312014.pdf</a></p>
6.3 Have an effective, secure and efficient voting system.	✓	<p>Definitive information Statement (SEC Form 20-IS) page 5-6. <a href="http://forumpacific.com/Definitive%2020-IS%20-%20Septemb%2015%202015.pdf">http://forumpacific.com/Definitive%2020-IS%20-%20Septemb%2015%202015.pdf</a></p> <p>Manual on Corporate Governance page 20-21. <a href="http://forumpacific.com/Revised%20Manual%20on%20Corporate%20Governance%207312014.pdf">http://forumpacific.com/Revised%20Manual%20on%20Corporate%20Governance%207312014.pdf</a></p>



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6.4 Have effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders.	<p>✓ The Company recognizes and respects the rights of all shareholders, as provided in the relevant laws, rules and jurisprudence, including the right of cumulative voting.</p> <p>Annual Corporate Governance Report (ACGR) 2014 page 33-36.  <a href="http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%202014.pdf">http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%202014.pdf</a></p> <p>Manual on Corporate Governance page 20-21.  <a href="http://forumpacific.com/Revised%20Manual%20on%20Corporate%20Governance%207312014.pdf">http://forumpacific.com/Revised%20Manual%20on%20Corporate%20Governance%207312014.pdf</a></p>
6.5 Provide all shareholders with the notice and agenda of the annual general meeting (AGM) at least thirty (30) days before a regular meeting and twenty (20) days before a special meeting.	<p>✓ Sending of notices of meeting is in accordance with the Company's By-Laws (Section 4. Notice of Meeting).</p> <p>On October 1, 2015, 21 days prior to Annual Stockholders' Meeting (ASM), the Office of the Secretary sent the Notice of 2015 ASM and Information Statement (SEC Form 20-IS) to all stockholders of record as of September 29, 2015.  <a href="http://forumpacific.com/Notice%20of%20Annual%20Meeting%20-%202015%20September%202015.pdf">http://forumpacific.com/Notice%20of%20Annual%20Meeting%20-%202015%20September%202015.pdf</a></p>
6.6 Allow shareholders to call a special shareholders meeting, submit a proposal for consideration at the AGM or the special meeting, and ensure the attendance of the external auditor and other relevant individuals to answer shareholder questions in such meetings.	<p>✓ Annual Corporate Governance Report (ACGR) 2014 page 33-36.  <a href="http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%202014.pdf">http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%202014.pdf</a></p>
6.7 Ensure that all relevant questions during the AGM are answered.	<p>✓ 2015 ASM Minutes of Meeting</p>

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<p>6.8 Have clearly articulated and enforceable policies with respect to treatment of minority shareholders.</p>	<p>✓</p> <p>The Company is committed in respecting and protecting the rights of its shareholders, either minority or majority shareholders, as stated in its Manual of Corporate Governance Article 6. Stockholders' Rights and Protection of Minority Stockholders' Interests.  <a href="http://forumpacific.com/Revised%20Manual%20on%20Corporate%20Governance%207312014.pdf">http://forumpacific.com/Revised%20Manual%20on%20Corporate%20Governance%207312014.pdf</a></p> <p>Annual Corporate Governance Report (ACGR) 2014 page 33-36.  <a href="http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%202014.pdf">http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%202014.pdf</a></p>
<p>6.9 Avoid anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group.</p>	<p>✓</p> <p>Entrenchment of management or the existing shareholder group is avoided by ensuring that stockholders of record are informed and notified of the annual stockholders' meeting, the necessary details thereof, and are allowed to exercise their right to vote, whether in person or by proxy. The Company adheres to the requirements of the SEC and PSE with respect to the provision of proper and timely notice of annual meeting/s and has an existing policy on proxy voting, to ensure the same.</p> <p>Definitive Information Statement (SEC Form 20-IS) page 5-6.  <a href="http://forumpacific.com/Definitive%2020-IS%20-%20September%2015%202015.pdf">http://forumpacific.com/Definitive%2020-IS%20-%20September%2015%202015.pdf</a></p>
<p>6.10 Provide all shareholders with accurate and timely information regarding the number of shares of all classes held by controlling shareholders and their affiliates.</p>	<p>✓</p> <p>Information is released through PSE/SEC Disclosure and immediately posted in the Company website. Sample is the Company's Public Ownership Report as of December 31, 2015.  <a href="http://forumpacific.com/Public%20Ownership%20Report%20-%2031%20December%202015.pdf">http://forumpacific.com/Public%20Ownership%20Report%20-%2031%20December%202015.pdf</a></p>



<p>6.11 Have a communication strategy to promote effective communication with shareholders.</p>	✓	<p>Our Company website (<a href="http://www.forumpacific.com">www.forumpacific.com</a>) is the most effective, efficient and fastest way of informing our shareholders on the information they need to know about the Company and their shares of stocks. We have dedicated the following section in our website for our shareholders:</p> <p>Investor Relations – financial and operational reports (annual and quarterly reports), dividend policy, dividend declarations and notices, stockholders' meetings, updated stock price, shareholders information on the their shares of stocks and contact information in case of additional questions of information need by the shareholder.</p> <p><a href="http://forumpacific.com/investorrelationsprogram.html">http://forumpacific.com/investorrelationsprogram.html</a></p>
<p>6.12 Have at least thirty percent (30%) public float to increase liquidity in the market.</p>	✓	<p>Based on the Company's Public Ownership Report as of December 31, 2015 filed with this Honorable Office, the Company's public float is at 70.90%.</p> <p><a href="http://forumpacific.com/Public%20Ownership%20Report%20-%2031%20December%202015.pdf">http://forumpacific.com/Public%20Ownership%20Report%20-%2031%20December%202015.pdf</a></p>
<p>6.13 Have a transparent dividend policy.</p>	✓	<p>Company's Articles of Incorporation and By-Laws.</p> <p><a href="http://forumpacific.com/ABL%20Dated%20Sept302011.pdf">http://forumpacific.com/ABL%20Dated%20Sept302011.pdf</a></p>
<p><b>Guidelines No. 7:</b> <b>ADOPTS AND IMPLEMENTS AN INTERNATIONALLY-ACCEPTED DISCLOSURE AND</b></p>		
<p>7.1 Have written policies and procedures designed to ensure compliance with the PSE and SEC disclosure rules, as well as other disclosure requirements under existing laws and regulations.</p>	✓	<p>Manual of Corporate Governance Article 8. Disclosure and Transparency (page 22).</p> <p><a href="http://forumpacific.com/Revised%20Manual%20on%20Corporate%20Governance%207312014.pdf">http://forumpacific.com/Revised%20Manual%20on%20Corporate%20Governance%207312014.pdf</a></p>
<p>7.2 Disclose the existence, justification, and details on shareholders agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.</p>	✓	<p>None to FPI's knowledge.</p>



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7.3	Disclose its director and executive compensation policy.	✓	Disclosure on Item 11 - Executive Compensation at the 2014 Annual Report posted in the Company Website page 23. <a href="http://forumpacific.com/FPI%20-%20SEC%20Form%2017-A%202014%20with%20ACGR%20(1).pdf">http://forumpacific.com/FPI%20-%20SEC%20Form%2017-A%202014%20with%20ACGR%20(1).pdf</a>
7.4	Disclose names of groups of individuals who hold five percent (5%) or more ownership interest in the company, significant cross-shareholding relationship and cross guarantees, as well as the nature of the company's other companies if it belongs to a corporate group.	✓	Disclosure on Item 12 - Security Ownership of Certain Record and Beneficial Owners at the 2014 Annual Report posted in the Company Website page 24. <a href="http://forumpacific.com/FPI%20-%20SEC%20Form%2017-A%202014%20with%20ACGR%20(1).pdf">http://forumpacific.com/FPI%20-%20SEC%20Form%2017-A%202014%20with%20ACGR%20(1).pdf</a>
7.5	Disclose annual and quarterly consolidated reports, cash flow statements and special audit revisions. Consolidated financial statements shall be published within ninety (90) days from the end of the financial year, while interim reports shall be published within forty-five (45) days from the end of the reporting period.	✓	Refer to Company's website under Company Disclosure section (SEC Filings). <a href="http://forumpacific.com/secfilings.html">http://forumpacific.com/secfilings.html</a>
7.6	Disclose to shareholders and the Exchange any changes to its corporate governance manual and practices, and the extent to which such practices conform to the SEC and PSE CG Guidelines.	✓	Nothing to disclose. No changes made yet since the last update on Manual of Corporate Governance last July 2014.
7.7	Publish and/or deliver to its shareholders in a timely fashion all information and materials relevant to corporate actions that require shareholder approval.	✓	The AGM Notice together with the Definitive Information Statement provided to all shareholders 21 days prior to the ASM includes all the information that the shareholders should know and issues that requires shareholders' approval. ASM Notice is likewise immediately posted in the Company Website for immediate information and access of all shareholders. <a href="http://forumpacific.com/noticeofannualspecialstocholdersmeeting.html">http://forumpacific.com/noticeofannualspecialstocholdersmeeting.html</a>
7.8	Disclose the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This shall also include the disclosure of the company's purchase of its shares from the market (e.g share buy-back program).	✓	All trading of FPI shares by Directors and Key Officers are disclosed to PSE/SEC and published in FPI website within two trading days upon consummation of the transactions. For 2015, there is no trading of shares by directors and officers.



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7.9 Disclose in its annual report the principal risks to minority shareholders associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross- holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.	✓	2014 Annual Report for the sample of how principal risks are disclosed. Note 15 Financial Risk Management Objectives and Policies (page 62). <a href="http://forumpacific.com/FPI%20-%20SEC%20Form%2017-A%202014%20with%20ACGR%20(1).pdf">http://forumpacific.com/FPI%20-%20SEC%20Form%2017-A%202014%20with%20ACGR%20(1).pdf</a>
<b>Guidelines No. 8: RESPECTS AND PROTECTS THE RIGHTS AND INTEREST OF EMPLOYEES, COMMUNITY, ENVIRONMENT, AND OTHER STAKEHOLDERS</b>		
8.1 Establish and disclose a clear policy statement that articulates the company's recognition and protection of the rights and interests of key stakeholders specifically its employees, suppliers and customers, creditors as well the community, environment and other key stakeholder groups.	✓	The Company's Corporate Principles, published in the Company website clearly specify its commitments to protect the interests of its stakeholders.  FPI Website Section on Our Company – "Vision, Mission and Values" <a href="http://forumpacific.com/visionmissionvalues.html">http://forumpacific.com/visionmissionvalues.html</a>
8.2 Have in place a workplace development program.	✓	The Company administrative and planning functions are supplied by its affiliates but the company has in place a workplace development program for it would be employees for their competency development and professional growth. The Company's learning and development organization implements a comprehensive curriculum that covers behavioral, leadership and technical competencies.
8.3 Have in place a merit-based performance incentive mechanism such as an employee stock option plan (ESOP) or any such scheme that awards and incentivizes employees, at the same time aligns their interests with those of the shareholders.	✓	Refer to Manual of Corporate Governance, ACGR and Definitive Information Statement.
8.4 Have in place a community involvement program.	✓	Refer to Corporate Social Responsibility (CSR) section of the Company's website. On January 31, 2015, the Company has sponsored a gift giving and feeding program for the residence of Bahay Kalinga in Valenzuela City. <a href="http://forumpacific.com/corporatesocialresponsibility.html">http://forumpacific.com/corporatesocialresponsibility.html</a>



8.5 Have in place an environment-related program.	✓	Will include environment-related program to future CSR activities that the Company will conduct.
8.6 Have clear policies that guide the company in its dealing with its suppliers, customers, creditors, analysts, market intermediaries and other market participants.	✓	Our policies that guide our directors, officers, employees and business partners like Suppliers, are clearly stated in the following CG policies and are also posted in the Company Website. We have a Code of Ethics that guides all of our Directors, officers and employees on how we will deal with our suppliers, customers, creditors, market participants, shareholders and the public at large. We are guided by the governance principles of fairness, accountability, integrity and transparency. <a href="http://forumpacific.com/codeofbusinessconductandethics.html">http://forumpacific.com/codeofbusinessconductandethics.html</a>
<b>Guidelines No. 9: DOES NOT ENGAGE IN ABUSIVE RELATED-PARTY TRANSACTIONS AND INSIDER</b>		
9.1 Develop and disclose a policy governing the company's transactions with related parties.	✓	Policies in handling related party transactions are specified under the Corporate Governance section of the Company's website under "Related Party Transaction Policy" and page 15-16 of the ACGR. <a href="http://forumpacific.com/Related%20Party%20Transactions%20Policy.pdf">http://forumpacific.com/Related%20Party%20Transactions%20Policy.pdf</a>  <a href="http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%202014.pdf">http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%202014.pdf</a>
9.2 Clearly define the thresholds for disclosure and approval for RPTs and categorize such transactions according to those that are considered de minimis or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate of RPT within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.	✓	Refer to Annual Reports (SEC Form 17-A) for the disclosure of related party transactions including the balance and nature of such transactions. Threshold are subject to annual review and approval by the Audit Committee. The aggregate amount of RPT under consideration, within the preceding twelve (12) month period, shall be among the aspects considered in determining the materiality as such.



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9.3 Establish a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions in shareholders meetings.	✓ The President's report during the Annual Stockholders' Meeting, which includes among others, RPT transactions entered into by the Company for the year are being ratified by the majority stockholders by secret balloting and/or rising of hands. No such RPTs however are required to be voted by the shareholders in 2015.
9.4 Have its independent directors or audit committee play an important role in reviewing significant RPTs.	✓ Material/significant RPTs shall be reviewed and endorsed by the Audit Committee (Chairman of which is an independent director, Mr. Byoung Hyun Suh), prior to the approval of the Board. <a href="http://forumpacific.com/Related%20Party%20Transactions%20Policy.pdf">http://forumpacific.com/Related%20Party%20Transactions%20Policy.pdf</a>
9.5 Be transparent and consistent in reporting its RPTs. A summary of such transactions shall be published in the company's annual report.	✓ The Company fully disclosed all its related party transactions in its Annual Report (Note 10, page 58-60) for 2014. See sample: <a href="http://forumpacific.com/FPI%20-%20SEC%20Form%2017-A%202014%20with%20ACGR%20(1).pdf">http://forumpacific.com/FPI%20-%20SEC%20Form%2017-A%202014%20with%20ACGR%20(1).pdf</a>
9.6 Have clear policy in dealing with material non-public information by company insiders.	✓ Policy on blackout period/restriction on Trading of Shares of FPI on Corporate Governance section of the Company's website under "Policies" – Inside Trading Policy. <a href="http://forumpacific.com/Insider%20Trading%20Policy.pdf">http://forumpacific.com/Insider%20Trading%20Policy.pdf</a>

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<p>9.7 Have a clear policy and practice of full and timely disclosure to shareholders of all material transactions with affiliates of the controlling shareholders, directors or management.</p>	<p>✓ Our RPT policy requires that Material transactions, including shareholders of affiliates, controlling shareholders, directors and key officers are disclosed to PSE/SEC (form 23-B – Changes in Beneficial Ownership. Such disclosures are likewise posted in the Company website within the day of PSE/SEC Disclosure for information of shareholders. However there are no changes in directors and key officers' shareholdings for 2015.</p> <p>The Company also fully disclosed all its related party transactions in its Annual Report.</p> <p><a href="http://forumpacific.com/secfilings2.html">http://forumpacific.com/secfilings2.html</a></p>
<p><b>Guidelines No. 10: DEVELOPS AND NURTURES A CULTURE OF ETHICS, COMPLIANCE AND ENFORCEMENT</b></p>	
<p>10.1 Formally adopt a code of ethics and proper conduct that guides individual behavior and decisionmaking, clarify responsibilities, and inform other stakeholders on the conduct expected from company personnel.</p>	<p>✓ We have posted the Code of Ethics on our Company website in order to inform all our stakeholders and the public of the conduct we expect from all our Directors, officers and employees.</p> <p><a href="http://forumpacific.com/codeofbusinessconductandethics.html">http://forumpacific.com/codeofbusinessconductandethics.html</a></p>
<p>10.2 Have a formal comprehensive compliance program covering compliance with laws and relevant regulations. The program should include appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.</p>	<p>✓ The Revised Manual of Corporate Governance defines the duties of the Compliance Officer as the one responsible for monitoring and ensuring compliance of the Company with laws and relevant regulations.</p> <p><a href="http://forumpacific.com/manualoncorporategovernance.html">http://forumpacific.com/manualoncorporategovernance.html</a></p>
<p>10.3 Not seek exemption from the application of a law, rule regulation especially when it refers to a corporate governance issue. Should it do so, it has to disclose the reason for such action as well present the specific steps being taken to finally comply with the applicable law, rule or regulation.</p>	<p>✓ The Company did not seek any exemption from application of a law, rule, regulation and other related governance issues.</p>



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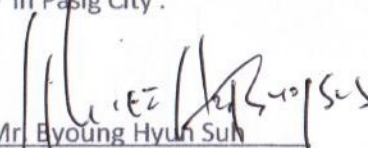
Company Name: **FORUM PACIFIC, INC.**

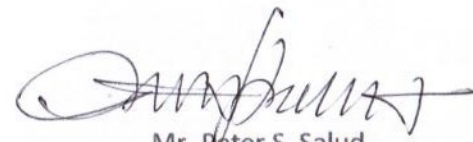
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10.4 Have clear and stringent policies and procedures on curbing and penalizing company or employee involvement in offering, paying and receiving bribes.	✓	Code of Ethics. FPI Website under Corporate Governance section. <a href="http://forumpacific.com/codeofbusinessconductandethics.html">http://forumpacific.com/codeofbusinessconductandethics.html</a>
10.5 Have a designated officer responsible for ensuring compliance with all relevant laws, rules, and regulation, as well as all regulatory requirements.	✓	The Board appointed Atty. Lamberto B. Mercado, Jr. as Compliance Officer to oversee the Company's compliance to all relevant laws, rules and regulations. See disclosure on the Result of Organizational Meeting of the Board of Directors last October 22, 2015. <a href="http://forumpacific.com/Result%20of%20Organizational%20Meeting%20of%20the%20Board%20of%20Directors%20-%202022%20October%202015.pdf">http://forumpacific.com/Result%20of%20Organizational%20Meeting%20of%20the%20Board%20of%20Directors%20-%202022%20October%202015.pdf</a>
10.6 Respect intellectual property rights.	✓	Code of Ethics on Company Information and Company Property. <a href="http://forumpacific.com/codeofbusinessconductandethics.html">http://forumpacific.com/codeofbusinessconductandethics.html</a>
10.7 Establish and commit itself to an alternative dispute resolution system so that conflicts and difference with counterparties, particularly with shareholders and other key stakeholders, would be settled in a fair and expeditious manner.	✓	Refer to ACGR page 16-17. <a href="http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%20202014.pdf">http://forumpacific.com/Annual%20Corporate%20Governance%20Report%20-%20202014.pdf</a>

This is to certify that the undersigned reviewed the contents of this document and to the best of my knowledge and belief, the information contained set forth in this documents is true, complete and correct.

Done this March 14, 2016 in Pasig City.

  
Mr. Eyoung Hyun Suh  
Independent Director

  
Mr. Peter S. Salud  
President, CEO, or Authorized Representative