**FORM OF AFFIDAVIT OF UNDERTAKING**

[Name of Shareholder], [citizenship and civil status], with residence address at [address], [state trade or business engaged in, if any] represented herein by the undersigned [name of officer], [title/designation], (the “**Shareholder**”), after having been sworn in accordance with law hereby depose and state that:

1. The undersigned Shareholder is the Shareholder of Cebu Landmasters, Inc.’s (“**CLI**” or the “**Company**”) Series A Preferred Shares (the “**Preferred Shares**”).

1. The undersigned Shareholder represents and warrants to CLI and Stock Transfer Service Inc. (“**STSI**”), in the latter’s capacity as Receiving Agent, Registrar, Stock Transfer Agent and Paying Agent, that it is, a [nature/description], specifically entitled to tax benefits provided under [tax exemption basis: statutory provision, applicability of a tax treaty, BIR ruling or opinion] resulting in [taxation benefit and its effect]. Proof of entitlement to the foregoing tax benefits are provided in the following documents which are attached to this Affidavit of Undertaking, as may be applicable:
2. In the case of tax exemption, a Bureau of Internal Revenue (“**BIR**”)-certified true copy of a valid, current, and subsisting tax exemption certificate, ruling, or opinion on tax exemption issued by the BIR addressed to the Shareholder which expressly recognizes and confirms the Shareholder’s entitlement to tax exemption, including exemption from the withholding tax on dividends;
3. With respect to reduced tax rates if the tax sparing rule pursuant to Section 28(B)(5)(b) of the National Internal Revenue Code, as amended (“**NIRC**” or “**Tax Code**”) applies, the following shall be submitted prior to dividend payment: (a) original copy of apostilled or duly authenticated tax residency certificate (or its equivalent) issued by the tax authority of the country of domicile of the Shareholder showing proof of residence or domicile of the Shareholder; (b) original copy of apostilled or duly authenticated copy of the Shareholder’s articles of incorporation or proof of establishment in its country of residence; (c) original copy of apostilled or duly authenticated special power of attorney issued by the Shareholder to its authorized representative; (d) copy of the law of the country of domicile of the Shareholder which provides for the exemption or tax credit for taxes paid in the Philippines; and (e) an authenticated document issued by the foreign tax authority of the country in which the Shareholder is domiciled showing that the foreign government allowed a credit on the tax deemed paid in the Philippines or did not impose any tax on the dividends.

Further thereto, and within ninety (90) days from dividend remittance, the Shareholder (either directly or through an authorized representative) shall file with the International Tax Affairs Division (“**BIR ITAD**”) of the BIR a request for confirmation of the applicability of the tax sparing rule. Without need of further demand, the Shareholder shall provide to CLI a BIR stamped “Received” copy of the request for confirmation and its supporting documents no later than ten (10) days from filing with the BIR. Once the BIR approval is secured, and without need of further demand, the Shareholder shall furnish CLI with a BIR-certified true copy within thirty (30) days from receipt of the approval documents from the BIR. The Shareholder shall ensure compliance with the requirements under the BIR approval documents.

1. With respect to tax treaty relief, and in compliance with Revenue Memorandum Order (“**RMO**”) No. 14-2021, Revenue Memorandum Circular (“**RMC**”) No. 77-2021, and its allied issuances, the following shall be submitted to CLI prior to dividend payment: (a) duly signed and accomplished application form for tax treaty purposes BIR Form 0901-D (Tax Treaty Relief Application for Dividend Income); (b) original copy of apostilled or duly authenticated tax residency certificate (or its equivalent) for the period when the treaty rate is claimed, duly issued by the tax authority of the foreign country in which the Shareholder is a resident; (c) relevant provision of the applicable tax treaty providing for the preferential tax treaty rate, in a form acceptable to CLI; (d) an original of the duly notarized, consularized or apostilled Special Power of Attorney, if applicable, as executed by the Shareholder in favor of its authorized representative/s (if the Application Form for Tax Treaty purposes and other relevant documents are accomplished by an authorized representative on behalf of the Shareholder), which shall expressly state the authority to sign the application, as well as to file the tax treaty relief or request for confirmation (“**RFC**”); (e) confirmation acceptable to CLI that the Shareholder is not doing business in the Philippines (*i.e.,* Certificate of Non-Registration issued by the Philippine Securities and Exchange Commission); and (f) as applicable, proof that the shareholding in respect of which dividends are paid is not effectively connected with a permanent establishment of the Shareholder in the Philippines.

Further thereto, the Shareholder shall file, either personally or through duly authorized representatives, an RFC with BIR ITAD on the propriety of the withholding tax rate used by CLI, as the withholding agent, together with all the documentary requirements under RMO No. 14-2021 and its allied issuances, and within the deadline set forth therein, which in no case shall be later than the last day of the fourth month following the close of the taxable year.

Without need of further demand, the Shareholder shall provide to CLI a BIR stamped “Received” copy of the request for confirmation and its supporting documents no later than ten (10) days from filing with the BIR. The Shareholder shall submit to CLI the original copy or a BIR-certified true copy of the Certificate of Entitlement to Treaty Benefit (“**COE**”) issued by the BIR within 30 days from the Shareholder’s receipt of the COE and without need of prior demand from CLI. The Shareholder shall ensure compliance with the requirements under the COE for entitlement to tax treaty benefits.

In case of non-submission of the RFC within the deadline date or in the event of the BIR’s denial of the RFC, the Shareholder warrants and undertakes to shoulder the payment of the deficiency taxes and penalties that may be imposed by the BIR. The Shareholder hereby holds free and harmless and indemnifies CLI, its directors, officers, employees, personnel, and other authorized representatives, against any and all claims, liabilities including tax liabilities, deficiency taxes, penalties, fees, or any cause of action, which may arise or be in connection or incidental thereto.; and

1. Such other documentary requirements as may be required under the applicable regulations of the relevant taxing or other authorities.
2. The undersigned Shareholder undertakes and warrants that it shall: (a) promptly provide such other documentary requirements as may be required by CLI or STSI under the applicable regulations of the relevant taxing or other authorities for the purpose of claiming tax treaty or withholding rate benefits; and (b) promptly advise CLI and STSI of any change in its circumstance, relevant treaty, law, or regulation that may or would result in the dividend income of the Preferred Shares being ineligible to the benefits described in paragraph 2 above or otherwise being made subject to tax.
3. The Shareholder undertakes and warrants that the failure to timely and accurately submit all of the documents stipulated in paragraphs 2 and 3 above and/or non-compliance of any conditions for availment of the tax exemption or preferential tax treaty rates, including any other provisions of the Tax Code and pertinent issuances of the BIR, shall lead to withholding using the regular tax rates prescribed under the Tax Code, as amended.
4. The Shareholder undertakes to notify CLI and STSI immediately of any order, ruling, amendment, or supervening event that would result in the suspension or revocation of the above tax benefits claimed by the Shareholder.
5. The undersigned Shareholder hereby authorizes CLI and STSI to rely solely on the foregoing representations in all of the Shareholder’s holdings, transactions, and dealings in respect of the Preferred Shares. In view of the tax benefits described in paragraph 2 above, CLI is directed to not withhold final withholding tax on the dividends earned by the undersigned Shareholder from the Preferred Shares or to otherwise reduce the rate of withholding tax to the extent provided under the tax benefits claimed by the Shareholder; provided that, in the event that the Shareholder no longer holds legal and beneficial title to the Preferred Shares, CLI shall have the right and authority to unilaterally withhold from the sums payable to the Shareholder the amount equal to the basic tax otherwise due on the receipt of income from the Preferred Shares from issue date, including interests and penalties which may be assessed by the taxing authorities, without need for any notice or demand whatsoever. In case of non-submission of the requisite applications and documents to BIR, including the RFC if applicable, within the deadline date or in the event of the BIR’s denial of the applications, including the availment of preferential treaty rate, among others, the Shareholder warrants and undertakes to shoulder the payment of the deficiency taxes and penalties that may be imposed by the BIR. The Shareholder hereby holds free and harmless and indemnifies CLI, its directors, officers, employees, personnel, and other authorized representatives, against any and all claims, liabilities including tax liabilities, deficiency taxes, penalties, fees, or any cause of action, which may arise or be in connection or incidental thereto.
6. The undersigned Shareholder hereby holds CLI and STSI free and harmless from, and undertakes to indemnify CLI and STSI against any and all obligations (including any tax obligation), actions, charges, claims, costs, damages or liabilities and other expenses that CLI and STSI may incur or be subjected to on account of their reliance on the foregoing representations, warranties, and directive. The Shareholder assumes all risks and liabilities arising out of its representation that it is a tax-exempt entity (or an entity entitled to a reduced rate of withholding tax under a tax treaty) and its directive to CLI not to effect any withholding (or to effect a reduced rate of withholding) on the receipt of income arising from its ownership of the Preferred Shares.
7. In the event that the BIR, or other pertinent regulatory bodies, issue new regulations or amendatory issuances pertaining to availment of the tax exemption or preferential tax treaty rates or the reduced rate pursuant to the tax sparing rule, whichever is applicable, the Shareholder undertakes and warrants to ensure full and timely compliance with such provisions, specifically on the propriety of the withholding tax rate used by CLI, as the withholding agent.
8. In the event any assessment notice is issued against CLI, despite presentation of the Shareholder’s Tax Exempt/Treaty Documents, the undersigned Shareholder shall pay the amount of the assessment (including interests and penalties, if any) subject of the assessment notice within the prescribed period or prosecute the appropriate protest and/or enter into a compromise agreement with the taxing authority, without recourse to CLI and to STSI. The undersigned Shareholder shall indemnify and hold CLI and STSI free and harmless against all tax obligations, fees, charges and costs associated with such final assessment notice.
9. Should the undersigned Shareholder violate any of the provisions of this Affidavit of Undertaking, or if any of the Shareholder’s representations prove to be untrue, CLI and STSI are hereby authorized to withhold the tax deemed by CLI and STSI to be applicable on the Shareholder’s income arising from its ownership of the Preferred Shares, without liability either to the undersigned Shareholder, or any person other than the Shareholder, claiming title to the Preferred Shares, and without prejudice to any claims by CLI or STSI against the Shareholder for losses or damages incurred by them as a result of such violation or misrepresentation by the Shareholder.
10. Notwithstanding the submission by the Shareholder or the receipt by CLI and STSI of the documentary proof of the tax-exempt status of a Shareholder provided in paragraph 2 above as well as this Affidavit of Undertaking, CLI may, in its sole and reasonable discretion, determine that such Shareholder is taxable and require STSI to proceed to apply the tax due on the Preferred Shares and/or offset any taxes, penalties, interest, and other charges due on previous payments made to the Shareholder against any payments to be made by CLI or STSI to the Shareholder. The Shareholder understands that any question on such determination shall be referred to CLI.

The Shareholder agrees to indemnify CLI and STSI and to hold CLI and STSI free and harmless against all charges, costs, damages, losses, claims, liabilities, expenses, fees, and disbursements that CLI and/or STSI may suffer or incur howsoever in connection with the application of this provision.

By: [Shareholder]

**[Name]**

[Position]

SUBCRIBED AND SWORN to before me on the \_\_\_ day of \_\_\_\_ at \_\_\_\_\_ affiant exhibiting to me their government-issued IDs as follows:

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| --- | --- | --- |
| Name | Government ID No. | Date/Place of Issue |
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Page No. \_\_\_\_\_\_;

Book No. \_\_\_\_\_\_;

Series of 2024.