



## ADVISORY TO STOCKHOLDERS

### Guidelines for Cash Dividends Distribution

(As of July 10, 2017)

Notice is hereby given to all stockholders of Century Pacific Food, Inc. (the “Company”) as of **July 28, 2017 (Record Date)** on the following guidelines for the distribution of cash dividends declared at the meeting of the Board of Directors last June 30, 2017 in the amount of **Eighteen Centavos (Php0.18) per share** (the “Dividends”), **payable on August 23, 2017 (Payment Date)**. The dividends declared represent a regular dividend of Ten Centavos (Php0.10) per share and a special dividend of Eight Centavos (Php0.08) per share.

#### 1. Prescribed Final Withholding Tax Rates

The Dividends to be distributed to the stockholders not covered by tax exemptions and tax treaty relief applications will be subject to the following final withholding tax rates prescribed under the National Internal Revenue Code (NIRC):

<b>Taxpayer Classification</b>	<b>Final Withholding Tax Rate</b>
Individual citizen	Ten percent (10%)
Individual resident alien	Ten percent (10%)
Non-resident alien individual	a. If engaged in trade or business - Twenty percent (20%) b. If not engaged in trade or business - Twenty five percent (25%)
Domestic corporation	Not subject to tax
Resident foreign corporation	Not subject to tax
Non-resident foreign corporation (NRFC)	a. Thirty percent (30%) b. If current BIR rulings or jurisprudence indicate that the tax sparing requirement under Section 28(B)(5)(b), NIRC, is complied with, i.e., that the country of residence of the NRFC allows a deemed paid tax credit of fifteen percent (15%) on taxes due from the NRFC - Fifteen percent (15%)

2. Submission of Documentary Requirements

Shareholders claiming entitlement to tax exemptions or preferential tax rates on dividend income are required to submit the tax documentary requirements **no later than August 15, 2017** at the following address:

**CENTURY PACIFIC FOOD, INC.**  
 7<sup>th</sup> Floor, Centerpoint Building  
 Julia Vargas Avenue corner Garnet Road  
 Ortigas Center, Pasig City 1605, Philippines

Attention: Genevieve U. Yu – Compliance Officer and/or  
 Giovanna M. Vera – Investor Relations Officer

3. Availment of Tax Relief under Tax Treaties for Corporate Shareholders

The following documents, in accordance with the BIR Revenue Memorandum (RMO) No. 8-2017, are required of corporate shareholders claiming entitlement to the preferential tax rate on dividend income under a tax treaty relief with the Republic of the Philippines, for submission **on or before August 15, 2017**.

Taxpayer Classification	Supporting Documents Required	Withholding Tax Rate	
		With Documents	Without Documents
Non-Resident Foreign Corporation availing of tax treaty relief	<p>a. A Certificate of Residence for Tax Treaty Relief (“CORTT”) Form duly accomplished in accordance with BIR RMO 8-2017; and</p> <p>b. Certificate of Undertaking / Indemnity (in the form attached as Annex A) that will contain the obligations to indemnify the listed company in case of deficiency assessment by the BIR</p> <p><i>(Note: b must be consularized if signatory is in a foreign country or document is executed in a foreign country)</i></p>	Applicable tax treaty rate ranging from 10% to 25%	30%

4. Availment of Tax Relief under Tax Sparing for Corporate Shareholders

The following documents are required of non-resident foreign corporate shareholders claiming entitlement to the lower tax rate of 15% in accordance with the tax sparing provisions of the NIRC for submission **on or before August 15, 2017**.

Taxpayer Classification	Supporting Documents Required	Withholding Tax Rate	
		With Documents	Without Documents
Non-Resident Foreign Corporation availing of tax sparing under the tax code	<p>a. Proof of residency (original certificate of tax residency or authenticated copy of Certificate of Registration and Articles of Incorporation);</p> <p>b. BIR ruling - certified copy of valid and subsisting ruling confirming the application of the tax sparing rate of 15% issued in favor of the claiming stockholder</p> <p style="text-align: center;">- or -</p> <p>Application for BIR ruling - copy of filed application (together with the supporting documentary requirements) for the issuance of a BIR ruling in favor of the claiming stockholder applying the tax sparing rate of 15%, which has been duly received by the BIR; and</p> <p>c. Certification with Undertaking / Indemnity (in the form attached as Annex A) in case of deficiency assessment by the BIR</p> <p><i>(Note: a and c must be consularized if signatory is in a foreign country or document is executed in a foreign country)</i></p>	15% under tax sparing provision of the tax code	30%

5. Availment of Tax Relief under Tax Exemption

Shareholders claiming tax relief under tax exemption are required to submit the following supporting documents **no later than August 15, 2017**.

Taxpayer Classification	Supporting Documents Required	Withholding Tax Rate	
		With Documents	Without Documents
Non-Resident Foreign Corporation availing tax exemption	<p>a. BIR ruling – certified current, valid and must cover the pay-out of cash dividends for which it is being submitted as supporting document;</p> <p style="text-align: center;">- or -</p> <p>Application for BIR ruling - copy of filed application (together with the supporting documentary requirements) for the issuance of a BIR ruling in favor of the claiming stockholder confirming the exemption, which has been duly received by the BIR; and</p> <p>b. Certification with Undertaking / Indemnity (in the form attached as Annex A) in case of deficiency assessment by the BIR</p> <p><i>(Note: b should be consularized if signatory is in a foreign country or document is executed in foreign country)</i></p>	0%	30%
Foreign Governments	<p>a. BIR ruling – involving income derived from investments in the Philippines in loans, bonds, stocks, bonds or other domestic securities, or from interest on deposit in banks in the Philippines; ruling must cover the pay-out of cash dividends for which it is being submitted;</p> <p>b. Certification with Undertaking / Indemnity (in the form attached as</p>	0%	30%

	<p>Annex A) in case of deficiency assessment by the BIR;</p> <p>c. Charter; and</p> <p>d. Certification / Confirmation that such is an investment of that Government (i.e. from Ministry of Finance, Executive Dept., etc.)</p> <p><i>(Note: b, c, and d should be consularized if signatory is in a foreign country or document is executed in a foreign country)</i></p>		
<p>Financing Institutions owned, controlled, or enjoying refinancing from foreign governments, and International or Regional Financial Institutions established by foreign governments</p>	<p>a. BIR ruling – involving income derived from investments in the Philippines in loans, bonds, stocks, bonds or other domestic securities, or from interest on deposit in banks in the Philippines;</p> <p>b. Certification with Undertaking / Indemnity (in the form attached as Annex A) in case of deficiency assessment by the BIR;</p> <p>c. Charter- must show they are owned or controlled by a foreign government;</p> <p>d. Proof of Tax Residency; and</p> <p>e. Certification/Confirmation from the respective government that such financial institution is owned or controlled by them</p> <p><i>(Note: b, c, d, and e must be consularized if signatory is in a foreign country or document is executed in a foreign country)</i></p>	0%	30%
<p>International Organizations</p>	<p>a. BIR ruling – stating that income of is exempt from income and withholding tax as required by an</p>	0%	30%

	<p>obligation binding upon the Government of the Philippines;</p> <p>b. Certification with Undertaking / Indemnity (in the form attached as Annex A) in case of deficiency assessment by the BIR;</p> <p>c. Charter- must show the basis of their tax exemption; and</p> <p>d. DFA certification/confirmation that the Philippine Government has an agreement with them and recognize them as a tax-exempt entity</p> <p><i>(Note: b, c, and d, must be consularized if signatory is in a foreign country or document is executed in a foreign country)</i></p>		
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6. Availment of Preferential Tax Rates by Non-Resident Alien Shareholders

The following are the documentary requirements for non-resident alien shareholders claiming preferential tax rates for dividend income for submission **on or before August 15, 2017**.

Taxpayer Classification	Supporting Documents Required	Withholding Tax Rate	
		With Documents	Without Documents
Non-Resident Alien not engaged in trade or business in the Philippines availing of tax treaty relief	<p>a. A Certificate of Residence for Tax Treaty Relief (“CORTT”) Form duly accomplished in accordance with BIR RMO 8-2017; and</p> <p>b. Certification with Undertaking / Indemnity (in the form attached as Annex A) that will contain the obligation to indemnify the listed company in case of deficiency assessment by the BIR</p> <p><i>(Note: b must be consularized if signatory is in a foreign country or document is executed in foreign country)</i></p>	Applicable tax treaty rates ranging from 10% to 25%	25%

Non-Resident Alien engaged in trade or business in the Philippines	<p>a. A Certificate of Residence for Tax Treaty Relief (“CORTT”) Form duly accomplished in accordance with BIR RMO 8-2017; and</p> <p>b. Certificate of Undertaking / Indemnity (in the form attached as Annex A) that will contain the obligation to indemnify the listed company in case of deficiency assessment by the BIR</p> <p><i>(Note: b must be consularized if signatory is in a foreign country or document is executed in a foreign country)</i></p>	20%	25%
Non Resident Alien not engaged in trade or business in the Philippines not availing of any tax relief	None	25%	25%

For any questions on the foregoing, you may contact any of the following:

<b>BDO Stock Transfer Agent</b>	<b>Century Pacific Food, Inc.</b>
<p>Ms. Gigi C. Arcaba            Email: bdo-stock-transfer@bdo.com.ph            Tel: 632-878-4963</p>	<p><b>Tax:</b>            Mr. Marcelino Mijares            Email: jmijares@centurypacific.com.ph            Tel: 632-687-3034; 632-633-8555 local 206</p>
<p>Banco de Oro Trust and Investment Group            15<sup>th</sup> Floor, South Tower, BDO Corporate Center, 7899 Makati Avenue, Makati City 0726, Philippines</p>	<p><b>Legal:</b>            Ms. Genevieve Yu            Email: gyu@centurypacific.com.ph            Tel: 632-633-8555 local 335</p>
	<p><b>Investor Relations:</b>            Ms. Giovanna Vera            Email: investorrelations@centurypacific.com.ph            Tel: 632-656-1646</p>
	<p>7<sup>th</sup> Floor Centerpoint Building, Julia Vargas Avenue, Ortigas Center, Pasig City 1605, Philippines</p>

## CERTIFICATION WITH UNDERTAKING

(Consularized if signatory is in a foreign country / document is executed in a foreign country)

[Name of Shareholder of Record/Trading Participant], with address at [address], 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. (Name of Beneficial Owner) [“Beneficial Owner”] is the legal and beneficial owner of \_\_\_\_\_ shares (“Shares”) issued by Century Pacific Food, Inc. (the “Company”). Beneficial Owner is a client of the Shareholder.
  
2. The Shareholder and the Beneficial Owner represent and warrant to the Company that the Beneficial Owner is entitled to tax benefit as marked below based on the attached supporting documents as required by the guidelines issued by the Company:

<u>Taxpayer Classification</u>	<u>Type of Tax Benefit to be Availed</u>
<input type="checkbox"/> Non-resident foreign corporation	<input type="checkbox"/> Tax exemption
<input type="checkbox"/> Foreign government	<input type="checkbox"/> Tax sparing
<input type="checkbox"/> Financing Institution owned, controlled or enjoying refinancing from foreign governments	<input type="checkbox"/> Tax treaty relief
<input type="checkbox"/> International or Regional Financing Institution established by foreign governments	<input type="checkbox"/> None of the above
<input type="checkbox"/> Non-resident foreign corporation invoking Section 28(B)(5)(b) of the Tax Code	
<input type="checkbox"/> Non-resident alien engaged in trade or business in the Philippines	
<input type="checkbox"/> Non-resident alien not engaged in trade or business in the Philippines	

3. The Shareholder and the Beneficial Owner undertake and warrant that they shall promptly advise the Company of any changes in the circumstance, relevant treaty, law, or regulation that may or would result in the cash dividends payable on the Shares being ineligible to avail of the benefits described in paragraph 2 above. The Shareholder and the Beneficial Owner undertake to notify the Company 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 Beneficial Owner.



4. The Shareholder and the Beneficial Owner hereby authorize the Company to rely solely on the foregoing representations. In view of the tax benefits described in paragraph 2 above, the Company is directed either not to withhold any tax or to apply the applicable preferred withholding tax rate on the cash dividends payable on the Shares; *provided that*, in the event that the Beneficial Owner no longer holds legal and beneficial title to the Shares, the Company shall have the right and authority to unilaterally withhold from the cash dividends payable on the Shares the tax otherwise due on the cash dividends, including interests and penalties which may be assessed by the taxing authorities, without need for any notice or demand whatsoever.
5. The Shareholder and the Beneficial Owner hereby hold the Company free and harmless from, and undertake to indemnify and to reimburse the Company against any and all obligations (including any tax obligation), actions, charges, claims, surcharges and penalties, costs and other expenses that the Company may incur or be subjected to on account of its reliance on any of the representations, warranties and directive contained herein. The Shareholder and Beneficial Owner assume all risks and liabilities arising out of their representation that the Beneficial Owner is an entity entitled to tax benefits under [applicable law, rule and/or regulation as a basis for claiming tax benefit] and their directive to the Company not to withhold any tax on the cash dividends arising from the Beneficial Owner's ownership of the Shares.
6. Should the Shareholder and/or the Beneficial Owner violate any of the provisions of this Certification with Undertaking or if any of the representations contained herein prove to be untrue, the Company is hereby authorized to withhold the tax deemed by the Company to be applicable on the cash dividends payable on the Shares, without liability either to the Shareholder nor to the Beneficial Owner.
7. Notwithstanding the submission by the Shareholder and/or Beneficial Owner or the receipt by the Company of documentary requirements for the entitlement to tax benefits provided in paragraph 2 above as well as this Certification with Undertaking, the Company may, in its sole and reasonable discretion, determine that such Beneficial Owner is not entitled to any tax benefit and proceed to withhold the tax it deems applicable on the cash dividends payable on the Shares.
8. In the event that any assessment notice is issued against the Company by the BIR despite presentation by the Shareholder and/or Beneficial Owner of documentary proof of entitlement to the tax benefits provided in paragraph 2 above, the Shareholder shall pay the amount of the assessment (including interests and penalties, if any) subject of the notice within the prescribed period or file the appropriate protest and/or enter into a compromise agreement with the taxing authority, without recourse to the Company. The Shareholder and the Beneficial Owner shall indemnify and hold the Company free and harmless against all tax obligations, fees, charges and costs associated with such assessment notice.

The Shareholder and the Beneficial Owner agrees to indemnify the Company, and to hold the Company free and harmless against all charges, costs, damages, losses, claims, liabilities,

expenses, fees, and disbursements that the Company may suffer or incur howsoever in connection with the application of this provision.

9. The undersigned hereby represent and warrants that he/she has the capacity, power and authority to execute and deliver this Certification with Undertaking.

By: [Shareholder]

[Name]  
[Position]

By: [Beneficial Owner]

[Name]  
[Position]

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

Name	Government ID No.	Date/Place of Issued

Doc. No. \_\_\_\_\_;  
Page No. \_\_\_\_\_;  
Book No. \_\_\_\_\_;  
Series of \_\_\_\_\_.