



REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION
SEC Building, EDSA, Greenhills
City of Mandaluyong, Metro Manila

**CERTIFICATE OF FILING OF THE
ARTICLES AND PLAN OF MERGER**

KNOW ALL PERSONS BY THESE PRESENTS:

THIS IS TO CERTIFY that the Articles and Plan of Merger executed on August 05, 2005, by and between:

PUREGOLD PRICE CLUB, INC.
(Surviving Corporation)

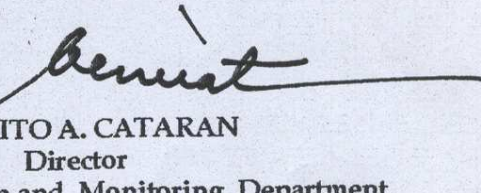
and

SUREMART INCORPORATED
(Absorbed Corporation)

copy annexed, approved by a majority vote of the Board of Directors and by the vote of the Stockholders owning or representing at least two-thirds of the outstanding capital stock of constituent corporations on April 25, 2005 and May 13, 2005, respectively, signed by the Presidents, certified by their respective Corporate Secretaries, whereby the entire assets and liabilities of SUREMART INCORPORATED will be transferred to and absorbed by PUREGOLD PRICE CLUB, INC. was approved by this Office on this date pursuant to the provisions of Sections 76 to 80 of the Corporation Code of the Philippines, Batas Pambansa Blg. 68, approved on May 1, 1980, and attached to the other papers pertaining to said corporations.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of this Commission to be affixed at Mandaluyong City, Metro Manila, Philippines, this 3rd day of February, Two-Thousand Six.




BENITO A. CATARAN
Director
Company Registration and Monitoring Department



COVER SHEET

A 1 9 9 8 1 3 7 5 4

S.E.C. Registration Number

P U R E G O L D P R I C E C L U B , I N C . (S C)

W S U R E M A R T , I N C O R P O R A T E D

(Company's Full Name)

3 1 2 S H A W B O U L E V A R D S T R E E T

M A N D A L U Y O N G C I T Y

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

RIO JOY A. CALIGUIRAN

Contact Person

812-1718

Company Telephone Number

1 2

Month

3 1

Day

Fiscal Year

MERGER

FORM TYPE

0 5

Month

ANY DAY

Day

Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

Document I.D.

RECORDED
LCU 11-10-05

[Signature]

Cashier

STAMPS

Remarks = pls. Use black ink for scanning purposes

CENTRAL RECEIVING UNIT
RECEIVED BY: [Signature]
DEC 20 PM 2 23

ARTICLES OF MERGER
OF
SUREMART INCORPORATED
WITH AND UNTO
PUREGOLD PRICE CLUB, INC.

KNOW ALL MEN BY THESE PRESENTS:

Pursuant to the provisions of Article 78 of the Corporation Code of the Philippines (hereinafter referred to as the "Corporation Code"), the undersigned corporations have each adopted and hereby execute the following Articles of Merger for the purpose of merging Suremart Incorporated with and unto Puregold Price Club, Inc. (the "Constituent corporations").

I. **Plan of Merger.** The Plan of Merger (the "Plan") which is reproduced hereunder, was approved by at least a majority vote of each of the Board of Directors of each *Puregold Price Club, Inc.* and *Suremart Incorporated*, in meetings held separately on April 25, 2005 as well as by the affirmative vote of the stockholders owning or representing at least two-thirds (2/3) of the outstanding capital stock of each *Puregold Price Club, Inc.* and *Suremart Incorporated*, in meetings held separately on May 13, 2005 in accordance with and in the manner prescribed under Section 76 of the Corporation Code:

PLAN OF MERGER

KNOW ALL MEN BY THESE PRESENTS:

This PLAN OF MERGER is executed by and between:

PUREGOLD PRICE CLUB, INC., a corporation organized and existing by virtue of the laws of the Philippines with principal place of business at 312 Shaw Boulevard, Pleasant Hills, Mandaluyong City, represented herein by its Chairman, MR. LEONARDO B. DAYAO, and hereinafter referred to as "PUREGOLD";

- and -

SUREMART INCORPORATED, a corporation organized and existing by virtue of the laws of the Philippines with principal place of business at 3rd

Floor Tabacalera Bldg., 900 D. Romualdez St., Paco, Manila, represented herein by its President, MS. SUSAN CO, and hereinafter referred to as "SUREMART".

WITNESSETH: That --

Whereas, PUREGOLD was incorporated on 8 September 1998 primarily to engage in the business of trading of goods, particularly consumer goods on wholesale and retail basis, with an authorized capital stock of **FIFTY MILLION PESOS (PhP50,000,000.00)**, Philippine currency, divided into **FIVE HUNDRED THOUSAND (500,000)** shares with a par value of **ONE HUNDRED PESOS (PhP100.00)** per share; of which amount, **THREE HUNDRED THIRTY SIX THOUSAND AND TWO HUNDRED FIFTY (336,250)** shares with total par value of **THIRTY THREE MILLION SIX HUNDRED TWENTY FIVE THOUSAND PESOS (PhP33,625,000.00)** were subscribed and **THREE HUNDRED THIRTY TWO THOUSAND FIVE HUNDRED (332,500)** shares with total par value of **THIRTY THREE MILLION TWO HUNDRED FIFTY THOUSAND PESOS (PhP33,250,000.00)** were paid up.

Whereas, SUREMART was incorporated on 14 February 2003 primarily to engage in the business of trading of goods such as general merchandise on wholesale and retail basis, with an authorized capital stock of **ONE HUNDRED MILLION PESOS (PhP100,000,000.00)**, Philippine currency, divided into **ONE MILLION (1,000,000)** shares with a par value of **ONE HUNDRED PESOS (PhP100.00)** per share; of which amount, **TWO HUNDRED FIFTY THOUSAND (250,000)** shares with total par value of **TWENTY FIVE MILLION PESOS (PhP25,000,000.00)** were subscribed and **SIXTY TWO THOUSAND FIVE HUNDRED (62,500)** shares with total par value of **SIX MILLION TWO HUNDRED FIFTY THOUSAND PESOS (PhP6,250,000.00)** were paid-up.

NOW, THEREFORE, for and in consideration of the premises and of the mutual agreements, provisions, covenants and grants herein contained, PUREGOLD and SUREMART hereby adopt these Articles of Merger and submit the same to the Securities and Exchange Commission (SEC) for its approval in accordance with the Corporation Code of the Philippines, (the "Corporation Code") upon terms and conditions set forth in this Plan as follows:

ARTICLE I

The Merger

1.1. **Merger of SUREMART with and unto PUREGOLD.** In accordance with the provisions of this Plan of Merger and the Corporation Code of the Philippines, at the Effective Time, as defined in Article 1.5 hereof, SUREMART shall be merged with and unto PUREGOLD which shall be the surviving corporation. After the Effective Time, PUREGOLD shall continue to conduct its business under its existing name.

1.2. **Approvals.** Within fifteen (15) days from date of this Plan, or such longer period as the President of SUREMART and the Chairman of the Board of Directors of PUREGOLD

shall agree in writing, the Plan shall be submitted for approval and adoption, pursuant to and in accordance with the Corporation Code, to the stockholders of PUREGOLD and SUREMART at a duly held stockholders' meeting. This Plan shall be approved and adopted upon receiving the affirmative vote of the holders of at least two-thirds (2/3) of the outstanding capital stock of SUREMART and the affirmative vote of the holders of at least 2/3s of the outstanding capital stock of PUREGOLD.

1.3. Effects of Merger. At the Effective Time:

- (a) The existence of SUREMART shall cease.*
- (b) PUREGOLD shall continue to exist as a corporation organized and existing under the laws of the Philippines and shall be the surviving corporation.*
- (c) PUREGOLD, as the surviving corporation, shall possess all the rights, privileges, immunities and powers, and shall be subject to all the duties and the liabilities of a corporation organized under the Corporation Code.*
- (d) PUREGOLD shall thereupon and thereafter possess all the rights, privileges, immunities and franchises of the absorbed corporation, and all property, real or personal, and all receivables due on whatever account, not otherwise determined as uncollectible, including subscriptions to shares and other choses in action, and all and every other interest of, or belonging to, or due to the absorbed corporation as of March 31, 2005 shall be taken and deemed to be transferred to and vested in the surviving corporation without further act or deed; and*
- (e) PUREGOLD shall be responsible and liable for all the liabilities and obligations of the absorbed corporation as of March 31, 2005, in the same manner as if PUREGOLD had itself incurred such liabilities and obligations and any pending claim, action or proceeding brought by or against PUREGOLD as the case may be. SUREMART undertakes to fully disclose the details of each case mentioned above. Neither the rights of creditors nor any lien upon the property of the constituent corporations shall be impaired by such merger.*
- (f) All existing employees of SUREMART shall be separated from their respective corporations. Immediately thereafter, they will be hired by PUREGOLD as new employees without prejudice to its right to exercise Article 283 of the Labor Code of the Philippines.*

1.4 Additional Actions. If, at any time after the Effective Time, PUREGOLD shall consider or be advised that any further assignment or assurances in law or any other acts are necessary or desirable, (a) to vest, perfect, or confirm, of record or otherwise, in PUREGOLD, title to and possession of any property or rights of the absorbed corporation, acquired or to be acquired by reason of, in connection with, or as a result of the Merger, or (b) otherwise to carry out the purposes of this Plan of Merger, the absorbed corporations and their officers and directors shall be deemed to have granted PUREGOLD an irrevocable power of attorney to

execute and deliver all such property deeds, assignments and assurances in law, and to do all acts necessary or proper to vest, perfect, or confirm title to, and possession of such right or property in PUREGOLD and otherwise to carry out the purposes of this Plan; and the proper officers and directors of PUREGOLD are fully authorized in the name of the absorbed corporations or otherwise to take any and all such action.

*1.5. **Effective Time.** The Effective Time of Merger (the "Effective Time") shall be 01 July 2005 or the date of the approval of the Securities and Exchange Commission (SEC), whichever is later.*

ARTICLE II

Terms of Merger

2.1. There shall be no issuance of shares of stocks since SUREMART has capital deficiency amounting to Twenty Eight Million Four Hundred Seventeen Thousand One Hundred Twenty Pesos (P28,417,120) as of March 31, 2005..

2.2. After the effective time of Merger which is July 1, 2005 or the date of approval of Securities and Exchange Commission (SEC) whichever is later, PUREGOLD may be allowed to convert the resulting advances from stockholders into shares of stocks.

ARTICLE III

Articles of Incorporation & By-Laws of PUREGOLD

*3.1. **Articles of Incorporation.** The Articles of Incorporation of PUREGOLD as the surviving corporation shall be the same as the present Articles of Incorporation of PUREGOLD.*

*3.2 **By-Laws.** The By-Laws of PUREGOLD, as the surviving corporation, shall be the same as the By-Laws in effect immediately prior to the merger.*

*3.3. **Directors and Officers of PUREGOLD.** The directors of PUREGOLD, as the surviving corporation, upon the merger becoming effective, shall be the same directors and officers of PUREGOLD in office, immediately prior to the merger, and their respective term of office shall not be changed by the merger.*

If, on or after the Effective Time of the Merger, a vacancy shall for any reason exist in the Board of Directors of PUREGOLD, or in any of its offices, such vacancy shall thereafter be filed in the manner provided in the By-Laws of PUREGOLD.

ARTICLE IV

Shareholders' Approval

4.1. This Plan and Agreement of Merger were submitted, approved and adopted by the shareholders of SUREMART at a special meeting of such stockholders held on May 13, 2005 at its principal office. It was also submitted, approved and adopted by the shareholders of PUREGOLD at a special meeting of the shareholders held on May 13, 2005 at its principal office.

If at such meeting of the shareholders of the constituent corporations and at the said meeting of the shareholders of PUREGOLD, at least two-thirds (2/3) of the outstanding capital stock of each corporation voted in favor of approving and adopting this Plan of Merger, thereupon, the Articles of Merger, as required by the Corporation Code, shall be executed by each of the constituent corporations, signed by their respective President or Vice-President, and certified by their respective Corporate Secretary or Assistant Corporate Secretary, setting forth:

- the Plan of Merger.
- the number of shares outstanding.
- the number of shares voting for and against the Plan, respectively.

Upon the issuance of the Certificate of Merger by the Securities and Exchange Commission or July 1, 2005 whichever is later, the Merger shall be effective.

ARTICLE V

Amendment and Termination

5.1. **Amendment.** This Plan of Merger may be amended by the vote of the majority of the respective Board of Directors of all the constituent corporations and ratified by the affirmative vote of stockholders representing at least two-thirds (2/3) of the outstanding capital stock. Such Plan, together with any amendment, shall be considered as the agreement of merger.

5.2. **Termination.** At anytime prior to the Effective Time, this Plan of Merger may be terminated and the merger abandoned by mutual agreement of the Board of Directors of the constituent corporations. If terminated, this Plan of Merger shall forthwith become wholly void and of no further force or effect.

ARTICLE VI

Representations and Warranties

The Parties hereto represent and warrant to each other as follows:

6.1. **Organizations.** *That they are duly organized, validly existing and in good standing under the laws of the Philippines, and have the corporate power on their business as they are now being conducted or presently proposed to be conducted.*

6.2. **Authority Relative to this Plan.** *That they have the corporate powers to enter into this Plan of Merger and to carry out their obligations hereunder. The execution and delivery of this Plan and the consummation of the transactions contemplated hereby have been duly authorized by their respective Board of Directors, and except for the approval of their shareholders as set forth in Article V, no other corporate proceedings on their part are necessary to authorize this Plan and the transactions contemplated hereby. They are not subject to or obligated under (i) any charter, by-law, indenture or other loan document provision or (ii) any other contract, license, franchise, permit, order or decree, which would be breached or violated by executing and carrying out this Plan. Except as referred to herein or in connection or in compliance, with the provisions of the Corporation Code, no filing or registration with, or authorization, consent or approval of, any public body or authority is necessary for the consummation by them of this Plan of Merger, or the other transactions contemplated by this Plan.*

6.3. *The liabilities of SUREMART and PUREGOLD as disclosed to the constituent corporations are the only liabilities of each of the constituent corporations as of such date and that there are no other undisclosed liabilities that were incurred or accrued as of such date.*

6.4. *The receivables of SUREMART and PUREGOLD as disclosed to the constituent corporations are current and realizable of the constituent corporations.*

ARTICLE VII

Miscellaneous

7.1. **Governing Law.** *This Agreement of Merger shall be governed in all respects, including but not limited to, validity, effect and performance by the laws of the Republic of the Philippines.*

7.2. *All notices and communications required by this Plan shall be in writing and addressed to the Parties hereof in their addresses first above given.*

7.3. **Transition.** *The failure or delay of the parties to insist in any or more instances upon a strict performance of any of the terms and conditions of this Agreement, or to exercise any right or remedy herein contained, shall not be deemed a relinquishment or waiver of any*

rights or remedies the parties may have, nor shall it be construed as a condonation of any subsequent breach or default of the terms and conditions of this Agreement. No waiver by either party shall be effective unless the same is made in writing and signed by the party concerned.

II. Total Number of Shares Outstanding

- 1. The total number of shares outstanding of each of the constituent corporations are:*

<u><i>Constituent corporations</i></u>	<u><i>No. of Shares Outstanding</i></u>
<i>1. SUREMART</i>	<i>250,000 shares</i>
<i>2. PUREGOLD</i>	<i>336,250 shares</i>

- 2. All outstanding shares of the Constituent corporations voted in favor of the merger in a special stockholders' meeting duly called for said purpose.*
- 3. None of the outstanding shares of the Constituent corporations voted against the merger. PLAN OF MERGER*

IN WITNESS WHEREOF, the duly authorized representatives of the constituent corporations have executed this Plan of Merger this _____th day of _____ at _____, Metro Manila.

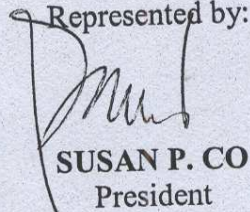
PUREGOLD PRICE CLUB, INC.

Represented by:

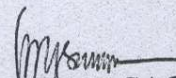

LEONARDO B. DAYAO
President

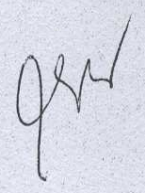
SUREMART INCORPORATED

Represented by:


SUSAN P. CO
President

Attested by:


BABY GERLIE SACRO
Corporate Secretary
PUREGOLD PRICE CLUB, INC. and
SUREMART INCORPORATED



SIGNED IN THE PRESENCE OF:

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY, METRO MANILA)SS

Before me, a Notary Public in and for Makati City, Metro Manila, this AUG 05 2005 th day of _____ personally appeared:

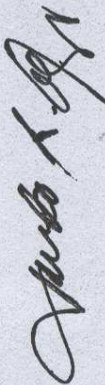
<u>Name</u>	<u>Comm. Tax Cert. No.</u>	<u>Date & Place Issued</u>
Leonardo B. Dayao	09208978	January 27, 2005/Muntinlupa
Susan P. Co	14022909	May 20, 2005/Manila
Baby Gerlie Sacro	02169228	January 18, 2005/Manila

known to me to be the same persons who executed the foregoing Articles of Merger and they acknowledged to me that the same is their free and voluntary act and deed.

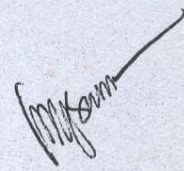
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal, on the date and at the place first above written.

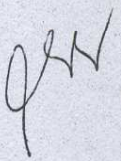
Doc. No. 371;
Page No. 25;
Book No. XIX;
Series of 2005.


PERFECTO E. MIRADOR, JR.
Notary Public
My Commission Expires on Dec. 31, 2003
Makati City, Metro Manila
Philippines









PLAN OF MERGER

KNOW ALL MEN BY THESE PRESENTS:

This **PLAN OF MERGER** is executed by and between:

PUREGOLD PRICE CLUB, INC., a corporation organized and existing by virtue of the laws of the Philippines with principal place of business at 312 Shaw Boulevard, Pleasant Hills, Mandaluyong City, represented herein by its Chairman, **MR. LEONARDO B. DAYAO**, and hereinafter referred to as "PUREGOLD";

- and -

SUREMART INCORPORATED, a corporation organized and existing by virtue of the laws of the Philippines with principal place of business at 3rd Floor Tabacalera Bldg., 900 D. Romualdez St., Paco, Manila, represented herein by its President, **MS. SUSAN CO**, and hereinafter referred to as "SUREMART".

WITNESSETH: That --

Whereas, **PUREGOLD** was incorporated on 8 September 1998 primarily to engage in the business of trading of goods, particularly consumer goods on wholesale and retail basis, with an authorized capital stock of **FIFTY MILLION PESOS (PhP50,000,000.00)**, Philippine currency, divided into **FIVE HUNDRED THOUSAND (500,000)** shares with a par value of **ONE HUNDRED PESOS (PhP100.00)** per share; of which amount, **THREE HUNDRED THIRTY SIX THOUSAND AND TWO HUNDRED FIFTY (336,250)** shares with total par value of **THIRTY THREE MILLION SIX HUNDRED TWENTY FIVE THOUSAND PESOS (PhP33,625,000.00)** were subscribed and **THREE HUNDRED THIRTY TWO THOUSAND FIVE HUNDRED (332,500)** shares with total par value of **THIRTY THREE MILLION TWO HUNDRED FIFTY THOUSAND PESOS (PhP33,250,000.00)** were paid up.

Whereas, **SUREMART** was incorporated on 14 February 2003 primarily to engage in the business of trading of goods such as general merchandise on wholesale and retail basis, with an authorized capital stock of **ONE HUNDRED MILLION PESOS (PhP100,000,000.00)**, Philippine currency, divided into **ONE MILLION (1,000,000)** shares with a par value of **ONE HUNDRED PESOS (PhP100.00)** per share; of which amount, **TWO HUNDRED FIFTY THOUSAND (250,000)** shares with total par value of **TWENTY FIVE MILLION PESOS (PhP25,000,000.00)** were subscribed and **SIXTY TWO THOUSAND FIVE HUNDRED (62,500)** shares with total par value of **SIX MILLION TWO HUNDRED FIFTY THOUSAND PESOS (PhP6,250,000.00)** were paid-up.

NOW, THEREFORE, for and in consideration of the premises and of the mutual agreements, provisions, covenants and grants herein contained, PUREGOLD and SUREMART hereby adopt these Articles of Merger and submit the same to the Securities and Exchange Commission (SEC) for its approval in accordance with the Corporation Code of the Philippines, (the "Corporation Code") upon terms and conditions set forth in this Plan as follows:

ARTICLE I

The Merger

1.1. **Merger of SUREMART with and unto PUREGOLD.** In accordance with the provisions of this Plan of Merger and the Corporation Code of the Philippines, at the Effective Time, as defined in Article 1.5 hereof, SUREMART shall be merged with and unto PUREGOLD which shall be the surviving corporation. After the Effective Time, PUREGOLD shall continue to conduct its business under its existing name.

1.2. **Approvals.** Within fifteen (15) days from date of this Plan, or such longer period as the President of SUREMART and the Chairman of the Board of Directors of PUREGOLD shall agree in writing, the Plan shall be submitted for approval and adoption, pursuant to and in accordance with the Corporation Code, to the stockholders of PUREGOLD and SUREMART at a duly held stockholders' meeting. This Plan shall be approved and adopted upon receiving the affirmative vote of the holders of at least two-thirds (2/3) of the outstanding capital stock of SUREMART and the affirmative vote of the holders of at least 2/3s of the outstanding capital stock of PUREGOLD.

1.3. **Effects of Merger.** At the Effective Time:

- (a) The existence of SUREMART shall cease.
- (b) PUREGOLD shall continue to exist as a corporation organized and existing under the laws of the Philippines and shall be the surviving corporation.
- (c) PUREGOLD, as the surviving corporation, shall possess all the rights, privileges, immunities and powers, and shall be subject to all the duties and the liabilities of a corporation organized under the Corporation Code.
- (d) PUREGOLD shall thereupon and thereafter possess all the rights, privileges, immunities and franchises of the absorbed corporation, and all property, real or personal, and all receivables due on whatever account, not otherwise determined as uncollectible, including subscriptions to shares and other choses in action, and all and every other interest of, or belonging to, or due to the absorbed corporation as of March 31, 2005 shall be taken and deemed to be transferred to and vested in the surviving corporation without further act or deed; and

- (e) PUREGOLD shall be responsible and liable for all the liabilities and obligations of the absorbed corporation as of March 31, 2005, in the same manner as if PUREGOLD had itself incurred such liabilities and obligations and any pending claim, action or proceeding brought by or against PUREGOLD as the case may be. SUREMART undertakes to fully disclose the details of each case mentioned above. Neither the rights of creditors nor any lien upon the property of the constituent corporations shall be impaired by such merger.
- (f) All existing employees of SUREMART shall be separated from their respective corporations. Immediately thereafter, they will be hired by PUREGOLD as new employees without prejudice to its right to exercise Article 283 of the Labor Code of the Philippines.

1.4 **Additional Actions.** If, at any time after the Effective Time, PUREGOLD shall consider or be advised that any further assignment or assurances in law or any other acts are necessary or desirable, (a) to vest, perfect, or confirm, of record or otherwise, in PUREGOLD, title to and possession of any property or rights of the absorbed corporation, acquired or to be acquired by reason of, in connection with, or as a result of the Merger, or (b) otherwise to carry out the purposes of this Plan of Merger, the absorbed corporations and their officers and directors shall be deemed to have granted PUREGOLD an irrevocable power of attorney to execute and deliver all such property deeds, assignments and assurances in law, and to do all acts necessary or proper to vest, perfect, or confirm title to, and possession of such right or property in PUREGOLD and otherwise to carry out the purposes of this Plan; and the proper officers and directors of PUREGOLD are fully authorized in the name of the absorbed corporations or otherwise to take any and all such action.

1.5 **Effective Time.** The Effective Time of Merger (the "Effective Time") shall be 01 July 2005 or the date of the approval of the Securities and Exchange Commission (SEC), whichever is later.

ARTICLE II

Terms of Merger

2.1 There shall be no issuance of shares of stocks since SUREMART has capital deficiency amounting to Twenty Eight Million Four Hundred Seventeen Thousand One Hundred Twenty Pesos (P28,417,120) as of March 31, 2005..

2.2 After the effective time of Merger which is July 1, 2005 or the date of approval of Securities and Exchange Commission (SEC) whichever is later, PUREGOLD may be allowed to convert the resulting advances from stockholders into shares of stocks.

ARTICLE III

Articles of Incorporation & By-Laws of PUREGOLD

3.1. **Articles of Incorporation.** The Articles of Incorporation of PUREGOLD as the surviving corporation shall be the same as the present Articles of Incorporation of PUREGOLD.

3.2. **By-Laws.** The By-Laws of PUREGOLD, as the surviving corporation, shall be the same as the By-Laws in effect immediately prior to the merger.

3.3. **Directors and Officers of PUREGOLD.** The directors of PUREGOLD, as the surviving corporation, upon the merger becoming effective, shall be the same directors and officers of PUREGOLD in office, immediately prior to the merger, and their respective term of office shall not be changed by the merger.

If, on or after the Effective Time of the Merger, a vacancy shall for any reason exist in the Board of Directors of PUREGOLD, or in any of its offices, such vacancy shall thereafter be filled in the manner provided in the By-Laws of PUREGOLD.

ARTICLE IV

Shareholders' Approval

4.1. This Plan and Agreement of Merger were submitted, approved and adopted by the shareholders of SUREMART at a special meeting of such stockholders held on May 13, 2005 at its principal office. It was also submitted, approved and adopted by the shareholders of PUREGOLD at a special meeting of the shareholders held on May 13, 2005 at its principal office.

If at such meeting of the shareholders of the constituent corporations and at the said meeting of the shareholders of PUREGOLD, at least two-thirds (2/3) of the outstanding capital stock of each corporation voted in favor of approving and adopting this Plan of Merger, thereupon, the Articles of Merger, as required by the Corporation Code, shall be executed by each of the constituent corporations, signed by their respective President or Vice-President, and certified by their respective Corporate Secretary or Assistant Corporate Secretary, setting forth:

- the Plan of Merger.
- the number of shares outstanding.
- the number of shares voting for and against the Plan, respectively.

Upon the issuance of the Certificate of Merger by the Securities and Exchange Commission or July 1, 2005 whichever is later, the Merger shall be effective.

ARTICLE V

Amendment and Termination

5.1. **Amendment.** This Plan of Merger may be amended by the vote of the majority of the respective Board of Directors of all the constituent corporations and ratified by the affirmative vote of stockholders representing at least two-thirds (2/3) of the outstanding capital stock. Such Plan, together with any amendment, shall be considered as the agreement of merger.

5.2. **Termination.** At anytime prior to the Effective Time, this Plan of Merger may be terminated and the merger abandoned by mutual agreement of the Board of Directors of the constituent corporations. If terminated, this Plan of Merger shall forthwith become wholly void and of no further force or effect.

ARTICLE VI

Representations and Warranties

The Parties hereto represent and warrant to each other as follows:

6.1. **Organizations.** That they are duly organized, validly existing and in good standing under the laws of the Philippines, and have the corporate power on their business as they are now being conducted or presently proposed to be conducted.

6.2. **Authority Relative to this Plan.** That they have the corporate powers to enter into this Plan of Merger and to carry out their obligations hereunder. The execution and delivery of this Plan and the consummation of the transactions contemplated hereby have been duly authorized by their respective Board of Directors, and except for the approval of their shareholders as set forth in Article V, no other corporate proceedings on their part are necessary to authorize this Plan and the transactions contemplated hereby. They are not subject to or obligated under (i) any charter, by-law, indenture or other loan document provision or (ii) any other contract, license, franchise, permit, order or decree, which would be breached or violated by executing and carrying out this Plan. Except as referred to herein or in connection or in compliance, with the provisions of the Corporation Code, no filing or registration with, or authorization, consent or approval of, any public body or authority is necessary for the consummation by them of this Plan of Merger, or the other transactions contemplated by this Plan.

6.3. The liabilities of SUREMART and PUREGOLD as disclosed to the constituent corporations are the only liabilities of each of the constituent corporations as of such date and that there are no other undisclosed liabilities that were incurred or accrued as of such date.

6.4. The receivables of SUREMART and PUREGOLD as disclosed to the constituent corporations are current and realizable of the constituent corporations.

ARTICLE VII

Miscellaneous

7.1. **Governing Law.** This Agreement of Merger shall be governed in all respects, including but not limited to, validity, effect and performance by the laws of the Republic of the Philippines.

7.2. All notices and communications required by this Plan shall be in writing and addressed to the Parties hereof in their addresses first above given.

7.3 **Transition.** The failure or delay of the parties to insist in any or more instances upon a strict performance of any of the terms and conditions of this Agreement, or to exercise any right or remedy herein contained, shall not be deemed a relinquishment or waiver of any rights or remedies the parties may have, nor shall it be construed as a condonation of any subsequent breach or default of the terms and conditions of this Agreement. No waiver by either party shall be effective unless the same is made in writing and signed by the party concerned.

obligated under (i) any charter, by-law, indenture or other loan document provision or (ii) any other contract, license, franchise, permit, order or decree, which would be breached or violated by executing and carrying out this Plan. Except as referred to herein or in connection or in compliance, with the provisions of the Corporation Code, no filing or registration with, or authorization, consent or approval of, any public body or authority is necessary for the consummation by them of this Plan of Merger, or the other transactions contemplated by this Plan.

7.3. **Absence of Certain Changes or Events.** Since January 01, 2002, there has been no material adverse change in their financial condition or in the results of their business operations, properties, assets or liabilities.

7.4. The liabilities of SUREMART and PUREGOLD as disclosed to the constituent corporations are the only liabilities of each of the constituent corporations as of such date and that there are no other undisclosed liabilities that were incurred or accrued as of such date.

7.5. The receivables of SUREMART and PUREGOLD as disclosed to the constituent corporations are current and realizable of the constituent corporations.

ARTICLE VIII

Miscellaneous

8.1. **Governing Law.** This Agreement of Merger shall be governed in all respects, including but not limited to, validity, effect and performance by the laws of the Republic of the Philippines.

8.2. All notices and communications required by this Plan shall be in writing and addressed to the Parties hereof in their addresses first above given.

8.3 **Transition.** The failure or delay of the parties to insist in any or more instances upon a strict performance of any of the terms and conditions of this Agreement, or to exercise any right or remedy herein contained, shall not be deemed a relinquishment or waiver of any rights or remedies the parties may have, nor shall it be construed as a condonation of any subsequent breach or default of the terms and conditions of this Agreement. No waiver by either party shall be effective unless the same is made in writing and signed by the party concerned.

[Handwritten signature]
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[Handwritten initials]

II. Total Number of Shares Outstanding

1. The total number of shares outstanding of each of the constituent corporations are:

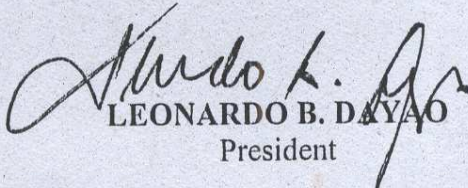
<u>Constituent corporations</u>	<u>No. of Shares Outstanding</u>
1. SUREMART	<u>250,000</u>
2. PUREGOLD	<u>336,250</u>

- 2. All outstanding shares of the Constituent corporations voted in favor of the merger in a special stockholders' meeting duly called for said purpose.
- 3. None of the outstanding shares of the Constituent corporations voted against the merger. PLAN OF MERGER

IN WITNESS WHEREOF, the duly authorized representatives of the constituent corporations have executed this Plan of Merger this _____th day of _____ at _____, Metro Manila.

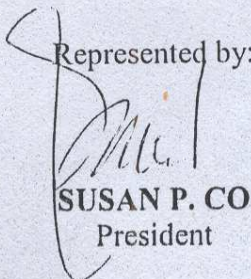
PUREGOLD PRICE CLUB, INC.

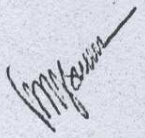
Represented by:

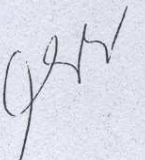

LEONARDO B. DAYAO
 President

SUREMART INCORPORATED

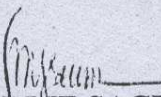
Represented by:


SUSAN P. CO
 President





Attested by:


BABY GERLIE SACRO
 Corporate Secretary
PUREGOLD PRICE CLUB, INC. and
SUREMART INCORPORATED

SIGNED IN THE PRESENCE OF:

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
 MAKATI CITY, METRO MANILA)SS

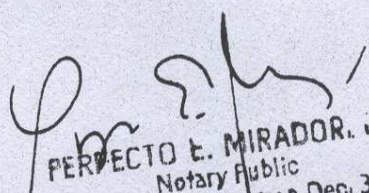
Before me, a Notary Public in and for Makati City, Metro Manila, this 21st 3rd 2005 day
 of _____ personally appeared:

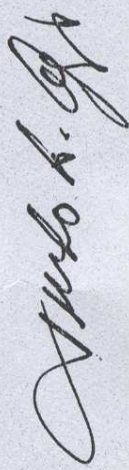
<u>Name</u>	<u>Comm. Tax Cert. No.</u>	<u>Date & Place Issued</u>
Leonardo B. Dayao	09208978	January 27, 2005/Muntinlupa
Susan P. Co	14022909	May 20, 2005/Manila
Baby Gerlie Sacro	02169228	January 18, 2005/Manila

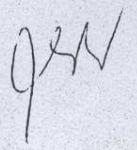
known to me to be the same persons who executed the foregoing Articles of Merger and they
 acknowledged to me that the same is their free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal, on
 the date and at the place first above written.

Doc. No. 367 ;
 Page No. 74 ;
 Book No. XIX ;
 Series of 2005


PERFECTO E. MIRADOR, JR.
 Notary Public
 My Commission Expires on Dec. 31, 2009
 Makati City, Metro Manila
 Philippines





SUREMART INCORPORATED

**DIRECTORS' CERTIFICATE OF THE
APPROVAL OF THE ARTICLES OF MERGER
AND PLAN OF MERGER OF**

SUREMART INCORPORATED

WITH AND UNTO

PUREGOLD PRICE CLUB, INC.

We, the undersigned, being the majority of the board of directors of **SUREMART INCORPORATED** (the "Corporation"), do hereby certify:

That at the separate special meetings of the Board of Directors and the Stockholders of the Corporation held on April 25, 2005 and May 13, 2005 respectively, at the principal office of the Corporation, the Directors and Stockholders approved the Articles of Merger and the Plan of Merger of **SUREMART INCORPORATED** with and unto **PUREGOLD PRICE CLUB, INC.**

That aforesaid Articles of Merger and Plan of Merger were approved by the vote of at least a majority of the Board of Directors, and Stockholders present in person or by proxy owning at least two thirds (2/3) of the outstanding capital stocks of the Corporation at the separate special meetings of the Board of Directors and Stockholders, held on April 25, 2005 and May 13, 2005 respectively at the principal office of the Corporation.

That the attached are the true and correct copies of the Articles of Merger and Plan of Merger as approved by the Board of Directors and Stockholders on April 25, 2005 and May 13, 2005 respectively.

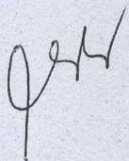
IN WITNESS WHEREOF, we have hereunto affixed our signature this ___th day
_____ at _____, Metro Manila.


LUCIO L. CO


FERDINAND VINCENT P. CO


SUSAN P. CO


PAMELA JUSTINE P. CO

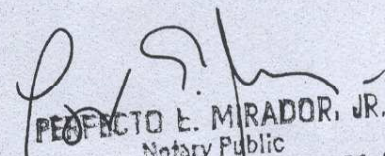



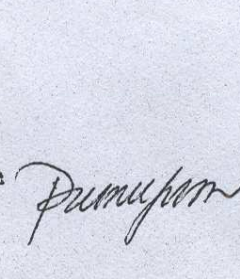
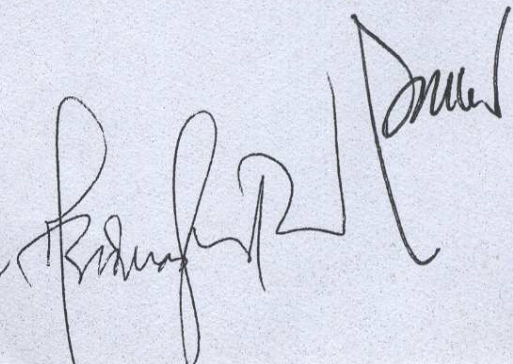
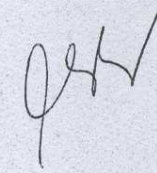
SUBSCRIBED AND SWORN to before me this _____th day of **AUG 05 2005** 2005 at Makati City, Metro Manila, affiants exhibit to me their Community Tax Certificates, as follows:

<u>Name</u>	<u>Comm. Tax Cert. No.</u>	<u>Date & Place Issued</u>
Lucio L. Co	21836912	January 28, 2005/Manila
Susan P. Co	14022909	May 20, 2005/Manila
Pamela Justine P. Co	21831753	January 17, 2005/ Manila
Ferdinand Vincent P. Co	14021083	May 25, 2005/ Manila

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal, on the date and at the place first above written.

Doc. No. 372 ;
Page No. 75 ;
Book No. XIX ;
Series of 2005.


PERFECTO E. MIRADOR, JR.
 Notary Public
 My Commission Expires on Dec. 31, 2007
 Makati City, Metro Manila
 Philippines

PUREGOLD PRICE CLUB, INC.

**DIRECTORS' CERTIFICATE OF THE
APPROVAL OF THE ARTICLES OF MERGER
AND PLAN OF MERGER OF**

SUREMART INCORPORATED

WITH AND UNTO

PUREGOLD PRICE CLUB, INC.


We, the undersigned, being the majority of the Board of Directors of **PUREGOLD PRICE CLUB, INC.** (the "Corporation"), do hereby certify:

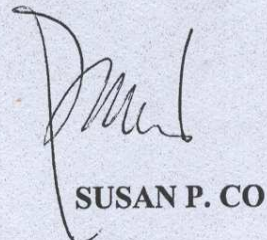
That at the separate special meetings of the Board of Directors and the Stockholders of the Corporation held on April 25, 2005 and May 13, 2005 respectively at the principal office of the Corporation, the Directors and Stockholders approved the Articles of Merger and the Plan of Merger of **SUREMART INCORPORATED** with and unto **PUREGOLD PRICE CLUB, INC.**

That aforesaid Articles of Merger and Plan of Merger were approved by the vote of at least a majority of the Board of Directors, and Stockholders present in person or by proxy owning at least two thirds (2/3) of the outstanding capital stocks of the Corporation at the separate special meetings of the Board of Directors and Stockholders, held on April 25, 2005 and May 13, 2005 respectively, at the principal office of the Corporation.

That the attached are the true and correct copies of the Articles of Merger and Plan of Merger as approved by the Board of Directors and Stockholders on April 25, 2005 and May 13, 2005 respectively.

IN WITNESS WHEREOF, we have hereunto affixed our signature this ___th day of _____ at Makati City, Metro Manila.

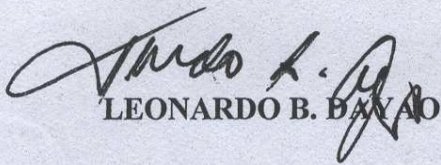

LUCIO L. CO

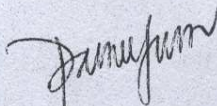

SUSAN P. CO

Handwritten signature: Aureo L. G. Pungson

Handwritten signature: [Illegible]

Handwritten initials: JLM


LEONARDO B. DAYAO


PAMELA JUSTINE P. CO

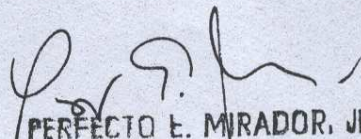

FERDINAND VINCENT P. CO

SUBSCRIBED AND SWORN to before me this _____th day of AUG 05 2005 2005 at Makati City, Metro Manila, affiants exhibit to me their Community Tax Certificates, as follows:

<u>Name</u>	<u>Comm. Tax Cert. No.</u>	<u>Date & Place Issued</u>
Lucio L. Co	21836912	January 28, 2005/Manila
Susan P. Co	14022909	May 20, 2005/Manila
Leonardo B. Dayao	09208978	January 27, 2005/Manila
Pamela Justine P. Co	21831753	January 17, 2005/ Manila
Ferdinand Vincent P. Co	14021083	May 25, 2005/ Manila

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal, on the date and at the place first above written.

Doc. No. 370 ;
Page No. 74 ;
Book No. XIX ;
Series of 2005.


PERFECTO E. MIRADOR, JR.
Notary Public
MY Commission Expires on Dec. 31, 2007
Makati City, Metro Manila
Philippines



