

# SECURITIES AND EXCHANGE COMMISSION

## SEC FORM 17-C

### CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. Date of Report (Date of earliest event reported)  
Apr 20, 2017
2. SEC Identification Number  
147212
3. BIR Tax Identification No.  
000-323-228
4. Exact name of issuer as specified in its charter  
International Container Terminal Services, Inc.
5. Province, country or other jurisdiction of incorporation  
Metro Manila, Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office  
ICTSI Administration Building, Manila International Container Terminal (MICT), South  
Access Road, Port Area, Manila  
Postal Code  
1012
8. Issuer's telephone number, including area code  
+(63 2) 245 4101
9. Former name or former address, if changed since last report  
Not Applicable
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Stock Outstanding(current)	2,023,963,543
11. Indicate the item numbers reported herein  
9

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.



# International Container Terminal Services, Inc.

## ICT

**PSE Disclosure Form 4-3 - Amendments to Articles of Incorporation**  
**References: SRC Rule 17 (SEC Form 17-C) and**  
**Section 4.4 of the Revised Disclosure Rules**

**Subject of the Disclosure**

Amendment of the Seventh and Eighth Articles of the Articles of Incorporation

**Background/Description of the Disclosure**

Amendment of: (a) the Seventh Article of the Articles of Incorporation of the Corporation to delete the provision that the Preferred B Shares shall be redeemed by the Corporation when the nationality restrictions applicable to the Corporation are lifted by appropriate legislation or constitutional amendment, and (b) the Eighth Article of the Articles of Incorporation of the Corporation to delete the right of first refusal and other restrictions on the right to sell shares in the Corporation other than the nationality restriction.

<b>Date of Approval by Board of Directors</b>	Feb 22, 2017
<b>Date of Approval by Stockholders</b>	Apr 20, 2017
<b>Other Relevant Regulatory Agency, if applicable</b>	N/A
<b>Date of Approval by Relevant Regulatory Agency, if applicable</b>	N/A
<b>Date of Approval by Securities and Exchange Commission</b>	TBA
<b>Date of Receipt of SEC approval</b>	TBA

**Amendment(s)**

Article No.	From	To
Seventh	(Please see attached)	(Please see attached)
Eighth	(Please see attached)	(Please see attached)

**Rationale for the amendment(s)**

(Please see attached)

**The timetable for the effectivity of the amendment(s)**

<b>Expected date of filing the amendments to the Articles of Incorporation with the SEC</b>	Apr 20, 2017
<b>Expected date of SEC approval of the Amended Articles of Incorporation</b>	Apr 21, 2017

**Effect(s) of the amendment(s) to the business, operations and/or capital structure of the Issuer, if any**

None

**Other Relevant Information**

This is only to update the date of approval by stockholders of the amendment of ICTSI's Articles of Incorporation. At the Annual Stockholders' Meeting, held today, April 20, 2017, the stockholders passed and approved the Amendment of: (a) the Seventh Article of the Articles of Incorporation of the Corporation to delete the provision that the Preferred B Shares shall be redeemed by the Corporation when the nationality restrictions applicable to the Corporation are lifted by appropriate legislation or constitutional amendment, and (b) the Eighth Article of the Articles of Incorporation of the Corporation to delete the right of first refusal and other restrictions on the right to sell shares in the Corporation other than the nationality restriction.

**Filed on behalf by:**

<b>Name</b>	Arthur Tabuena
<b>Designation</b>	Treasury Director and Head of Investor Relations

Before	After	Rationale	Effect on business
<p><b>SEVENTH:</b> That the authorized capital stock of the said corporation is Five Billion Two Hundred Twenty Seven Million Three Hundred Ninety Seven Thousand Three Hundred Eighty One Pesos (₱ 5,227,397,381.00) divided into Four Billion Two Hundred Twenty Seven Million Three Hundred Ninety Seven Thousand Three Hundred Eighty One (4,227,397,381) common shares with par value of one peso (₱ 1.00) per share and Nine Hundred Ninety Three Million (993,000,000) Preferred A Shares with par value of one peso (₱ 1.00) per share and Seven Hundred Million (700,000,000) Preferred B Shares with par value of one centavo (₱ 0.01) per share.</p> <p>The Preferred A Shares shall be non-voting except in cases expressly provided by law. The Board of Directors shall fix the dividend rates applicable to Preferred A Shares. The Preferred A Shares shall be convertible to common shares under such terms and conditions as may be provided by the Board. Preferred A Shares shall be redeemed at the option of the Corporation subject to the approval of the Board of Directors. Any Preferred A Shares to be redeemed shall be redeemed at the redemption price and under such terms and conditions as shall be determined by the Board.</p> <p>The Preferred B Shares shall have full voting rights, and shall be issued only to Philippine Nationals. The Board of Directors shall fix the dividend rates applicable to the Preferred B Shares provided that such dividend rate shall not exceed 10% of the par value of such Preferred B Shares. The Preferred B Shares shall not be convertible to common shares. The Preferred B Shares shall be redeemed at the option of the Board of Directors at its issue price under such terms and conditions as may be provided by the Board. The Preferred B Shares which are redeemed shall not be considered retired and maybe reissued by the Corporation. The Preferred B Shares shall be redeemed by the Corporation when the nationality restrictions applicable to the Corporation are lifted by appropriate legislation or constitutional amendment. A holder of Preferred B Shares who wish to transfer such shares shall first notify the Corporation, and the Corporation shall have the right to designate a qualified Filipino National who shall have the right to acquire such Preferred B Shares.</p> <p>In the event of liquidation of the Corporation, Preferred Shares shall have preference over common shares in the distribution of the remaining assets of the Corporation after payment of all debts.</p> <p>The above-mentioned conditions or summary thereof shall be printed in all certificates of stocks for Preferred Shares issued by the Corporation.</p> <p>Stockholders shall have no pre-emptive rights in shares of stock which are issued by the Corporation.</p>	<p><b>SEVENTH:</b> That the authorized capital stock of the said corporation is Five Billion Two Hundred Twenty Seven Million Three Hundred Ninety Seven Thousand Three Hundred Eighty One Pesos (₱ 5,227,397,381.00) divided into Four Billion Two Hundred Twenty Seven Million Three Hundred Ninety Seven Thousand Three Hundred Eighty One (4,227,397,381) common shares with par value of one peso (₱ 1.00) per share and Nine Hundred Ninety Three Million (993,000,000) Preferred A Shares with par value of one peso (₱ 1.00) per share and Seven Hundred Million (700,000,000) Preferred B Shares with par value of one centavo (₱ 0.01) per share.</p> <p>The Preferred A Shares shall be non-voting except in cases expressly provided by law. The Board of Directors shall fix the dividend rates applicable to Preferred A Shares. The Preferred A Shares shall be convertible to common shares under such terms and conditions as may be provided by the Board. Preferred A Shares shall be redeemed at the option of the Corporation subject to the approval of the Board of Directors. Any Preferred A Shares to be redeemed shall be redeemed at the redemption price and under such terms and conditions as shall be determined by the Board.</p> <p>The Preferred B Shares shall have full voting rights, and shall be issued only to Philippine Nationals. The Board of Directors shall fix the dividend rates applicable to the Preferred B Shares provided that such dividend rate shall not exceed 10% of the par value of such Preferred B Shares. The Preferred B Shares shall not be convertible to common shares. The Preferred B Shares shall be redeemed at the option of the Board of Directors at its issue price under such terms and conditions as may be provided by the Board. The Preferred B Shares which are redeemed shall not be considered retired and maybe reissued by the Corporation. A holder of Preferred B Shares who wish to transfer such shares shall first notify the Corporation, and the Corporation shall have the right to designate a qualified Filipino National who shall have the right to acquire such Preferred B Shares.</p> <p>In the event of liquidation of the Corporation, Preferred Shares shall have preference over common shares in the distribution of the remaining assets of the Corporation after payment of all debts.</p> <p>The above-mentioned conditions or summary thereof shall be printed in all certificates of stocks for Preferred Shares issued by the Corporation.</p> <p>Stockholders shall have no pre-emptive rights in shares of stock which are issued by the Corporation.</p>	<p>The amendment to the Seventh Article is intended to give the Board of Directors of the Corporation the discretion over when the Preferred B shares should be redeemed. Under the current provision, the Board of Directors does not have this discretion because the redemption of the preferred B shares is required when the nationality restrictions applicable to the Corporation is lifted by law or constitutional amendment. Giving the Board of Directors the discretion to determine when the Preferred B shares will be redeemed provides flexibility which is necessary to allow the Corporation to address issues or challenges which may be brought about by the lifting of the nationality restrictions.</p> <p>Preferred B shares are low par value voting shares which receives no dividends. They were issued to Achillion Holdings Inc., a corporation controlled by the Chairman Enrique K. Razon Jr., to maximize the ability of the Corporation to take in foreign equity. Incidentally, it allows the Corporation to comply with the requirement under the MICT Contract against any change of control in the Corporation without the approval of the Philippine Ports Authority.</p>	<p>None</p>

**EIGHTH:** That the amount of said authorized capital stock which has been actually subscribed is SIXTY MILLION PESOS (P60,000,000.00) and the following persons have subscribed for the number of shares and amount of capital stock set out after their respective names:

<u>Name</u>	<u>Nationality</u>	<u>No. of Shares</u>	<u>Amount of Subscription</u>
1. ENRIQUE RAZON	Filipino	100	₱ 100.00
2. ENRIQUE K. RAZON, JR.	Filipino	100	100.00
3. EDGARDO Q. ABESAMIS	Filipino	100	100.00
4. STEPHEN A. PARADIES	Filipino	100	100.00
5. CARLOS T. SORIANO	American	100	100.00
6. EDUARDO J. SORIANO	Filipino	100	100.00
7. REGINALDO J. HERNANDEZ	Filipino	100	100.00
8. JOSE C. IBAZETA	Filipino	100	100.00
9. ROGELIO C. SALAZAR	Filipino	100	100.00
10. ROMEO C. DIMAYUGA	Filipino	100	100.00
11. E. RAZON, INC. (ERI) (also known as METRO PORT SERVICES, INC.)	Filipino	28,049,600	28,049,600.00
12. ANSCOR CONTAINER CORP. (ANSCORCON)	Filipino	28,049,400	28,049,400.00
13. SEA-LAND ORIENT, LTD. (SEA-LAND)	Filipino	3,900,000	3,900,000.00
<b>TOTAL</b>		<b><u>60,000,000</u></b>	<b><u>₱ 60,000,000.00</u></b>

The subscription for and the ownership of all shares of stock in this corporation are made and taken upon the condition that any holder of shares of stock desiring to sell or otherwise dispose of the same shall offer his stock to the other stockholders of record.

(a) Stockholders shall have the right of first refusal should any of the stockholders want to sell, in direct proportion to their respective shareholdings in the outstanding capital stock, under the terms and conditions hereunder set forth.

**EIGHTH:** That the amount of said authorized capital stock which has been actually subscribed is SIXTY MILLION PESOS (P60,000,000.00) and the following persons have subscribed for the number of shares and amount of capital stock set out after their respective names:

<u>Name</u>	<u>Nationality</u>	<u>No. of Shares</u>	<u>Amount of Subscription</u>
1. ENRIQUE RAZON	Filipino	100	₱ 100.00
2. ENRIQUE K. RAZON, JR.	Filipino	100	100.00
3. EDGARDO Q. ABESAMIS	Filipino	100	100.00
4. STEPHEN A. PARADIES	Filipino	100	100.00
5. CARLOS T. SORIANO	American	100	100.00
6. EDUARDO J. SORIANO	Filipino	100	100.00
7. REGINALDO J. HERNANDEZ	Filipino	100	100.00
8. JOSE C. IBAZETA	Filipino	100	100.00
9. ROGELIO C. SALAZAR	Filipino	100	100.00
10. ROMEO C. DIMAYUGA	Filipino	100	100.00
11. E. RAZON, INC. (ERI) (also known as METRO PORT SERVICES, INC.)	Filipino	28,049,600	28,049,600.00
12. ANSCOR CONTAINER CORP. (ANSCORCON)	Filipino	28,049,400	28,049,400.00
13. SEA-LAND ORIENT, LTD. (SEA-LAND)	Filipino	3,900,000	3,900,000.00
<b>TOTAL</b>		<b><u>60,000,000</u></b>	<b><u>₱ 60,000,000.00</u></b>

No transfer of share of stock which will reduce the ownership of Filipino citizens to less than the required percentage of capitals stock as provided by existing laws shall be allowed or permitted to be recorded in the proper books of the corporation and this restriction shall be printed in all the stock certificates to be issued by the corporation.

The amendment of the Eighth Article will clean up provisions in the Amended Articles of Incorporation which are vestiges of the period when the Corporation was privately held. These include the right of first refusal and restrictions on sale of shares. These restrictions on the shares are no longer applicable because the shares of the Corporation are now listed in the Philippine Stock Exchange and are freely transferable.

The nationality restriction will remain as it is currently required by law because the Corporation is engaged in port operation which in the Philippines is considered a public service subject to nationality restriction. Certain subsidiaries of the Corporation also own land in the Philippines which subjects the land holding subsidiaries, and the Corporation as controlling stockholder, to the nationality restriction.

None

<p>(b) The selling party shall advise the corporate secretary in writing, specifying the price at which said party wants to sell the subject shares and the corporate secretary shall promptly advise the other stockholders (remaining stockholders) in writing of said offer. Interested remaining stockholders shall have thirty (30) days from receipt of notice within which to accept the offer in writing, directed to the corporate secretary. The share pertaining to the remaining stockholders who are not interested in buying any of the subject shares shall be apportioned to those who express their desire to buy more than their respective proportional share in the block of shares being sold.</p> <p>(c) In the event that the remaining stockholders find the price fixed by the selling stockholder to be reasonable but none of them are interested in buying the shares being sold; the remaining stockholders shall have the right to find a substitute buyer within thirty (30) days from written notice from the corporate secretary that none of the remaining stockholders are interested in the shares being sold. Should more than one of the remaining stockholders exercise said right to find a substitute buyer, the corporate secretary shall so advise them and submit the names of the substitute buyers to the selling stockholder for acceptance.</p> <p>In the event that a majority of the remaining stockholders based on their holding decide that the price fixed by the selling stockholder or offered by a third party is unreasonable, the price shall be determined by a board of three arbitrators chosen and with powers provided by the Arbitration Law of the Philippines (R.A. 876) whose decision shall be final. Before fixing the price, the Board of Arbitrators shall first determine whether the price fixed by the selling stockholder is reasonable and if so the Board shall confirm the price fixed by the selling stockholder and the arbitration costs shall be borne by the corporation. If, however, the Board of Arbitrators shall determine the price fixed by the selling stockholder to be unreasonable, the Board shall fix the price and costs of arbitration shall be borne by the selling stockholder.</p> <p>(d) The right of first refusal provision set forth in the preceding paragraphs shall not apply in instances where a stockholder sells or transfers the subject shares to a parent, subsidiary or affiliate company. For the purpose of this paragraph, a company which owns or controls fifty-one percent or more of the capital stock of the selling party shall be considered a parent company; and a company fifty-one percent of more of the capital stock of which is owned or controlled by the selling party shall be considered a subsidiary or affiliate company.</p> <p>(e) The right of first refusal provision set forth in the preceding paragraphs shall cease to be effective upon approval and implementation of the public listing and registration of the shares of stock of this corporation with the Manila and the Makati Stock Exchanges and with the Securities and Exchange Commission in connection with the public offering of the shares of stock of this corporation. (Amendment as of April 12 and June 28, 1991).</p> <p>Sales to third parties made in violation of the right of first refusal shall be void. Third parties shall be those who are not stockholders at the time of the offer, which shall include an offer made directly by a stockholder to any other but not all of the stockholders. The above provisions shall be without prejudice to any pre-incorporation agreement, which shall be binding to the signatories thereof. The foregoing restriction shall be indicated in all the stock certificates to be issued by the corporation.</p> <p>No transfer of share of stock which will reduce the ownership of Filipino citizens to less than the required percentage of capitals stock as provided by existing laws shall be allowed or permitted to be recorded in the proper books of the corporation and this restriction shall be printed in all the stock certificates to be issued by the corporation.</p>			