

COVER SHEET

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S.E.C. Registration Number

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(Company's Full Name)

L	B	C		H	A	N	G	A	R	,		G	E	N	E	R	A	L			
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P	A	S	A	Y		C	I	T	Y												

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

Atty. Mahleene G. Go

Contact Person

888-0999

Company Telephone Number

Month

Day

Fiscal Year

SEC Form 17-C

FORM TYPE

Month

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

LCU

Document I.D.

Cashier

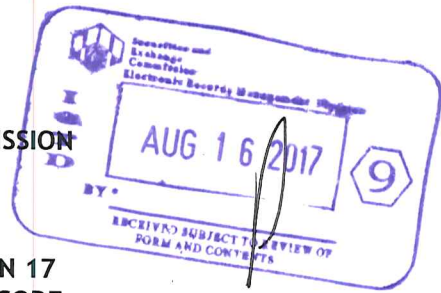
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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

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



1. **14 AUGUST 2017**
Date of Report (Date of earliest event reported)
2. SEC Identification Number **AS093-005277**
3. BIR Tax Identification No. **002-648-099-000**
4. **LBC EXPRESS HOLDINGS, INC. (formerly FEDERAL RESOURCES INVESTMENT GROUP INC.)**
Exact name of issuer as specified in its charter
5. **METRO MANILA, PHILIPPINES**
Province, country or other jurisdiction of incorporation
6. (SEC Use Only)
Industry Classification Code:
7. **LBC Hangar, General Aviation Centre, Domestic Airport Road, Pasay City 1300**
Address of principal office Postal Code
8. **(632) 856-8510**
Issuer's telephone number, including area code
9. **No. 35 San Antonio Street, San Francisco del Monte, Quezon City**
Former name or former address, if changed since last report
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 SHARES OF STOCK	1,425,865,471 ¹

11. Indicate the item numbers reported herein: **Item 9.**

Please see attached the comprehensive corporate disclosure regarding the issuance of the Company's US\$50,000,000 Convertible Instrument on 4 August 2017.

¹ Inclusive of 1,388,357,471 shares which are exempt from registration.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LBC EXPRESS HOLDINGS, INC.
(formerly FEDERAL RESOURCES INVESTMENT GROUP INC.)
Issuer

14 August 2017
Date


Mahleene G. Go
Assistant Corporate Secretary

8/15/2017

Comprehensive Corporate Disclosure on Issuance of Shares

C05138-2017

**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)
Aug 14, 2017
2. SEC Identification Number
AS093-005277
3. BIR Tax Identification No.
002-648-099-000
4. Exact name of issuer as specified in its charter
LBC EXPRESS HOLDINGS, INC. (formerly FEDERAL RESOURCES INVESTMENT GROUP INC.)
5. Province, country or other jurisdiction of incorporation
METRO MANILA, PHILIPPINES
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
LBC HANGAR, GENERAL AVIATION CENTRE, DOMESTIC AIRPORT ROAD, PASAY CITY
Postal Code
1300
8. Issuer's telephone number, including area code
(632) 856-8510

8/15/2017

Comprehensive Corporate Disclosure on Issuance of Shares

9. Former name or former address, if changed since last report

NO. 35 SAN ANTONIO STREET, SAN FRANCISCO DEL MONTE, QUEZON CITY

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 SHARES OF STOCK	1,425,865,471

11. Indicate the item numbers reported herein

ITEM 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.

LBC Express Holdings, Inc.
LBC

PSE Disclosure Form LR-1 - Comprehensive Corporate Disclosure on Issuance of Shares
(Private Placements, Share Swaps, Property-for-Share Swaps
or Conversion of Liabilities/Debt into Equity)
Reference: Rule on Additional Listing of Securities

Subject of the Disclosure

Issuance by LBC Express Holdings, Inc. (the "Company") of a US\$50.0 million convertible instrument

8/15/2017

Comprehensive Corporate Disclosure on Issuance of Shares

Background/Description of the Disclosure

On 4 August 2017, the Company issued, in favor of CP Briks Pte. Ltd. ("CP Briks"), a seven-year convertible instrument in the aggregate principal amount of US\$50.0 million (the "Instrument"), due 2024 or the seventh anniversary from the Issuance Date.

Date of Approval by Board of Directors Jun 20, 2017

Comprehensive Corporate Disclosure

Description of the proposed transaction including the timetable for implementation, and related regulatory requirements

The transaction involves the issuance on the Instrument in favor of CP Briks on 4 August 2017, upon satisfaction of the conditions precedent to closing (the "Transaction"). As security for the obligations of the Company under the Instrument, the Company's shall pledge all of its shares in LBC Express, Inc. in favor of CP Briks (the "LBCEH Pledge"), subject to the approval of the shareholders of the Company in a meeting called for this purpose. Pending approval of the shareholders of the Company being secured and effective 4 August 2017, the obligations of the Company shall be secured by a third party pledge to be extended by LBC Development Corporation ("LBCDEV"), the parent company, over 51% of the outstanding capital stock of the Company owned and held by LBCDEV.

The issuance of the Instrument is an exempt transaction under the Securities Regulations Code and its implementing rules and regulations.

Rationale for the transaction including the benefits which are expected to be accrued to the listed issuer as a result of the transaction

The proceeds of the Instrument shall be used to fund the growth of the business of the Company, including capital expenditures and working capital.

The aggregate value of the consideration, explaining how this is to be satisfied, including the terms of any agreements for payment on a deferred basis

The purchase price of the Instrument is US\$50,000,000.00, payable on 4 August 2017, by wire transfer of immediately available funds.

The Instrument (or a portion thereof) shall be converted at the agreed conversion rate. The conversion rate shall be equal to the amount to be converted (determined at the then prevailing Philippine exchange rate) divided by PHP13.00 (as the same may be adjusted from time to time). Except for certain costs and expenses, CP Briks (or the relevant holder) shall not be required to make additional payments to the Company for the conversion and issuance of the underlying shares.

The basis upon which the consideration or the issue value was determined

The conversion price was determined after taking into consideration the historical and projected cashflows of the Company.

Detailed work program of the application of proceeds, the corresponding timetable of disbursements and status of each project included in the work program. For debt retirement application, state which projects were financed by debt being retired, the project cost, amount of project financed by debt and financing sources for the remaining cost of the project

The proceeds of the Instrument shall be used to fund the growth of the business of the Company, including capital expenditures and working capital, as follows:

- (a) within the next 12 months, the Company expects to use approximately PHP780 million to acquire overseas based businesses under common control with the Company;
- (b) within the next six months, the Company expects to use approximately PHP300 million to retire short term debts of its subsidiary, LBC Express, Inc.; and
- (c) the remaining balance will be used to fund potential business prospects and/or retire long term debt of its subsidiary, LBC Express, Inc.

Pending the above use of proceeds, the proceeds will be invested in short-term liquid investments including but not limited to short-term government securities, bank deposits and money market placements which are expected to earn at prevailing market rates.

Identity and/or corporate background of the beneficial owners of the shares subscribed, including the following

Beneficial Owners/Subscribers	Nature of Business	Nature of any material relationship with the Issuer and the parties to the joint venture, their directors/officers or any of their affiliates
CP Briks Pte. Ltd. (as Purchaser)	Investment holding entity domiciled in Singapore	None

Organizational/Ownership Structure of Subscribers

Beneficial Owners/Subscribers	Controlling Shareholders of Subscribers	Number of Shares Held	%
Crescent Briks Investments Ltd	Crescent Capital Investments Ltd	1	100

For subscribers with no track record or with no operating history: the Subscriber must present a statement of active business pursuits and objectives which details the step undertaken and proposed to be undertaken by the Issuer in order to advance its business. Projected financial statements shall only be required should there be references made in the Statement to forecasts or targets

CP Briks was incorporated on 19 May 2017 and is domiciled in Singapore. It is an investment holding entity managed by Crescent Fund Management Pte Ltd. Crescent Fund Management Pte Ltd is a Singapore based private equity and special situations investment firm focusing on category-leading companies benefiting mainly from the consumer-driven and urbanization trends in Southeast Asia, China and Australia.

As of date, the annual financial statements of CP Briks are not yet available since CP Briks is a newly-incorporated company. In lieu of such financial statements, the following are the financial highlights of CP Briks as of 31 July 2017: (a) total assets amounting to US\$50 million and (b) total liabilities amounting to US\$0.

The interest which directors of the parties to the transaction have in the proposed transaction

None.

Statement as to the steps to be taken, if any, to safeguard the interests of any independent shareholders

The Omnibus Agreement dated 20 June 2017 by and among the Company (as issuer and pledgor), CP Briks (as purchaser and pledgee) and LBCDEV (as pledgor) relating to, among others, the issuance of the Instrument and the creation of the LBCEH Pledge, shall be presented to the stockholders of the Company for approval and ratification.

Any conditions precedent to closing of the transaction

The following are the conditions precedent to closing of the Transaction:

- (a) the representations and warranties of the Company and CP Briks shall be true and accurate in all respects and not misleading when made and at the time of closing
- (b) the parties shall have performed and complied with all agreements and conditions contained in the agreement required to be performed or complied with by them prior to or at closing and, after giving effect to the issuance of the Convertible Instrument, no event of default shall have occurred and be continuing
- (c) the Company shall have delivered to CP Briks a signed copy of the trademark license agreement and the certificates evidencing the pledged shares
- (d) the receipt by CP Briks of a legal opinion from the Company's counsel
- (e) the receipt by CP Briks from the Company of an officers certificate dated as of the issuance date, in form and substance acceptable to CP Briks
- (f) the receipt by the Company of a certificate dated as of the issuance date confirming that CP BRIKS has satisfied the conditions set forth in (a) and (b) above
- (g) CP Briks has received approval of the transaction from its investment committee
- (h) CP Briks has completed a due diligence investigation of the Company to its satisfaction

Change(s) in the composition of the Board of Directors and Management

For as long as CP Briks (or an entity in which CP Briks has beneficial ownership of 67% or more of the voting stock) hold or owns (or upon exercising its rights of conversion would hold or own) not less than 5% of the outstanding common shares of the Company, CP Briks shall have the right to appoint and have elected one representative to the board of directors of the Company.

Effects on the following

Ownership structure

Principal Shareholders	Before		After	
	Number of shares	%	Number of shares	%
LBC Development Corporation	1,206,080,632	84.59	1,146,979,632	70.45
CP Briks Pte. Ltd.	0	0	192,307,692	11.88

Capital structure

Issued Shares

Type of Security /Stock Symbol	Before	After
LBC	1,425,865,471	1,628,173,163

Outstanding Shares

8/15/2017

Comprehensive Corporate Disclosure on Issuance of Shares

Type of Security /Stock Symbol	Before	After
LBC	1,425,865,471	1,628,173,163

Treasury Shares

Type of Security /Stock Symbol	Before	After
-	-	-

Listed Shares

Type of Security /Stock Symbol	Before	After
LBC	40,899,000	1,628,173,163

Effect(s) on the public float, if any	Public float will increase from the current 15.41% to 17.74%.
Effect(s) on foreign ownership level, if any	Foreign ownership level will increase from the current 0.22% to 12.08%.

Other Relevant Information

The calculations are only estimates and assumes the following: (a) full conversion, (b) a foreign exchange ratio of US\$1:PHP50.00, and (c) a conversion price of PHP13 per share, and (d) there is no change in LBC Development Corporation's shareholdings in the Company (other than as a result of the proposed follow-on offering as discussed below).

In addition, the ownership structure, capital structure and public float set forth above:

(a) take into account the impact of the offer and sale in the proposed follow-on offering of the Company of (i) 10,000,000 primary common shares and (ii) 59,101,000 secondary common shares held by LBC Development Corporation; and

(b) CP Briks as the sole holder of the Instrument.

The Company will make the appropriate updates to this disclosure as and when the Instrument (or a portion thereof) is converted into common shares.

Filed on behalf by:

Name	Maria Eloisa Imelda Singzon
Designation	Alternate Corporate Information Officer

**SUMMARY OF KEY TERMS OF THE
OMNIBUS AGREEMENT DATED 20 JUNE 2017
IN RELATION TO
CONVERTIBLE INSTRUMENT DUE 2024
ISSUED BY LBC EXPRESS HOLDINGS, INC.**

The Omnibus Agreement dated 20 June 2017 consists of the following parts: (a) Part A, General Provisions; (b) Part B, the Convertible Instrument Purchase Agreement; and (c) Part C, the Pledge Agreement.

I. Convertible Instrument Purchase Agreement

Item	Subject	Summary
1	Parties	LBC Express Holdings, Inc. (" Company ") CP Briks Pte. Ltd. (" CP Briks ")
2	Transaction	On Closing Date, CP Briks shall subscribe to and purchase from the Company and the Company hereby shall sell, transfer and deliver to CP Briks a secured convertible instrument due 2024 of the Company in the aggregate principal amount of US\$50,000,000.00 (the " Instrument ").
3	Purchase Price	US\$50,000,000.00
4	Use of Funds	The proceeds of the Instrument shall be used to fund the growth of the business of the Company, including capital expenditures and working capital.
5	Closing Date/Issuance Date	15 business days from the satisfaction of conditions precedent
6	Principal	US\$50,000,000.00
7	Interest	0.00%
8	Maturity Date	7 th anniversary of Closing Date
9	Payment Date	On Maturity Date, the Company shall pay to the holder of the Instrument an amount in cash representing all outstanding principal.
10	Conversion Rate	<p>The number of Common Shares issuable upon conversion of any Conversion Amount shall be equal to (x) such Conversion Amount divided by (y) the Conversion Price.</p> <p>For this purpose:</p> <p>"Conversion Amount" means the PHP equivalent (based on the applicable PHP-US\$ exchange rate) of the principal amount of the Instruments to be converted with respect to which this determination is being made.</p> <p>"Conversion Price" means, as of any conversion date or other date of determination, initially Thirteen Pesos (PHP13.00), subject to adjustment in accordance with the terms of the Instrument.</p>

Item	Subject	Summary
		<p><i>Reset of Conversion Price</i></p> <p>With effect from the date that is three (3) years following the Issuance Date (the "Reset Date"), if the thirty (30) trading day weighted average price of the Company's common shares on the PSE for the thirty (30) trading days prior to the third (3rd) year anniversary of the Issuance Date is not higher than the Conversion Price (as adjusted for any reverse stock splits or share buybacks), the Conversion Price shall be adjusted on the Reset Date to the thirty (30) trading day weighted average price prior to the Reset Date.</p>
11	Option Conversion by the Holder	<p>Subject to the provisions on Company Conversion (as discussed below), during the Conversion Period, the Holder shall be entitled to convert any portion of the outstanding and unpaid Conversion Amount into common shares of the Company at the Conversion Price. The Company shall not issue any fraction of the Company's common share upon any conversion. If the issuance would result in the issuance of a fraction of a common share, the number of common shares to be delivered to the Holder shall be rounded down to the next whole number. The Holder shall pay any and all transfer, stamp and similar taxes which are required to be paid in connection with the issuance and delivery of common shares upon conversion of any Conversion Amount.</p> <p>For this purpose, "Conversion Period" shall refer to the period commencing on the 75th day after the Issuance Date and ending on the tenth Business Day prior to the Maturity Date.</p>
12	Company Conversion	<p>At any time after obtaining pre-approval from the PSE for the listing of the underlying shares, if (a) the closing sale price of the Company's common shares listed on the PSE is at least 50% above the conversion price then in effect for a period of 30 consecutive trading days ending on the trading day immediately preceding the date of the Company's notice (the "Company Conversion Measuring Period"), and (b) the daily trading volume of the Company's common shares listed on the PSE equals or exceeds PHP75 million on each day during the Company Conversion Measuring Period (together, the "Company Conversion Conditions"), the Company shall have the right to elect to automatically convert some or all of the conversion amount up to a multiple of three times the average daily trading volume of the common shares trading on the PSE over such Company Conversion Measuring Period. If after six months following such partial conversion, the Company Conversion Conditions continue to be met, the Company may exercise its right to effect another conversion; provided, however, that such partial conversions shall not exceed US\$10 million in each case.</p> <p>At any time after obtaining pre-approval from the PSE of the listing of the underlying shares, if any offering, placement of shares or similar transaction is planned by the Company where it reasonably believes that: (a) the percentage of the Company's common shares held by the public increases to at least 30% as a result of such transaction, (b) the value of such offering is not less than US\$100 million, and (c) the common share price is at least PHP22.00 per share (the "Re-IPO"), the Company shall have the right to elect to automatically convert some or all of the conversion amount up to a multiple of three times the average daily trading volume of the common shares trading on the PSE over such Company Conversion Measuring Period.</p>

Item	Subject	Summary
		Conditions ”), the Company shall have the right to elect to automatically convert some or all of the conversion amount.
13	Mandatory Redemption	At any time after thirty (30) months from the Issuance Date, the Holder shall have the right to require the Company to redeem all, or, as the case may be, such portion of the Instrument which has not yet been previously converted by the Holder and/or the Company provided that the Holder provides written notice to the Company (“ Mandatory Redemption Notice ”) which notice shall indicate the Principal amount of the Instrument that the Holder is electing to require the Company to redeem. Each portion of the Instrument shall be redeemed by the Company at a price equal to 100% of the Conversion Amount plus an IRR equal to 13% (inclusive of applicable tax, which shall be for the account of the Holder) (“ Mandatory Redemption Price ”); provided however, the Mandatory Redemption Price shall be: (1) 12% (inclusive of applicable tax, which shall be for the account of the Holder) if the Mandatory Redemption Notice is delivered after the fourth (4th) anniversary of the Issuance Date; (2) 11% (inclusive of applicable tax, which shall be for the account of the Holder) if the Mandatory Redemption Notice is delivered after the fifth (5th) anniversary of the Issuance Date; and (3) 10% (inclusive of applicable tax, which shall be for the account of the Holder) if the Mandatory Redemption Notice is delivered after the sixth (6th) anniversary of the Issuance Date.
14	Redemption in the Event of Change of Control	<p>No sooner than five business days nor later than 10 business days following the consummation of a change of control, the Company shall deliver to the holders a written notice thereof. At any time during the period beginning after the date of such notice and ending 10 trading days after the date of such notice, any holder may elect to convert its instrument and sell the converted common shares at the price offered by the purchaser in the change of control transaction or require the Company to redeem all or any portion of the Instrument by delivering written notice thereof to the Company.</p> <p>Each portion of the Instrument subject to redemption shall be redeemed by the Company at a price equal to 100% of the conversion amount plus an internal rate of return equal to 13% (inclusive of applicable tax, which shall be for the account of the holder) (the “Change of Control Redemption Price”); provided, however, that the Change of Control Redemption Price shall be: (i) 12% (inclusive of applicable tax, which shall be for the account of the holder) if the notice is delivered after the 4th anniversary of the Issuance Date; (ii) 11% (inclusive of applicable tax, which shall be for the account of the holder) if the notice is delivered after the 5th anniversary of the Issuance Date; (iii) 10% (inclusive of applicable tax, which shall be for the account of the holder) if the notice is delivered after the 6th anniversary of the Issuance Date.</p>
15	Events of Default	<p><i>Events of Default</i></p> <p>Each of the following shall constitute an event of default:</p> <p>(a) the Company fails to cure a conversion failure or provides notice to the holder of the Instrument of its intention not to comply with a request for conversion into common shares of the tendered</p>

Item	Subject	Summary
		<p>Instrument;</p> <p>(b) the Company fails to pay the holder any amount of principal when and as due under the Instrument</p> <p>(c) the Company fails to provide a notice of the occurrence of a change of control on a timely basis</p> <p>(d) the Company defaults in the payment when due, after the expiration of any applicable grace period, of principal of, or interest on, indebtedness of the Company for borrowed money, the aggregate outstanding amount of which is US\$5 million or any other defaults on any indebtedness of the Company in excess of US\$5 million such that such indebtedness is accelerated unless such indebtedness is discharged, or such acceleration is cured, waived, rescinded or nullified where, in each case, such default continues for a period of 45 days after written notice is received by the Company</p> <p>(e) (i) the commencement by the Company of a voluntary case or proceeding under any applicable bankruptcy or similar law ("Bankruptcy Law"), (ii) the entry of an order for relief against the Company in an involuntary case, unless stayed, suspended, reversed or otherwise dismissed or held in abeyance by a competent court within 45 days thereof, (iii) the consent of the Company to appoint a receiver, trustee, assignee, liquidator, custodian or similar officer (a "Custodian"), (iv) the making by the Company of a general assignment for the benefit of its creditors, (v) the filing by the Company or a petition or answer or consent seeking reorganization or relief under any Bankruptcy Law in the context of a bankruptcy, insolvency or reorganization proceeding or the consent of the Company to the filing of such petition, or (vi) the admission in writing by the Company that it is generally unable to pay its debts as they become due</p> <p>(f) the entry by a court of competent jurisdiction in the premises of any order or decree under any applicable Bankruptcy Law for relief in respect of the Company in an involuntary case or proceeding, or a decree or order adjudging the Company to be bankrupt or insolvent, or approving as properly filed a petition seeking reorganization or relief under any Bankruptcy Law, or appointing a Custodian of the Company or ordering the liquidation of the Company, in each case, unless such order has been duly stayed, suspended, reversed or otherwise dismissed or held in abeyance by a competent court within 45 days thereof</p> <p>(g) the entry of a final judgment by a court of competent jurisdiction for the payment of money aggregating in excess of US\$10 million against the Company and which judgment is not, within 45 days after entry thereof, bonded, discharged or stayed pending appeal, or is not discharged within 45 days after the expiration of such stay; provided, that any judgment which is covered by an insurance or indemnity from a creditworthy party shall not be included in calculating the US\$10 million amount so long as the Company provides the holder a written statement from such insurer or indemnity provider (in a form reasonably satisfactory to the required holder) to the effect that such</p>

Item	Subject	Summary
		<p>judgment is covered by insurance or an indemnity and the Company will receive the proceeds of such insurance or indemnity within 45 days of the issuance of such judgment</p> <p>(h) other than as specifically set forth in (a), the Company breaches any other term or condition of this instrument and the default continues for a period of 60 days after written notice of such breach demanding the Company to remedy the same shall have been given to the Company by the required holders</p> <p>(i) within 1 month from the Issuance Date, the Company fails to discontinue payments of royalties to LBC Development Corporation ("LBCDEV") or its affiliates</p> <p>(j) any breach of the transaction documents, including the pledge agreement</p> <p>(k) the sale by LBCDEV of 10% or more of the Company's common shares to a foreign investor without the consent of the holder</p> <p><i>Consequences of a Default</i></p> <p>If an event of default shall have occurred and be continuing, the holder may require the Company to redeem all or any portion of the Instrument, provided the holder provides written notice to the Company within the applicable period. Each portion of the Instrument subject to redemption shall be redeemed by the Company at a price equal to 100% of the conversion amount plus an internal rate of return equal to 16% (inclusive of applicable tax, which shall be for the account of the holder).</p> <p><i>Other rights of CP Briks in case of Default</i></p> <p>CP Briks shall be entitled to exercise all its rights, powers and remedies vested under the pledge agreement (and related transaction agreements), including: (i) receive all amounts payable and all property and instruments deliverable in respect of the relevant pledged collateral; (ii) vote all or any part of the shares forming part of the pledged collateral; and (iii) proceed before a notary public for the sale of the pledged collateral at a public auction.</p>
16	Security	<p>The obligations of the Company under the Instrument shall be secured by a pledge over all of the Company's shares in LBC Express, Inc. in favor of CP Briks, subject to the approval of the shareholders of the Company in a meeting called for this purpose. Pending approval of the shareholders of the Company being secured, the obligations of the Company shall be secured by a third party pledge to be extended by LBC Development Corporation ("LBCDEV"), the parent company, over 51% of the outstanding capital stock of the Company owned and held by LBCDEV.</p>
17	Governing Law	<p>The agreement shall be governed by and construed in accordance with the Philippine law without giving effect to any conflicts of laws principles thereof that would otherwise require the application of the law of any other jurisdiction.</p>

Item	Subject	Summary
18	Arbitration Clause	The agreement shall be governed by and construed in accordance with the Philippine law without giving effect to any conflicts of laws principles thereof that would otherwise require the application of the law of any other jurisdiction. Any dispute, controversy, difference or claim arising out of or relating to this Agreement, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre ("HKIAC") under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted. The law of this arbitration clause shall be Hong Kong law. The seat of arbitration shall be Hong Kong and a single arbitrator shall be appointed on the request of either Party by the Chairman for the time being of HKIAC. The arbitration proceedings shall be conducted in English.

II. Pledge Agreement

Item	Subject	Summary
1	Parties	LBC Development Corporation ("LBCDEV") as pledgor LBC Express Holdings, Inc. ("LBCEH") as pledgor CP Briks Pte. Ltd. ("CP Briks") as pledgee
2	Benefit of Pledge	The pledge is and shall be constituted in favor of CP Briks for CP Briks's benefit, to secure the payment of the Secured Obligations.
3	Secured Obligations	All (i) loans, advances, debts, liabilities, obligations and amounts, howsoever arising, owed by the Company to CP Briks under or in connection with the Instrument; and (ii) all sums advanced by CP Briks to preserve the pledged collateral or the pledge lien.
4	Creation of Pledge	On the Closing Date, LBCDEV shall grant to CP Briks a first-priority security interest in the LBCDEV Pledged Collateral as security for the full payment and performance of the Secured Obligations, in accordance with the terms and conditions set forth in the Pledge Agreement (the "LBCDEV Pledge"). Effective as of the day before the termination of the LBCDEV Pledge, LBCEH shall grant to CP Briks a first-priority security interest in the LBCEH Pledged Collateral as security for the full payment and performance of the Secured Obligations, in accordance with the terms and conditions set forth in the Pledge Agreement.
5	Pledged Collateral	Means, as applicable, (i) the shares of stock of LBCEH owned by LBCDEV in the aggregate number of 727,191,391 common shares, representing fifty one percent (51%) of LBCEH's issued share capital ("LBCDEV Pledged Collateral"); and (ii) the common shares of stock of LBC Express, Inc. owned by LBCEH in the aggregate number of 1,041,180,504 common shares, representing one hundred percent (100%) of LBC Express, Inc.'s issued share capital, including after-acquired shares ("LBCEH Pledged Collateral").

Item	Subject	Summary
6	Termination of LBCDEV Pledged Collateral	Upon execution and delivery by LBCEH and CP Briks of a Pledge Supplement granting CP Briks a continuing security interest of first priority in the LBCEH Pledged Collateral and delivery by LBCEH to CP Briks of the share certificates evidencing the LBCEH Pledged Collateral and relevant irrevocable proxies to ensure the validity and first ranking priority of the pledge.
7	Termination of LBCEH Pledged Collateral	The date on which all Secured Obligations have been fully and finally discharged to CP Briks's satisfaction, whether or not as the result of enforcement.
8	Governing Law	The Pledge Agreement shall be governed and interpreted by, and construed in accordance with the laws of the Philippines.