



Republic of the Philippines
SECURITIES AND EXCHANGE COMMISSION
SEC Bldg. EDSA, East Greenhills, Mandaluyong City

MARKET REGULATION DEPARTMENT

October 11, 2010

PHILIPPINE STOCK EXCHANGE INC.

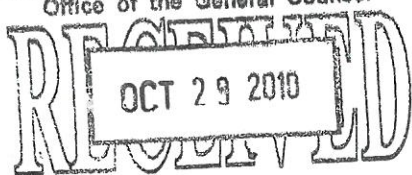
PSE Plaza
Ayala Triangle
Makati City
Fax: 891-4100

Attention: Atty. Joselito Banaag, General Counsel

Gentlemen:

Attached are two (2) copies of the approved PSE Rules on Quasi-Reorganization, bearing the signatures of PSE representatives and countersigned by the Director, Market Regulation Department, SEC.

The Philippine Stock Exchange, Inc.
Office of the General Counsel



Very truly yours,

A handwritten signature in blue ink, appearing to read "Jose P. Aquino".

JOSE P. AQUINO
Director



RULES ON QUASI-REORGANIZATION

SECTION 1. RULES ON QUASI-REORGANIZATION. - These rules shall apply to a proposed quasi-reorganization of a financially distressed listed company to improve its equity position by wiping out its existing deficit through any of the following modes:

- (a) The use of the appraisal surplus to eliminate the deficit; or
- (b) An amendment of the Articles of Incorporation to reduce the capital stock by way of a decrease in the outstanding shares or a reduction in par value, and applying the resulting reduction to wipe out the deficit.

These rules shall likewise apply to a proposed elimination of a deficit through the use of additional paid-in capital stock which is more appropriately referred to as equity restructuring.

SECTION 2. TRADING HALT. - The Exchange shall impose a trading halt on the shares of the Issuer for one (1) hour upon initial disclosure by a listed company of the approval by its Board of Directors or stockholders of the amendment of its Articles of Incorporation under Section 1 (b) of these rules. If the information is disseminated less than an hour prior to the close of the market, the trading halt shall be lifted on the subsequent trading day.

If the details of the disclosure mentioned above are found to be incomplete, the Exchange shall request for additional information. The company shall be given five (5) trading days to reply and to submit the additional information. Another one (1) hour trading halt shall be implemented upon receipt of the additional information required herewith.

SECTION 3. TRADING SUSPENSION. - Upon receipt from a listed company of the disclosure of approval by the SEC of the Amended Articles of Incorporation covering the company's quasi-reorganization, the Exchange shall suspend the trading of the company's securities for a maximum period of ten (10) trading days from the release by the Exchange of the circular on the SEC approval. Lifting of the said trading suspension shall be at 9:00 a.m. on the next trading day following the end of the trading suspension. Upon lifting of the trading suspension, the shares shall be traded based on the adjusted number of listed shares.

THE PHILIPPINE STOCK EXCHANGE, INC.


VAL ANTONIO B. SUAREZ
President & CEO


JOSELITO V. BANAAG
General Counsel and
OIC, Issuer Regulation Division

SECURITIES AND EXCHANGE COMMISSION


JOSE P. AQUINO
Director
Market Regulation Department



RULES ON QUASI-REORGANIZATION

SECTION 1. RULES ON QUASI-REORGANIZATION. - These rules shall apply to a proposed quasi-reorganization of a financially distressed listed company to improve its equity position by wiping out its existing deficit through any of the following modes:

- (a) The use of the appraisal surplus to eliminate the deficit; or
- (b) An amendment of the Articles of Incorporation to reduce the capital stock by way of a decrease in the outstanding shares or a reduction in par value, and applying the resulting reduction to wipe out the deficit.

These rules shall likewise apply to a proposed elimination of a deficit through the use of additional paid-in capital stock which is more appropriately referred to as equity restructuring.

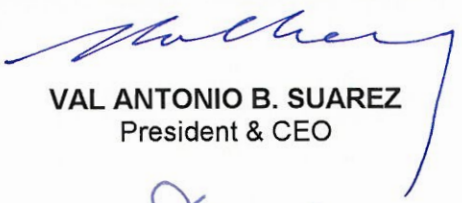
SECTION 2. TRADING HALT. - The Exchange shall impose a trading halt on the shares of the Issuer for one (1) hour upon initial disclosure by a listed company of the approval by its Board of Directors or stockholders of the amendment of its Articles of Incorporation under Section 1 (b) of these rules. If the information is disseminated less than an hour prior to the close of the market, the trading halt shall be lifted on the subsequent trading day.

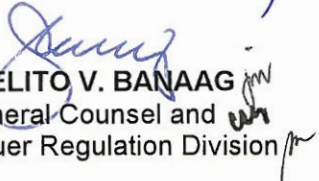
If the details of the disclosure mentioned above are found to be incomplete, the Exchange shall request for additional information. The company shall be given five (5) trading days to reply and to submit the additional information. Another one (1) hour trading halt shall be implemented upon receipt of the additional information required herewith.

SECTION 3. TRADING SUSPENSION. - Upon receipt from a listed company of the disclosure of approval by the SEC of the Amended Articles of Incorporation covering the company's quasi-reorganization, the Exchange shall suspend the trading of the company's securities for a maximum period of ten (10) trading days from the release by the Exchange of the circular on the SEC approval. Lifting of the said trading suspension shall be at 9:00 a.m. on the next trading day following the end of the trading suspension. Upon lifting of the trading suspension, the shares shall be traded based on the adjusted number of listed shares.

THE PHILIPPINE STOCK EXCHANGE, INC.

SECURITIES AND EXCHANGE COMMISSION


VAL ANTONIO B. SUAREZ
President & CEO


JOSELITO V. BANAAG
General Counsel and
OIC, Issuer Regulation Division


JOSE P. AQUINO
Director
Market Regulation Department