



SEC BUILDING, EDSA, GREENHILLS, MANDALUYONG CITY, METRO MANILA

REMINDER:

TO: ALL CORPORATIONS WITH A CLASS OF EQUITY SECURITIES LISTED FOR TRADING ON AN EXCHANGE OR WITH ASSETS IN EXCESS OF FIFTY MILLION PESOS (P50,000,000.00) AND HAVING TWO HUNDRED (200) OR MORE HOLDERS, AT LEAST OF TWO HUNDRED (200) OF WHICH ARE HOLDING AT LEAST ONE HUNDRED (100) SHARES OF A CLASS OF ITS EQUITY SECURITIES OR WHICH HAS SOLD A CLASS OF EQUITY SECURITIES TO THE PUBLIC PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT IN COMPLIANCE WITH SECTION 12 OF REPUBLIC ACT 8799 (SECURITIES REGULATION CODE)

SUBJECT: INDEPENDENT DIRECTORS

DATE: MARCH 19 2009

We invite your attention to Section 38 of Republic Act 8799 otherwise known as "the Securities Regulation Code" which provides:

SEC. 38. *Independent Directors.* - Any corporation with a class of equity securities listed for trading on an Exchange or with assets in excess of Fifty million pesos (P50,000,000.00) and having two hundred (200) or more holders, at least of two hundred (200) of which are holding at least one hundred (100) shares of a class of its equity securities or which has sold a class of equity securities to the public pursuant to an effective registration statement in compliance with Section 12 hereof **shall have at least two (2) independent directors or such independent directors shall constitute at least twenty percent (20%) of the members of such board, whichever is the lesser.** For this purpose, an "independent director" shall mean a person other than an officer or employee of the corporation, its parent or subsidiaries, or any other individual having a relationship with the corporation, which would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

Pursuant to the foregoing provision, the Commission has ruled that all covered companies should have at least two (2) independent directors or such number of independent directors which constitute at least twenty percent (20%) of the members of the Board, whichever is the lesser. Thus, at any instance, the minimum number of independent directors should be two (2).

For your strict compliance.


FE B. BARIN
Chairperson