

Consolidated Resources & Holdings, Inc.

No. 28 N. Domingo St., near corner Gilmore St., New Manila, Quezon City Tel. Nos. 724-3759 / 725-7875 / 724-5055; Fax No. 724-3290

02 April 2012

THE DISCLOSURE DEPARTMENT

The Philippine Stock Exchange, Inc. 3rd Floor Philippine Stock Exchange Plaza Ayala Triangle, Ayala Avenue, Makati City

ATTENTION:

JANET A. ENCARNACION

Head, Disclosure Department

Dear Ms. Encarnacion:

We enclose herewith a copy of company's Corporate Governance Guidelines.

Very truly yours,

RICO GODE LOS REVES

Comptroller

THE PHILIPPINE STOCK EXCHANGE, INC.

Corporate Governance Guidelines for

Listed Companies

Disclosure Survey

CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY Company Name: Abacus Consolidated Resources & Holdings, Inc.

	COMPLY	EXPLAIN
Guideline No. 1:		
DEVELOPS AND EXECUTES A SOUND BUSINESS STRATEGY		

Date: March 30, 2012

		COMPLY	EXPLAIN
Guide	Guideline No. 1:		
DEVE	DEVELOPS AND EXECUTES A SOUND BUSINESS STRATEGY		the state of the s
1.1	Have a clearly defined vision, mission and core values.	Sək	
1.2	Have a well developed business strategy.	sək	
1.3	Have a strategy execution process that facilitates effective performance		
	management, and is attuned to the company's business environment, management	Yes	
	style and culture.		
4.	Have its board continually engaged in discussions of strategic business issues.	Yes	
Guide			
ESTA	ESTABLISHES A WELL-STRUCTURED AND FUNCTIONING BOARD		
2.1	Have a board composed of directors of proven competence and integrity.	Yes	
2.2	Be led by a chairman who shall ensure that the board functions in an effective and		
	collegial manner.	Yes	
2.3	Have at least three (3) or thirty percent (30%) of its directors as independent		The Company has two(2) independent directors in compliance with the
	directors.		minimum requirement set forth in Section 38 of the Securities Regulation Code.
			The Company is considering the election of a third independent director as part
			of further improvement of its governance system
2.4	Have in place written manuals, guidelines and issuances that outline procedures апd	Yes	
	processes.		
2.5	Have Audit, Risk, Governance and Nomination & Election Committees of the board.	Yes	
5.6	Have its Chairman and CEO positions held separately by individuals who are not	sək	
	related to each other.		
2.7	Have a director nomination and election process that ensures that all shareholders		
	are given the opportunity to nominate and elect directors individually based on the	Yes	
	number of shares voted.		
2.8	Have in place a formal board and director development program.	Yes	
2.9	Have a corporate secretary	Yes	
2.10	Have no shareholder agreements, by-laws provisions, or other arrangements that	Yes	
	constrains the directors' ability to vote independently.		
Guide	Guideline No. 3:		
MAIN	MAINTAINS A ROBUST INTERNAL AUDIT AND CONTROL SYSTEM		
3.1	Establish the internal audit function as a separate unit in the company which would	Yes	
	be overseen at the Board level.		
3.2	Have a comprehensive enterprise-wide compliance program that is annually	Yes	



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	reviewed.		
3.3	Institutionalize quality service programs for the internal audit function.		Still in process and needs to be harmonized with external audit; delayed due to recent change in external auditors
3.4	Have in place a mechanism that allows employees, suppliers and other stakeholders to raise valid issues.	Yes	
3.5	Have the Chief Executive Officer and Chief Audit Executive attest in writing, at least	3	
	annually, that a sound internal audit, control and compliance system is in place and working effectively.	se.	
Guidel	Guideline No. 4:		
RECO	RECOGNIZES AND MANAGES ITS ENTERPRISE RISKS		
4.1	Have its board oversee the company's risk management function.	Yes	
4.2	Have a formal risk management policy that guides the company's risk management		Draft is being reviewed at Board Committee level. Will be proposed for
			Board approval in 2012
4.3	Design and undertake its Enterprise Risk Management (ERM) activities on the basis		
	of, or in accordance with, internationally recognized frameworks such as but not		Draft plan will be discussed at Management level; target implementation
	limited to, COSO, (The Committee of Sponsoring Organizations of the Treadway		by yearend 2012
	Commission) I and II.		
4.4	Have a unit at the management level, headed by a Risk Management Officer (RMO).	:	RMO function will be assigned to an existing officer - to be proposed to the Board in 2012
4.5	Disclose sufficient information about its risk management procedures and processes		
	as well as the key risks the company is currently facing including how these are being	Yes	
	managed.		
4.6	Seek external technical support in risk management when such competence is not		For Board consideration in 2012
	available internally.		
Guide	Guideline No. 5:		
ENSC	ENSURES THE INTEGRITY OF FINANCIAL REPORTS AS WELL AS ITS EXTERNAL		
ر ا ا	Have the board Audit Committee approve all non-audit services conducted by the		
- i		Yes	
	outweigh the fees earned from the external audit.		
5.2	Ensure that the external auditor is credible, competent, and should have the ability	·	
	to understand complex related party transactions, its counterparties, and valuations	≺es	
ξ. 62	Or such transactions. Figure that the external auditor has adequate quality control procedures.	Yes	
5.4	Disclose relevant information on the external auditors.	Yes	
5.5	Ensures that the external audit firm is selected on the basis of a fair and transparent	Yes	
		,	
5.6	Have its audit committee conduct regular meetings and dialogues with the external	Yes	



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	audit team without anyone from management present.		
5.7	Have the financial reports attested to by the Chief Executive Oficer and Chief	Yes	
	Financial Officer.		
5.8	Have a policy of rotating the lead audit partner every five years.	Yes	
Guide	Guideline No. 6:		
RESPI			
PARTI	PARTICULARLY THOSE THAT BELONG TO THE MINORITY OR NONCONTROLLING		
GROUP	d.		
6.1	Adopt the principle of "one share, one vote."	Yes	
6.2	Ensure that all shareholders of the same class are treated equally with respect to	Yes	
	voting rights, subscription rights and transfer rights.		
6.3	Have an effective, secure and efficient voting system.	Yes	
6.4	Have effective shareholder voting mechanisms such as supermajority or "majority of		
	minority" requirements to protect minority shareholders against actions of	Yes	
6.5	Provide all shareholders with the notice and agenda of the annual general meeting		
	(AGM) at least thirty (30) days before a regular meeting and twenty (20) days before	Yes	
	a special meeting.		
6.6	Allow shareholders to call a special shareholders meeting, submit a proposal for		
	consideration at the AGM or the special meeting, and ensure the attendance of the	≺es	
	external auditor and other relevant individuals to answer shareholder questions in		
	such meetings.		
6.7	Ensure that all relevant questions during the AGM are answered.	Yes	
6.8	Have clearly articulated and enforceable policies with respect to treatment of	Yes	
	minority shareholders.		
ල. ල	Avoid anti-takeover measures or similar devices that may entrench management or	Yes	
	the existing controlling shareholder group.		
6.10	Provide all shareholders with accurate and timely information regarding the number	Yes	
	of shares of all classes held by controlling shareholders and their affiliates.		
6.11	Have a communications strategy to promote effective communication with	Yes	
	shareholders.		
6.12	Have at least thirty percent (30%) public float to increase liquidity in the market.	Yes	
6.13	Have a transparent dividend policy.	<u> </u>	The Company does not have a dividend policy at the moment. Current focus is on on business that can provide recurring income.
2	Crideline No. 7.		
ADOP	GUIDELINE NO. 7: ADOPTS AND IMPLEMENTS AN INTERNATIONALLY-ACCEPTED DISCLOSURE		



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	TO A SIGN OF DEPART		
ANC	AND IRANSPARENCY REGIME		
7.1	Have written policies and procedures designed to ensure compliance with the PSE and SEC disclosure rules, as well as other disclosure requirements under existing laws and requiations.	Yes	
7.2	Disclose the existence, justification, and details on shareholders agreements, voting		
	trust agreements, confidentiality agreements, and such other agreements that may	Yes	
6	Inpact on the control, ownership, and strategic direction of the company.		
7.3	Disclose its director and executive compensation policy.	Yes	
7.4	Disclose names of groups or individuals who hold 5% or more ownership interest in		
		Yes	
	well as the nature of the company's other companies if it belongs to a corporate	·	
7.5	Disclose annual and quarterly consolidated reports, cash flow statements and special		
	audit revisions. Consolidated financial statements shall be published within 90 days	Yes	
_	from the end of the financial year, while interim reports shall be published within 45		
	days from the end of the reporting period.		
9.7	Disclose to shareholders and the Exchange any changes to its corporate governance		
	manual and practices, and the extent to which such practices conform to the SEC	Yes	
	and PSE CG Guidelines.		
7.7	Publish and/or deliver to its shareholders in a timely fashion all information and	Yes	
	materials relevant to corporate actions that require shareholder approval.		
7.8	Disclose the trading of the corporation's shares by directors, officers (or persons		
	performing similar functions) and controlling shareholders. This shall also include the	Yes	
	disclosure of the company's purchase of its shares from the market (e.g share buyback		
	program).		
6.7	Disclose in its annual report the principal risks to minority shareholders associated		
	with the identity of the company's controlling shareholders; the degree of		
	ownership concentration; cross-holdings among company affiliates; and any	Yes	
	imbalances between the controlling shareholders' voting power and overall equity		
	position in the company.		
Guide	Guideline No. 8:		
COMB	RESPECTS AND PROTECTS THE RIGHTS AND INTERESTS OF EMPLOYEES, COMMINITY ENVIRONMENT, AND OTHER STAKEHOLDERS		
8 1	Establish and disclose a clear policy statement that articulates the company's		
	recognition and protection of the rights and interests of key stakeholders specifically	Yes	
	its employees, suppliers & customers, creditors, as well the community,		
	environment and other key stakeholder groups.		



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8.2	Have in place a workplace development program.	Yes	
හ ල	Have in place a merit-based performance incentive mechanism such as an employee stock option plan (ESOP) or any such scheme that awards and incentivizes employees, at the same time aligns their interests with those of the shareholders.	Yes	
8.4	Have in place a community involvement prográm.		Community involvement at present is on an ad hoc basis. Management is studying the adoption of a continuing program.
8.5	Have in place an environment-related program.		- op -
8.6	Have clear policies that guide the company in its dealing with its suppliers,	Yes	
	customers, creditors, analysts, market intermediaries and other market participants.		
Guide DOES	Guideline No. 9: DOES NOT ENGAGE IN ABUSIVE RELATED-PARTY TRANSACTIONS AND INSIDER		
TRADING	ING		
9.1	Develop and disclose a policy governing the company's transactions with related	Yes	
	parties.		
9.5	Clearly define the thresholds for disclosure and approval for RPTs and categorize		
	such transactions according to those that are considered de minimis or transactions		
	that need not be reported or announced, those that need to be disclosed, and those	Yes	
	that need prior shareholder approval. The aggregate amount of RPT within any		
•	twelve (12) month period should be considered for purposes of applying the		
	thresholds for disclosure and approval.		HEAVE TO THE PARTY OF THE PARTY
9.3	Establish a voting system whereby a majority of non-related party shareholders	Yes	
	approve specific types of related party transactions in shareholders meetings.		
9.4	Have its independent directors or audit committee play an important role in	Yes	
	reviewing significant RPTs.		
9.5	Be transparent and consistent in reporting its RPTs. A summary of such transactions	Yes	
	shall be published in the company's annual report.		and the second s
<u>တ်</u>	Have a clear policy in dealing with material non-public information by company	Yes	
ľ	INSIGES.		
<u>.</u>	have a clear policy and practice of full after the discussifier to strategists of all material transactions with affiliates of the controlling shareholders, directors or	Yes	
	management		
Guide	Guideline No. 10:		
DEVE	DEVELOPS AND NURTURES A CULTURE OF ETHICS, COMPLIANCE, &	•	
ENFO	ENFORCEMENT		
10.1			
	and decision making, clarify responsibilities, and inform other stakeholders on the	Kes Kes	
	conduct expected from company personnel.		



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		10.2 Have a formal comprehensive compiliance program covering compiliance with laws		
		and relevant regulations. The program should include appropriate training and	Yes	
		awareness initiatives to facilitate understanding, acceptance and compliance with	•••	
		the said issuances.		
6	10.3	Not seek exemption from the application of a law, rule or regulation especially when		
		it refers to a corporate governance issue. Should it do so, it has to disclose the	Yes	
		reason for such action as well present the specific steps being taken to finally comply		
		with the applicable law, rule or regulation.		
9	10.4	Have clear and stringent policies and procedures on curbing and penalizing company	Yes	
		or employee involvement in offering, paying and receiving bribes.		
9	10.5	Have a designated officer responsible for ensuring compliance with all relevant laws,	Yes	
		rules, and regulation, as well as all regulatory requirements.		
10	10.6	Respect intellectual property rights.	Yes	
10	10.7	Establish and commit itself to an alternative dispute resolution system so that		
		conflicts and difference with counterparties, particularly with shareholders and	≺es	
		other key stakeholders, would be settled in a fair and expeditious manner.		

This is to certify that the undersigned reviewed the contents of this document and to the best of my knowledge and belief, the information contained set forth in this document is true, complete and correct.

Dotte this March 30, 2012 in Quezon City.

Independent director Gonzalo G' Puyat II

SUBSCRIBED AND SWORN to before me a Notary Public in and for this as follows: Passport No. XX0449982 Passport No. EA0027359 Identification Documents

LEONARDO S. GAYAO GONZALO G. PUYAT II

Series of 2012

Page No. Book No.

Doc No.

Documents as follows:

Valid until January 30, 2013 Valid until January 27, 2015 **Particulars**

COMMISSION EXPERES DEC. 31, 2012 PTR NO. 6410†56, 1/03/2012, Q.C. IBP NO. 823224 DEC. 2, 2011, Q.C. ROLL OF ATTORNEY NO. 25103 NOTARIAL COMMISSION NO. 966 ATTY, JOEL G. GORBOLA NOTAKY PUBLIC



affiants exhibiting to me their Identification

0 2 APR 2012 day of APR 2012

President, CEO, or Authorized Refresentative

Leonardo S. Gayap