



March 13, 2008

The Philippine Stock Exchange
4/F PSE Center, Exchange Road
Ortigas Center, Pasig City

Attention: **Atty. Pete M. Malabanan**
Head, Disclosure Department

Gentlemen:

In relation to our letter to the exchange dated 7 March 2008 please find attached a copy of our approved Stock Option Plan and a Secretary's Certificate attesting to its approval by the Board of Directors of the Company.

Thank you for your attention to this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "Cliburn Anthony A. Orbe". The signature is stylized and includes a long horizontal flourish extending to the right.

Atty. Cliburn Anthony A. Orbe
Corporate Information Officer

PHILWEB.COM, INC.
STOCK OPTION PLAN

ARTICLE I
DEFINITIONS

As used herein, unless the context otherwise requires:

“Board” means the Board of Directors of the Company;

“Code” means the Corporation Code of the Philippines;

“Committee” means the Stock Option Committee;

“Company” means PhilWeb.Com, Inc.;

“Contract of Subscription” is the contract entered into between the Company and the Participant for the subscription of shares under this Plan as provided for in Article 7.4;

“Effectivity Date” is the date one (1) year after an option is awarded to the Participant;

“Executive Committee” is the Executive Committee of the Company created by the Board pursuant to the By Laws of the Company;

“Exercise Date” is the date of the month on which the notice addressed to the Committee from a Participant of his decision to subscribe to shares under the Plan as provided in Article 7.3 is received by the Committee, which date should be on or before the last day of the period of validity of the option grant being exercised;

“Fair Market Value” shall be the average closing price of the Company’s stock as stated in the Philippine Stock Exchange’s daily quotation sheet for a certain number of trading days (on which sales of the Company’s stock were made) immediately preceding the date of the grant, as determined by the Committee or such adjustments thereof that may be made by the Committee in any of the events covered by Article 5.2;

“Participant” means a director, officer, employee of the Company as well as of its subsidiaries and affiliates as determined eligible by the Board, or other Qualified Person eligible to participate in the Plan as provided in Article III and who actually participates in the Plan;

“Plan” is the PhilWeb.Com, Inc. Stock Option Plan;

“Pledged Shares” are the shares pledged as security for the payment of Subscribed Shares and compliance with the Contract of Subscription;

“Qualified Person” is any person, natural or juridical, who is not otherwise an employee, officer or director of the Company or any of its subsidiaries or affiliates, and who has provided or undertaken to provide goods and/or services to the Company, which, in the sole determination of the Committee, will develop and promote the business and financial success of the Company thereby enhancing shareholder value;

“Subscription Price” is the price that the Participant is required to pay for shares subscribed to by him under the Plan as computed by the Committee; and

“Subscribed Shares” are the shares subject of the Contract of Subscription.

ARTICLE II THE PLAN

- 2.1 Name - This Plan shall be known as the “PhilWeb.Com, Inc. Stock Option Plan”.
- 2.2 Objectives - The Plan provides a mechanism for employees, officers, directors of the Company as well as of its subsidiaries and affiliates as determined eligible by the Board, and other Qualified Persons to become stockholders of the Company. Specifically, the objectives of the Plan are:
- a) To encourage a sense of proprietorship on the part of key employees, officers and other Qualified Persons who are or will be largely responsible for the development of the Company;
 - b) To furnish such key employees, officers and Qualified Persons with an incentive to develop and promote the business and financial success of the Company thereby benefiting all shareholders of the Company;
 - c) To allow such key employees, officers and Qualified Persons to participate directly in the growth of the Company and thus motivate them toward greater productivity, loyalty, devotion and concern for the Company’s well-being;
 - d) To induce such key employees, officers and Qualified Persons to continue in the service of the Company; and
 - e) To recognize valuable service.

ARTICLE III ELIGIBILITY

All employees, officers and directors of the Company, as well as of its subsidiaries and affiliates, and such other Qualified Persons who may be recommended from time to time by the Board or the Executive Committee to the Committee as qualified, are eligible to participate in the Plan, subject to the restrictions and terms and conditions herein provided.

ARTICLE IV
ADMINISTRATION

- 4.1 Creation of the Committee - The Plan shall be administered by a Committee of three (3) to be organized and appointed by the Board or the Executive Committee. Members of the Committee shall be appointed for a term of one (1) year, and shall hold office until their respective successors are duly appointed. Members may be re-appointed. In case of any vacancy in the Committee, a successor to hold office for the unexpired term of the member of the Committee shall be appointed by the Board or the Executive Committee. The members of the Committee shall receive such compensation as may be determined by the Board or the Executive Committee.
- 4.2 Duties and Powers of the Committee - Subject to the provisions of the Plan, the Committee shall have full power and authority (a) to determine those to whom share options are to be granted, the times when share options shall be granted, the effectivity dates of the grants, the Subscription Price for the shares covered by the grant, and the number of shares to be allocated to each Participant at a given time; (b) to revise, reprice, recall or rescind a grant; (c) to interpret the Plan, and to prescribe, amend and rescind rules and regulations relating to the Plan; (d) to determine the details and provisions of each Contract of Subscription; and (e) to make all other determinations necessary or advisable for the administration of the Plan. Any determination, act or decision of the Committee pursuant herewith shall be final and conclusive. A Participant is deemed to have waived any objection he may have under the law or elsewhere on the authority of the Committee to make such call or declaration.
- 4.3 Majority Rule - A majority of the members of the Committee shall constitute a quorum, and any action taken by a majority present at a meeting at which a quorum is present, or any action evidenced by a written instrument and executed by a majority of the whole Committee, shall constitute the action of the Committee.

ARTICLE V
SHARES OF STOCK SUBJECT OF PLAN

- 5.1 Object of the Plan - Subject to Article 5.2, shares from the Company's unissued authorized common stock up to five percent (5%) of the outstanding common stock inclusive of shares to be issued under the Plan, are the object of the privileges accorded to the Participants under the Plan.

In the event any unexercised options lapse or terminate for any reason, the shares reserved therefor and covered thereby shall revert back to the pool of shares reserved for the whole Plan, and may be optioned to other qualified Participants in accordance herewith.

- 5.2 Stock Dividends, Stock Splits and/or Other Changes in Capital Structure - The number of shares granted under the Plan shall be correspondingly adjusted in the event of any merger, consolidation, reorganization, recapitalization, reclassification of stock, stock dividend, stock split, rights issue, private placement, public offering, issue of warrants or any other change in the capital structure or capitalization of the Company's common stock as presently constituted. Thus, in the event stock dividends are declared and issued, the number of unexercised option shares at the time of the effectivity of such change in capital structure shall be adjusted proportionately. The same rule shall apply in the event of a stock split or rights issue.

ARTICLE VI
SUBSCRIPTION PRICE AND PAYMENT

- 6.1 Subscription Price - The Subscription Price of the shares under each option granted pursuant to the Plan shall not be less than eighty percent (80%) of the Fair Market Value or such lower price as may be allowed under the rules of the Philippine Stock Exchange or the Securities and Exchange Commission, subject to adjustment thereof in any of the events covered by Article 5.2. Provided, however, that Participants who were instrumental in the start-up and establishment of the Company's Internet business activities within the first year of the establishment of the Plan or until February 15, 2001 may be awarded options by the Stock Option Committee at a Subscription Price equal to the par value of such shares; Provided, further, that the total amount of such awards at par shall not exceed two (2) billion shares. In no case however shall the Subscription Price be less than par.
- 6.2 Payment Terms - As a general rule, a Participant shall tender on Exercise Date, full payment of the Subscription Price, the same to be properly receipted for by the Company's Treasurer. In meritorious cases, however, upon the approval of the Committee, the Participant may tender payment on Exercise Date in an amount equivalent to at least forty percent (40%) of the Subscription Price, with the balance to be paid over a period determined by the Committee not exceeding three (3) years from Exercise Date; Provided, that in the limited case of employee and officer Participants of the Company and/or its subsidiaries and affiliates who are not simultaneously directors of the Company, the Committee may allow the Subscription Price to be paid: (I) by tender of an initial downpayment of at least 25% of the Subscription Price with the balance to be paid over a period determined by the Committee not exceeding three (3) years from Exercise Date; and/or (II) through a planned payroll deduction scheme, with or without interest, over a period not exceeding three (3) years from Exercise Date.

ARTICLE VII
EXERCISE OF PRIVILEGE

- 7.1 Duration of Option - The shares covered by any one grant shall be offered for subscription for a period of three (3) years from and after the Effectivity Date of each grant that may be determined by the Committee.
- 7.2 Vesting of Privilege - One-third (1/3) of the total number of shares covered by a grant to a Participant shall vest upon the Effectivity Date of the grant. Another one-third (1/3) of the shares shall vest one year after the Effectivity Date of the grant, and the remaining one-third (1/3) of the shares shall vest two years after the Effectivity Date of the grant.
- 7.3 Exercise of Privilege - At any time after the shares are vested and before the lapse of the three-year duration referred to in Article 7.1 a Participant may, subject to the provisions of the Plan, the rules promulgated by the Committee, and the necessary regulatory approvals, subscribe to such number of shares as he may be allowed to subscribe to as of the Exercise Date. When a Participant decides to exercise his privilege under the Plan, he shall do so by means of notice in writing to the Company, through the Committee, specifying therein:
- a) His decision to exercise his privilege;
 - b) Subject to the provisions of the Plan, the number of shares he desires to subscribe to; and
 - c) The Subscription Price as stated in the grant.
- 7.4 Contract of Subscription - The Company and the Participant shall execute a Contract of Subscription with the following principal terms and conditions:
- a) Issuance - The Participant's ownership over the Subscribed Shares shall be effective on the same date that the Contract of Subscription is executed by the Participant and accepted by the Company together with the required full or partial payment. Upon the acceptance of the subscription and the payment of the amounts required to be paid thereon, if any, the Participant shall be entitled to all the rights and privileges of ownership corresponding to the Subscribed Shares. The certificate of stock covering the Subscribed Shares shall be issued only upon the Participant's full payment of the corresponding Subscription Price.
 - b) Consideration - In addition to the full payment of the Subscription Price, the fundamental consideration for the issuance of the Subscribed Shares under the applicable terms and conditions of the contract shall be the undertaking of the Participant to (I) continue rendering efficient and dedicated service to the Company, (II) continue exerting efforts to enable the Company to achieve its corporate objectives, (III) continue rendering loyalty to the Company, and (IV) without the express consent of the Company, refrain from competing with the Company, directly or indirectly, or from serving any entity or person with the same, allied, or similar objectives or interests as the Company, whether as an adviser, consultant, employee, officer or director, all during the period when he

remains in the employ of the Company and for the first five (5) years from his retirement, resignation or separation from the Company.

- c) Dividends and Voting Rights - Cash and stock dividends on the Subscribed Shares shall be paid out to the Participants provided that stock dividends shall, as provided in Article 7.5, be pledged to the Company. Subject to Article 7.8, all voting rights on the Subscribed Shares, including the Pledged Shares, shall be exercised by the Participant.

7.5 Pledge - In case the Subscribed Shares are not fully paid as at Exercise Date, the Participant shall, simultaneously with the execution of the Contract of Subscription, likewise execute a deed of pledge in favor of the Company as security for his faithful performance of his obligations, subject to and under the following terms and conditions:

- a) The pledge shall cover the (I) Subscribed Shares, (II) all stock dividends thereon, (III) all stock dividends arising from all stock dividends, and (IV) all shares arising from stock rights and splits, mergers, consolidations, reorganization, recapitalization, and any other change in the corporate structure or capitalization of the Company's common stock as presently constituted.
- b) If there be an unpaid portion of the Subscription Price on the due dates thereof, whether as originally specified or as accelerated under the Plan, in the proper case, or if there be breach by the pledgor of the Contract of Subscription, the Company may, at its sole option, foreclose on the Pledged Shares.

7.6 Non-transferability of Rights - The rights granted to Participants under the Plan are personal and shall not be assignable or transferable. Any assignment or transfer in violation hereof shall be null and void.

7.7 Delinquency - Should a Participant fail to pay any installment when due, the Committee may declare the entire balance due and payable on a date fixed by the Committee. If payment is not made by said date, the Subscribed Shares shall become delinquent and may be ordered sold by the Committee as may be duly authorized by the Board in a delinquency sale in accordance with the provisions of the Code. Upon the discretion of the Committee, the Participant may pay his entire obligation due on the Subscribed Shares and all costs and expenses, including any publication or legal fees, until the date of the delinquency sale. The foregoing remedy shall be in addition to and without prejudice to such other remedies as are available to the Company under the Plan or elsewhere.

7.8 Rights of Delinquent Stock - No delinquent stock shall be voted or be entitled to vote or be represented at any stockholders' meeting unless and until the amount due on the subscription, plus interest and costs and expenses of notice and advertisement, if any, are paid. Cash dividends thereon shall first be applied to the payment of the

aforementioned liabilities and stock dividends shall be withheld until payment of the said liabilities.

- 7.9 Listing and Trading of Subscribed Shares - Subject to the necessary regulatory approvals of the Securities and Exchange Commission and Philippine Stock Exchange, the Subscribed Shares shall be listed and traded on the Philippine Stock Exchange only after the Company has received the corresponding Subscription Price in full.

ARTICLE VIII
RETIREMENT, DEATH OR SEPARATION OF A PARTICIPANT

- 8.1 Retirement or Separation of Participant - In the event of retirement or separation from service by a Participant, including termination for cause, the outstanding amount due on the Subscribed Shares shall become immediately due and payable without need for a call on the unpaid subscription payments. In addition, such Participant shall forfeit the right to exercise any outstanding options, whether vested or not, that may have been granted to him.
- 8.2 Death of Participant - In the event of death of a Participant, the outstanding amount due on the Subscribed Shares shall immediately become due and payable; the shares fully paid would then be released to the Participant's estate or lawful heirs, as the case may be. Unexercised options shall be automatically forfeited. However, those options that have become vested prior to or at the time of the Participant's date of death will pass to his estate or lawful heirs and may be exercised by such heirs within sixty (60) days from the Participant's death; otherwise, such options shall also be automatically forfeited.

ARTICLE IX
SUSPENSION OR TERMINATION OF THE PLAN

The Plan shall be effective during the lifetime of the Company, unless sooner terminated by the Board or the Executive Committee in accordance with the law.

ARTICLE X
MISCELLANEOUS

- 10.1 Employment - Nothing in the Plan shall confer upon any Participant the right to continue in the employ of the Company.
- 10.2 Bargaining Agreement - The terms and conditions of the Plan may not be the subject of negotiations in a collective bargaining agreement.

- 10.3 Corporate/Government Approvals - The Plan shall be subject to all requisite corporate and governmental approvals. All provisions of the Plan are limited to the extent mandated by any applicable law or government rules and regulations. If any one or more paragraphs, clauses or other portions of the Plan should ever be determined to be illegal, invalid or otherwise unenforceable by any governmental authority, the Committee is authorized to amend or modify the Plan to make it conform with all applicable laws and government rules and regulations.
- 10.4 Amendments - The Committee may, in its discretion, amend or modify the Plan or any provision thereof provided any such amendment shall not prejudice any right already vested or privilege already exercised under the Plan.

Approved by the Board of Directors on February 15, 2000.

-end-

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI) S.S.

SECRETARY'S CERTIFICATE


I, ROBERTO V. SAN JOSE, of legal age, Filipino and with business address at The Valero Tower, 122 Valero St., Salcedo Village, Makati City, under oath depose and say that:

I am the Corporate Secretary of PhilWeb.Com, Inc. (the "Corporation"), a corporation duly organized and existing under the laws of the Philippines with principal office and place of business at 17th Floor, Tower I, The Enterprise Center, 6766 Ayala Avenue, Makati City.

I hereby certify that at its meeting held on February 15, 2000, the Board of Directors, pursuant to the authority vested in it by the stockholders, approved in principle a stock option plan for the Corporation's employees, directors and officers, and other qualified persons.

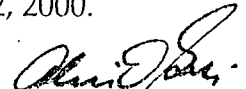
A copy of the stock option plan is attached as Annex "A" hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of August 2000 at Makati City.


ROBERTO V. SAN JOSE
Corporate Secretary

SUBSCRIBED AND SWORN to before me this AUG 29 2000 day of August 2000 at Makati City, affiant exhibited to me his Comm. Tax Cert. No. 14484157 issued at Makati on February 22, 2000.

Doc. No. 141 ;
Page No. 29 ;
Book No. XIX ;
Series of 2000.


ALVIN D. GELI
NOTARY PUBLIC
UNTIL DECEMBER 31, 2000
DTP NO. 1953330 1/27/2000 MKTI
BP NO. 497674 1/07/2000 MKTI