



RELATED PARTY TRANSACTIONS (RPT) POLICY

It is the policy of Manila Broadcasting Company (the "Company") that all transactions between the Company and Related Parties are done in "fair and at arm's length" terms and inures to the benefit and best interest of the Company and its shareholders as a whole, considering relevant circumstances. All transactions with Related Parties shall be conducted in accordance with the principles of transparency and fairness, and in this regard shall be properly approved and disclosed in accordance with this Policy.

The Company shall, as soon as practicable, adopt implementing rules and regulations in furtherance of this RPT Policy in accordance with the following general principles:

1. The Company shall at all times observe and adhere with the provisions of the Corporation Code, its Articles of Incorporation and By-laws, and all other relevant laws, rules and regulations, as may be applicable in the review, approval and disclosure of RPTs. The Company shall at all times observe, uphold and respect the rights of its shareholders, minority and majority alike, through this RPT Policy.
2. All RPTs shall be reviewed and approved by appropriate RPT Approving Authority, as may be determined by the Company's Board of Directors. Material/significant RPTs shall be reviewed and endorsed by the AuditCom, prior to the approval of the Board.
3. In their review of RPTs, each RPT Approving Authority shall ensure that RPTs are for the best interest of the Company. Each RPT Approving Authority shall consider all of the relevant facts and circumstances available, including but not limited to the following:
 - a. The benefits to the Company of entering into the transaction;
 - b. The extent of the Related Party's interest;
 - c. The availability of other sources of comparable products or services;
 - d. The extent to which the terms of the RPTs are less favorable than terms generally available in non-related transactions under like circumstances;
 - e. The aggregate value of the RPT; and



- f. The impact on a director's independence if the Related Party is a director, an immediate family member of a director or an entity in which a director is a shareholder or of which a director is a senior executive officer, director, general partner, managing member or a person in a similar position.
4. The Company shall provide a mechanism for the proper and timely disclosure of all RPTs, in accordance with the categories and criteria determined by the Board of Directors.
5. Directors and key management personnel shall disclose their interest in transactions and any other conflicts of interest. The Company requires directors and key management personnel to abstain and/or inhibit themselves from participating in discussions on a particular agenda when they are conflicted.