

**SOLID GROUP INC.
RELATED PARTY TRANSACTIONS POLICY**

SECTION 1. PURPOSE

The Related Party Transaction Policy is intended to ensure the proper review, approval, and monitoring of related party transactions between and/or among Solid Group Inc. ("Parent") and its Subsidiaries, Joint Ventures, Officers, Directors, Significant Stockholders or certain entities or persons related to them.

SECTION 2. DEFINITION OF TERMS

Immediate Family Member – means a child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law of a director, nominee for Director, Officer or Significant Stockholder, and any person sharing the household of such Director, Officers or Significant Stockholder.

Related Party – Means (a) any members of the same group, i.e. each parent, subsidiary and fellow subsidiary is related to the others; and (b) any person who is or at any time since last calendar year of Parent and Subsidiaries was a Director, an Officer, Significant Stockholder or an Immediate Family Member of any of the foregoing persons.

Related Party Transaction – means a transfer of resources, services or obligations between the Parent & its Subsidiaries, and a related party, regardless of whether a price is charged.

Examples include:

- Loans to directors
- Sale or purchase of goods
- Sale, purchase or lease of property and/or assets
- Provision or receipt of services or leases
- Assumption of financial/operating obligations
- Establishment of joint venture entities
- Settlement of liabilities on behalf of the Parent or its Subsidiaries or by the Parent or its Subsidiary on behalf of a related party.
- Compensation, benefits (monetary and non-monetary), postemployment benefits, termination benefits and share-based payment of current employees.

SECTION 3. POLICY STATEMENT

3.1 All Related Party Transactions shall be made on terms equivalent to those that prevail in an arm's length transactions.

3.2 The Audit Committee may assists in the review of the propriety of Related Party Transactions and their required reporting disclosures.

3.3 Related Party Transaction before its commencement or if the same is not identified beforehand shall be approved in accordance with the Threshold policy.

3.4 The Director or Officer may participate in any discussion or approval of a Related Party Transaction for which he/she or any member of his/her Immediate Family is a Related Person provided any damages/loss incurred by Company related to his/her action/inaction detrimental to the Company shall be borne by him/her.

SECTION 4. THRESHOLD TRANSACTIONS

The total amount per annum of each related party transactions shall be considered for purposes of applying these thresholds.

Threshold Amount	Required Approval of Authority
Php0.5 million and below	Local Management
Php0.5 million up to Php20.0 million	Parent's Executive Management
Above Php20.0 million	Board

SECTION 5. PROCEDURES

5.1 Notification of Related Party Transactions

Each Director, Officer or Significant Stockholder shall promptly notify respective authority based on threshold policy of any materials interest that such person or an Immediate Family Member of such person had, has or may have in a Related Party Transactions. The notice shall include a description of the transaction and the aggregate amount.

5.2 General Criteria for Review and Approval

During review, the respective authority shall consider whether the terms of the Related Party Transactions are on arms' length and fair to the Company, and such factors as the following:

- Materiality
- The purpose and timing of the transactions
- Extend of the Related Party's interest; and
- Conflict of interest, actual or apparent, of the Related Party participating in the transaction.
- Any other relevant information regarding the transaction

5.3 Ratification of Related Party Transactions

If any Director or Officer becomes aware of a Related Party Transaction with a Related Party that has not been approved or ratified prior to its consummation, he/she shall promptly inform the respective authority based on threshold policy for proper review. Such authority shall consider the General Criteria listed above upon review and approval.

If the Related Party Transactions is pending or on-going, the respective authority may ratify, amend, or terminate the transaction; if it has been completed, the respective authority may ratify or rescind the transaction; and in either-case, the respective authority may direct an Officer, Internal Auditors or Independent Auditors to evaluate the internal controls and procedures to determine why the transaction was not submitted for prior approval.

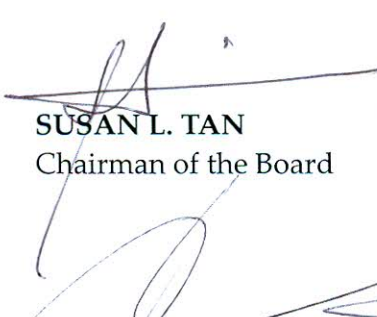
5.4 Monitoring

The Board through the Audit Committee may establish guidelines to manage and monitor Related Party Transactions.

SECTION 6. EFFECTIVITY

This Policy shall take effect immediately.

Approved by:



SUSAN L. TAN
Chairman of the Board



JOSEPH LIM
Director



ELENA S. LIM
Director



DAVID S. LIM
Director

JASON S. LIM
Director



VINCENT S. LIM
Director



BEDA T. MANALAC
ZABALJAUREGUI
Director



QUINTIN CHUA
Independent Director

LUIS MARIA
Independent Director