



CIRCULAR FOR BROKERS NO. 3398-2004

The Philippine Stock Exchange, Inc.

<input type="checkbox"/> Disclosures	<input checked="" type="checkbox"/> Stockholders' Meeting	Others: _____
<input type="checkbox"/> Dividend Notice	<input type="checkbox"/> SEC / Gov't Issuance	_____
<input type="checkbox"/> Stock Rights Notice	<input type="checkbox"/> Transfer Agent's Notice	_____

Date : **July 28, 2004**
 Company : **PRYCE CORPORATION**

This is in reference to Circular for Brokers Nos. 3135-2004 dated July 9, 2004 and 3173-2004 dated and July 12, 2004 pertaining to Pryce Corporation's ("PPC" or the "Corporation") filing of Petition for Corporate Rehabilitation with Prayer for Suspension of Payments.

In relation thereto, the Corporation to submitted the Exchange the attached Court Order with regard to the abovementioned petition filed at the Regional Trial Court of Makati City, Branch 138.

For your information.

(Original Signed)
JURISITA M. QUINTOS
Senior Vice President – Operations Group

Finance / Admin / Membership	Compliance & Surveillance Grp.	Listing & Disclosures Grp.	COO / Automated Trading Grp.	Business Dev't & Info. Group	CEO / Legal
Tel. No.688-7560/7440/7460	Tel. No. 688-7559	Tel. No. 688-7501/7510	Tel. No. 688-7405/819-4400	Tel. No. 688-7590	Tel. No. 688-7400/819-4408

REPUBLIC OF THE PHILIPPINES
REGIONAL TRIAL COURT
NATIONAL CAPITAL JUDICIAL REGION
BRANCH 138
MAKATI CITY

IN THE MATTER OF:

PETITION FOR CORPORATE
REHABILITATION WITH PRAYER FOR
SUSPENSION OF PAYMENTS

SP. PROC. NO. M-5901.

PRYCE CORPORATION,
Petitioner.

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O R D E R

After examination of the allegations of the Petition of Pryce Corporation (hereinafter referred to as petitioner), for corporate rehabilitation with prayer for suspension of payments and the documents attached thereto as Annexes A to N, the Court finds the Petition to be sufficient in form and substance.

By virtue of the authority of the Court under Section 6 of the Interim Rules of Procedure on Corporate Rehabilitation, (hereinafter referred to as Interim Rules), it is ordered that enforcement of all claims against the petitioner, whether for money or otherwise and whether such enforcement is by Court action or otherwise, its guarantors or sureties not solidarily liable with the petitioner, be stayed.

Petitioner is prohibited from: (a) selling, encumbering, transferring or disposing in any manner any of its properties except in the ordinary course of business; and (b) making any payment of its liabilities outstanding as of July 9, 2004 the date of the filing of the Petition.

The suppliers of goods and services of the petitioner are likewise prohibited from withholding supply of goods and services in the ordinary course of business for as long as the petitioner makes payment of the goods supplied after the issuance of this Order.

All administrative expenses, covering those expenses incurred in the ordinary course of business of the petitioner after the issuance of this Order, except interests payable to creditors, shall be paid in full.

The initial hearing on the Petition shall be conducted by the Court on September 1, 2004 at 10:00 o'clock in the morning at the 3rd Floor, Gusall ng Katarungan, F. Zobel Street, Makati, Metro Manila

All creditors and interested parties including the Securities and Exchange Commission are directed to file and serve on the petitioner a verified comment on or opposition to the Petition with supporting affidavits and documents not later than ten (10) days before the date of the initial hearing. Failure of any creditor or interested party to file comment on or opposition to the Petition will bar them from participating in the present proceedings.

Creditors and interested parties are directed to secure from the Court, copies of the Petition and comments attached thereto within such time so as to enable themselves to file their comments on the Petition and to prepare for the initial hearing on the Petition.

Petitioner is directed to publish this Order in a newspaper of general circulation in the Philippines once a week for two (2) consecutive weeks and to file with the Court, five (5) days before the date of the initial hearing the publishers affidavit showing that the publication requirement as directed by the Court had been complied.

Gener T. Mendoza with address at GNCA Holdings Inc., 3/F LRS Business Plaza, 210 Nicanor Garcia St., Makati Metro Manila is hereby appointed Rehabilitation Receiver of the petitioner and he may enter into the discharge of his function upon (a) posting of a bond in the amount of P100,000.00 conditioned that he will faithfully discharge his duties and obey the orders of this Court; (b) taking of an oath that he will perform his powers, duties and functions faithfully; and (c) accomplishment of Certification under oath that he possesses all the qualifications as such receiver and is not disqualified by reason of conflict of interest.

Petitioner is directed to immediately serve a copy of this Order on Gener T. Mendoza and the latter is directed to manifest his acceptance or non-acceptance of his appointment not later than ten (10) days from receipt of this Order.

SO ORDERED.

Makati City, July 13, 2004.


SIXTO MARELLA, JR.
Judge 