



CIRCULAR FOR BROKERS NO. 3135-2004

The Philippine Stock Exchange, Inc.

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

Posted July 9, 2004

Date : July 9, 2004
 Subject : PRYCE CORPORATION

Pryce Corporation ("PPC" or the "Corporation"), in the attached SEC Form 17-C dated July 8, 2004 in connection with the results of its Annual Stockholders' Meeting, disclosed, among others, the following information:

"x x x

G. Discussion of Corporate Problems and Possible Solutions

It has been shown that the assets of the Corporation, which are mortgaged to the creditors, face an imminent danger of being foreclosed or attached to the prejudice of the other creditors of the Corporation, the shareholders of the Corporation and the Corporation itself. Furthermore, after the Asian financial crises, the Corporation found it difficult and unable to service or pay for its loans as they fall due.

With the aforementioned problems, the Corporation is left without any other recourse but to file a petition for corporate rehabilitation with prayer for suspension of payments in order to protect and preserve itself.

For this purpose, the stockholders resolved to irrevocably authorize the Corporation to file a Petition for Corporate Rehabilitation with Prayer for Suspension of Payments in the proper courts of law, and to, in accordance with existing laws, take all actions or matters necessary and desirable to rehabilitate the Corporation, including, but not limited to the settlement of its obligations to creditors by way of dacion en pago of its properties; the restructuring of its obligations; the conversion of its obligations to equity; the alienation, transfer or encumbrance of its assets; the amendment of its Articles of Incorporation and By-Laws; the increase or decrease of its authorized capital stock; the issuance of bonded indebtedness; and the modification of shareholders' rights.

x x x"

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



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Pursuant to **Article XIII, Section 2** of the Amended Listing and Disclosure Rules of the Exchange:

"x x x **Criteria for Delisting** – A listed company that is experiencing one of the following conditions shall be considered for delisting:

x x x

- (e) Whenever liquidation of the listed company's assets has been authorized, or dissolution of the listed company has been ordered by any competent authority. An announcement by the listed company of an intent to file, or the actual filing of, proceedings for suspension of payments or under the Insolvency Law, or the listed company otherwise becomes the subject of legal proceedings under the Insolvency Law shall merit an immediate suspension of the trading of security(ies) of the listed company;

x x x"

In view of the foregoing and in accordance with the aforementioned rule, **the Exchange shall issue an indefinite trading suspension on the Corporation's shares effective today, July 9, 2004.** We shall inform the Trading Participants and the investing public of further developments with regard to the aforementioned matter.

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
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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

- 1. Date of Report - July 08, 2004
- 2. SEC Identification Number - 168063
- 3. BIR Tax Identification No. 050-000-065-142
- 4. Registrant: PRYCE CORPORATION
- 5. Metro Manila, Philippines
Province, country or other jurisdiction of incorporation
- 6. (SEC Use Only)
Industry Classification Code:
- 7. 17/F, Pryce Center, 1179 Don Chino Roces Ave. cor. Bagtikan St., Makati City 1203
Address of principal office and Postal Code
- 8. (632) 899-4401 to 10
Telephone Number
- 9. N/A
Former name or former address

10. Securities registered pursuant to Secs. 8 & 12 of the SRC or Secs. 4 & 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	1,822,993,750
Debt Outstanding	P4.36 billion (parent & subsidiary)

11. Event Reported

Item 4. Resignation, Removal or Election of Registrant's Directors or Officers

In today's annual stockholders' meeting and the subsequent organizational and board meetings, the following significant events transpired, to wit:

A. Nomination and Election of Board of Directors

The following persons were nominated and subsequently re-elected to the Board of Directors of the Company, to wit:

- Salvador P. Escaño - Chairman
- Fernando L. Trinidad - Director
- Rafael P. Escaño - Director
- Antonio P. Escaño - Director
- Elen A. Palma - Director
- Simeon S. Umandal - Corporate Secretary and Director
- Roland Joey R. de Lara - Independent Director

B. Re-election of Board Committee Members

Pursuant to the Company's Manual on Corporate Governance, the following board committee members were re-elected, to wit:

- **BOARD AUDIT COMMITTEE**
 1. Efren A. Palma – Chairman
 2. Antonio P. Escaño – Member
 3. Roland Joey R. de Lara – Member (Independent director)
- **BOARD NOMINATION AND ELECTION COMMITTEE**
 1. Salvador P. Escaño – Chairman
 2. Efren A. Palma – Member
 3. Roland Joey R. de Lara – Member (Independent director)
- **BOARD REMUNERATION COMMITTEE**
 1. Fernando L. Trinidad – Chairman
 2. Salvador P. Escaño – Member
 3. Roland Joey R. de Lara – Member (Independent director)

C. Re-election of Officers to Existing Capacities

The following officers were re-elected to existing capacities, to wit:

• **EXECUTIVE OFFICERS**

Pryce Corporation (Parent Company):

- a. Salvador P. Escaño – President
- b. Fernando L. Trinidad – EVP. Admin. & Corp. Restructuring
- c. Nilo S. Ezequiel – EVP, Chief Financial Officer
- d. Efren A. Palma – SVP, Hotel Operations
- e. Benjamin P. Escaño – VP-Northern Mindanao Operations
- f. Simeon S. Umandal - Corporate Secretary

The retirement application of Engr. Abraham A. Puray was confirmed during the board meeting and in his stead is Raul A. Lagumbay who shall be acting as OIC for Southern Mindanao Operations.

Pryce Gases, Inc. (Subsidiary)

- a. Rafael P. Escaño – President
- b. Efren A. Palma – EVP- Finance
- c. Balbino B. Privaldos – SVP-Administration
- d. Nilo M. Bacilayo – VP-PryceGas Division
- e. Simeon S. Umandal – VP-Corporate Secretary

• **OTHER OFFICERS**

- a. Samuel H. Cinco – Sales Manager for Northern Mindanao Operations
- b. Lellani C. Diaz – Sales Manager for Southern Mindanao Operations
- c. Emelia Pedrera –Accounting Head for Northern Mindanao Operations
- d. Eddie Lagumbay – Accounting Head for Southern Mindanao Operations
- e. Ruth Acain – Billing & Collection Head for Northern Mindanao Operations

- f. Carmelita C. Pascual – Personnel & Administration Manager
- g. Juliet C. de Perio – Accounting Manager
- h. Jose Ma. C. Ordoñez – Treasury Manager
- i. Atty. Geoffrey G. Cagakil – Legal Officer

The resignations of Ricardo Cuamag, Billing & Collection Head for Southern Mindanao Operations, and that of Hector S. Abunales, Internal Auditor, were confirmed by the Board of Directors. No one has replaced Mr. Cuamag as yet. Henry Bernabe has just been hired as Internal Auditor. Lastly, Atty. Nenita C. Chua has just been hired as another Legal Officer.

Item 9. Other Events

A. Certification by Corporate Secretary of Existence of Quorum

The Corporate Secretary confirmed the existence of a quorum to warrant the holding of the 2004 Annual Stockholders' Meeting for the Company.

B. Approval of Minutes of Previous Year's Annual Stockholders' Meeting

The minutes of the previous year's annual stockholders' meeting was approved.

C. Message from the President

The results of the operations of the company specifically 2003 as compared to 2002 as contained in Item 11(b) of the Definitive Information Statement was reiterated.

D. Approval of Annual Report

The Company's 2003 Annual Report was approved.

E. Ratification of Management Acts

The management acts as contained in the definitive information statement were also approved.

F. Re-election of External Auditor

The appointment of the accounting firm was deferred and, as such, the stockholders authorized the board to appoint one for the year 2004.

G. Discussion of Corporate Problems and Possible Solutions

It has been shown that the assets of the Corporation, which are mortgaged to the creditors, face an imminent danger of being foreclosed or attached to the prejudice of the other creditors of the Corporation, the shareholders of the Corporation and the Corporation itself. Furthermore, after the Asian financial crises, the Corporation found it difficult and unable to service or pay for its loans as they fall due.

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H. Other Matters

To comply with the regulatory requirements of the Commission and the Exchange, the stockholders approved the amendment of the corporation By-Laws so as to incorporate therein the process for the nomination and election of Independent Director/s

Likewise, the stockholders approved the adoption as part of the corporation's Code of Corporate Governance of Section 4.2 of the Revised Disclosure Rule of the Securities Regulation Code entitled "Selective Disclosure of Material Information".

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PRYCE CORPORATION

By:


ATTY. GEOFFREY G. CAGAKIT
Corporate Information Officer

08 July 2004