

**[SEC MEMORANDUM CIRCULAR NO. 6, S. OF 2007,
December 10, 2007]**

**DEFINITION OF QUALIFIED BUYERS UNDER SECTION 10 OF THE
SECURITIES REGULATION CODE**

Pursuant to its authority under Section 10.1 (I)(vi) of the Securities Regulation Code, the Securities and Exchange Commission (the "Commission"), in its meeting on December 4, 2007, resolved to issue the following rules on the determination of a "qualified buyer."

Section 1: A "qualified individual buyer" shall be a natural person who, at the time of his or her registration with a Self Regulatory Organization, or such other entities that the Commission may authorize to make the registration, possesses the following qualifications:

a) Has a minimum annual gross income of Twenty Five Million Pesos (PhP25,000,000) for at least two years prior to registration; or a total portfolio investment in securities registered with the Commission of at least Ten Million Pesos (PhP10,000,000); or a personal net worth of not less than Thirty Million Pesos (PhP30,000,000);

AND

b) Has been engaged in securities trading, in his personal capacity or through a fund manager, for a period of one year; or held for at least two years a position of responsibility in any professional or business entity that requires knowledge or expertise in securities trading, such as, legal consultant; financial adviser; sales person or associated person of a broker-dealer; or finance, treasury or trust officer of a bank or other executive positions with related responsibilities.

Section 2: A juridical person shall be considered a "qualified institutional buyer" if it possesses any of the following qualifications at the time of its registration in the same manner described above:

a) Has a minimum, annual gross income of at least One Hundred Million Pesos (PhP100,000,000) for at least two years prior to registration;

b) A total portfolio investment in securities registered with the Commission of at least Sixty Million Pesos (PhP60,000,000);

c) A net worth of not less than One Hundred Million (PhP100,000,000).