

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
METRO ALLIANCE HOLDINGS & EQUITIES CORPORATION**

October 27, 2009
22nd Floor, Citibank Tower
Paseo de Roxas, Makati City

Directors Present:

RENATO B. MAGADIA
ELVIRA A. TING
KENNETH T. GATCHALIAN
ROGELIO D. GARCIA
ATTY. LAMBERTO B. MERCADO, Jr.
RICARDO M. DE LA TORRE (Independent Director)

Also Present:

RENO I. MAGADIA
ATTY. NESTOR S. ROMULO
JANICE A. DUNGCA

CALL TO ORDER

Mr. Renato B. Magadia called the meeting to order at 2:15p.m. and presided thereat. The Corporate Secretary, ATTY. NESTOR S. ROMULO was instructed to record the Minutes of the Meeting.

EXISTENCE OF A QUORUM

Upon the Chairman's inquiry, the Corporate Secretary certified that a majority of all the directors of the Corporation were personally present and therefore, a quorum existed to transact business.

APPROVAL OF THE MINUTES OF THE LAST BOARD MEETING

The Chairman called the Board's attention to the minutes of the meeting of the Board on October 22, 2009. Copies of the same were previously circulated to the Board for the directors' comments and correction. As there were no objections to the minutes, the same were approved by the Board.

NOMINATION AND ELECTION OF RENO I. MAGADIA AS DIRECTOR

The Chairman informed the board that on December 12, 2006, the Board of Directors accepted, with regrets, the resignation of Mr. Melito S. Salazar, Jr. which resignation became effective on December 12, 2006. Mr. Salazar resigned also a member of the Audit Committee, Compensation Committee and Nomination Committee.

Because there is a need to fill up such vacancy in the board and in the committees, the Chairman informed the board that the table is now open for nomination.

Atty. Lamberto B. Mercado, Jr. nominated Mr. Reno I. Magadia as director to fill up the vacancy created by the resignation of Mr. Melito S. Salazar, Jr. and as member also of the Audit Committee, Compensation Committee and Nomination Committee which was duly seconded and the board approved the following resolution:

“Resolution number 13, series of 2009:

“RESOLVED, as it is hereby resolved, that Mr. Reno I. Magadia be as he is hereby elected as Director of the Corporation and also as member of the Corporation’s Audit Committee, Compensation Committee and Nomination Committee, effective immediately.

Thereafter, considering that Mr. Reno I. Magadia was present at the meeting, he immediately took his oath of office and participated in the meeting of the board of directors.

PETROCHEMICAL PROJECT UPDATE

The Chairman discussed the status of the Petrochemical Project and the various issues that are still hounding the project. The Chairman updated the members of the Board that the conflict with the Iranian group continues and there is no immediate solution in sight in view of the pending cases between Polymax and Mahec on one hand and NPCI and PIIC on the other hand. Polymax and Mahec filed a case for Declaratory Relief against NPCI, PIIC and NPC Alliance Corporation, while NPCI and PIIC filed a case for arbitration. In the meantime the management of NPCA and the Petrochemical plant remains in the hands of the Iranian group. After some discussion the report of the Chairman was noted by the board.

OPERATIONAL HIGHLIGHTS AND OTHER ISSUES

The Chairman briefly discussed the results of operations of Metro Alliance, Consumer Products (CPDSI) and GAC Logistics the details of which are contained in the materials furnished the members of the board earlier. After some discussion the results of operations were noted by the board.

STATUS OF PENDING CASES

Metro Alliance vs. WESTLB AG

This pertains to a case against WESTLB AG, A German Bank, filed in the High Court of Singapore on July 13, 2006 for the return of US\$1.635 million deposited with WESTLB as part payment for the purchase of the assets of BPC foreclosed by the IFC. The Agreement stipulated that upon deposit of US\$1,635 million, WESTLB AG will immediately effect the full assignment and transfer of the legal and beneficial title to the assets to Metro Alliance as well as to obtain the necessary consents required by the loan agreement. The Chairman briefed the members of the board that the case has been terminated now and since Plaintiff was unsuccessful management of the Company is thinking of filing a case in the Philippines.

Metro Alliance and Philippine Estate Corp. vs. Philtrust Bank

On September 14, 2005, Metro Alliance and Philippine Estate Corporation filed a Civil Action for Declaratory Relief, Accounting, Reformation of Contracts, Annulment and Decrease in Interest Rates, Service Charge, Penalties and Notice of Sheriffs Sales, plus Damages with prayer for the Issuance of a Temporary Restraining Order and/or Writ of Preliminary Injunction. Damages sought are P1, 000,000 as and by way or exemplary damages and P500,000 as and by way of attorney's fees; litigation expenses and cost of suit. The case is now pending with the Regional Trial Court of Tagaytay City, Branch 18, Case No. TG-05-2519. The case stemmed from the imminent extra-judicial foreclosure of properties covered by Transfer Certificate of Title Nos. T-35522, T-35524 and T-35552 subject to the real Estate Mortgage executed by Metro Alliance and Philippine Estate Corporation on the amount of P42,000,000 which amount was never received. The Chairman briefed the members of the board on the status of the case.

Polymax Worldwide Ltd. vs. NPC International Ltd. (NPCI), Petrochemical Industries Investment Company (PIIC) and NPC Alliance Corp.

On November 27, 2007 Polymax filed Civil Case No. 07-1091 for Declaratory Relief against NPCI, PIIC and NPC Alliance Corporation, wherein in said case Polymax prays for the declaration of the Share Purchase Agreement and the Stockholders' Agreement as null and void and also prays for the declaration of the transfer of the 60% equity shares of the NPCA to the NPCI group as null and void and that the shares are owned by Polymax. The Chairman briefed the members of the board on the status of the case and that the Regional Trial Court suspended the proceedings pending the arbitration cases filed by the defendants.

STATUS OF LOANS/ADVANCES

The Chairman briefly discussed the loans and other liabilities of Metro Alliance which amount to Php 1.916 billion as of September 30, 2009 the details of which are contained in the materials furnished the members of the board earlier and how to settle these loans. The board noted the Chairman's plans and strategies.

STATUS OF INVESTMENT IN MABUHAY VINYL CORPORATION

In March 2005, Metro Alliance entered into a MOA whereby Metro Alliance offered to settle its obligation amounting to P176.7 million as of February 15, 2005 by way of assignment and transfer to Equitable PCI Bank (now Banco de Oro) of all its rights and interests over the 234,592,391 MVC shares. The MOA provides for a repurchase option within one year. There were no transfers of shares of stock from March 2005 to date. Metro Alliance's failure to exercise the repurchase technically vests in the Bank the right to sell the shares to any buyer. On June 8, 2008, Metro Alliance totally extinguished its loan from BDO against it 234,592,391 MVC shares and maintained the 29,944,264 as investments in MVC. Because BDO refused to release these shares to Metro Alliance has decided to file a case against BDO.

STATUS OF 2007 AND 2008 FINANCIAL STATEMENTS AUDIT

In 2006, NPC Alliance was consolidated in the books of Polymax, and Polymax was included in the consolidation of Metro Alliance. SGV issued a disclaimer opinion on the 2006

audited consolidated financial statements because they have not audited the financial statements of NPC Alliance Corp. (NPCA) and Polymax Worldwide Limited. Metro Alliance's advances in Polymax represent approximately 76% of Metro Alliance's consolidated total assets. In the meeting attended by Mr. Renato B. Magadia and Ms Janice A Dungca with KPMG last October 22, 2009, KPMG is looking at the possibility that Polymax will not be consolidated in Metro Alliance books, and instead treat as Advances Metro Alliance's receivables from Polymax. KPMG has requested Metro Alliance and Polymax ownership and related documents to establish the true relationship of Metro Alliance and Polymax. It is emphasized that Polymax and NPC Alliance has currently a pending legal case with regards, basically, to the ownership of NPC Alliance. The irreconcilable issues between Polymax and NPC Alliance caused the very long delay in the completion of 2006 audit and the issuance of a disclaimer opinion that resulted to various issues with the SEC. Management is working out with KPMG to release the financial statements the soonest possible time. KPMG's audit for the year 2008 will start once the 2007 audit is completed, which at the moment cannot be determined.

STATUS OF SEC AND PSE COMPLIANCES

The Chairman discussed the status of SEC and PSE compliances the details of which are contained in the materials furnished the members of the board earlier and what are the steps that Metro Alliance has to take to remedy all the problems especially the suspension of trading of Metro Alliance's shares at PSE and how the company can expedite submission of all the reports required by the SEC to forestall revocation of the registration of its securities. After some discussion the reports were noted by the board.

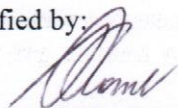
STATUS OF BIR CASES AND ASSESSMENTS

The Chairman discussed the status of status of BIR cases of and assessments against Metro Alliance, Zuellig Distributors, Inc., and Consumer Products (CPDSI) the details of which are contained in the materials furnished the members of the board earlier and what are the steps that Metro Alliance has to take to remedy all the problems. After some discussion the reports were noted by the board.

ADJOURNMENT

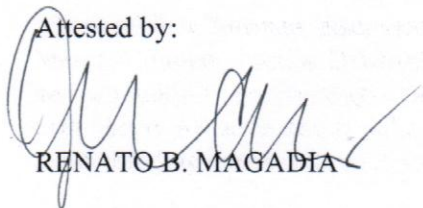
There being no other business to be discussed or acted upon by the Board, upon motion duly made and seconded, the meeting was adjourned at 4:30 p.m.

Certified by:



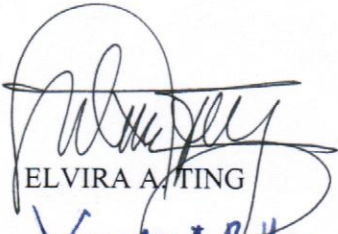
ATTY. NESTOR S. ROMULO
Corporate Secretary

Attested by:

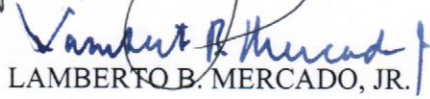


RENATO B. MAGADIA

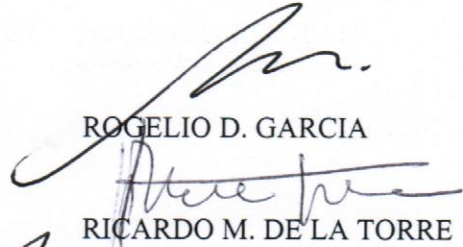
KENNETH T. GATCHALIAN



ELVIRA A. TING



LAMBERTO B. MERCADO, JR.



ROGELIO D. GARCIA

RICARDO M. DE LA TORRE



RENC I. MAGADIA