

IMPORTANT NOTICE

The Depository Trust Company



B#: 6329-10
Date: March 17, 2010
To: All Participants
Category: Dividends
From: International Services
Attention: Operations, Reorg & Dividend Managers, Partners & Cashiers
Subject: TaxRelief - Country: Philippines
Philippine Long Distance Telephone Company CUSIP: 718252604
Record Date: 03/16/10 Payable Date: 04/28/10
EDS Cut-Off Date: 03/24/10

Participants can use DTC's Elective Dividend System (EDS) function over the Participant Terminal System (PTS) or TaxRelief option on the Participant Browser System (PBS) web site to certify all or a portion of their position entitled to the applicable withholding tax rate

Questions regarding this Important Notice may be directed to Jenny Lin at Globe Tax as explained in this notice.

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Philippine Long Distance Telephone Company has announced a dividend. J.P. Morgan acts as the Depository for the company's American Depositary Receipt ("ADR") program.

Using DTC's Elective Dividend System ("EDS") function over the Participant Terminal System ("PTS"), Participants may certify all or a portion of their position entitled to the applicable withholding tax rates. Use of EDS will permit entitlement amounts to be paid through DTC.

On ADR Pay Date, all holders will receive this dividend net of the Philippine statutory withholding tax of 30% with the possibility to reduce this withholding tax as outlined in the Eligibility Matrix below;

DIVIDEND EVENT DETAILS	
COUNTRY OF ISSUANCE	THE PHILIPPINES
ISSUE	PHILIPPINE LONG DISTANCE TELEPHONE COMPANY
CUSIP#	718252604
DEPOSITARY	J.P. MORGAN
ADR RECORD DATE	MARCH 16, 2010
ADR PAY DATE	APRIL 28, 2010
ADR GROSS DIVIDEND RATE ON PAY DATE	TBA
ORD GROSS DIVIDEND RATE ON PAY DATE	141 PHP (REGULAR DIV 76 PHP SPECIAL DIV 65 PHP)
RATIO	1 ORD : 1 ADR
STATUTORY WHT RATE	30%

RELIEF-AT-SOURCE (EDS) ELIGIBILITY MATRIX			
RATE DESCRIPTION	RECLAIM RATE	ELIGIBLE RESIDENTS	DOCUMENTATION REQUIRED
UNFAVORABLE - 30%	0%	NON-INDIVIDUAL ENTITIES EXAMPLES: - CORPORATIONS - TRUSTS - PENSIONS - CHARITIES	NO DOCUMENTATION REQUIRED
FAVORABLE - 25%	5%	INDIVIDUAL ENTITIES NOT CLAIMING TREATY BENEFITS AT A MORE PREFERENTIAL RATE THROUGH THE QUICK REFUND PROCESS	1) COVER LETTER

CHARGES & DEADLINES					
FILING METHOD	BATCH	PAYMENT METHOD	DEPOSITARY SERVICE CHARGE	MINIMUM SERVICE CHARGE PER BENEFICIAL OWNER	FINAL SUBMISSION DEADLINE (ALL TIMES EST)
RELIEF AT SOURCE	PAYMENT ON PAY DATE	EDS	\$0.005	\$0	MARCH 24, 2010 8:00 P.M.
QUICK REFUND	NON-EDS PROCESS	CHECK	\$0.005	\$125.00	MARCH 24, 2010 8:00 P.M.

QUICK REFUND ELIGIBILITY MATRIX

RATE DESCRIPTION	RECLAIM RATE	ELIGIBLE RESIDENTS	DOCUMENTATION REQUIRED
UNFAVORABLE - 30%	0%	ALL OTHER COUNTRIES NOT LISTED BELOW	NO DOCUMENTATION REQUIRED
UNFAVORABLE OTHER- 30%	0%	FINLAND, THAILAND	NO DOCUMENTATION REQUIRED
FAVORABLE - 25% TAX TREATY	5%	AUSTRALIA, AUSTRIA, BRAZIL, CANADA, KOREA, MALAYSIA, NEW ZEALAND, NORWAY, PAKISTAN, SINGAPORE, UNITED KINGDOM	<ol style="list-style-type: none"> 1) COVER LETTER 2) CERTIFICATE OF RESIDENCY (OR ARTICLES OF INCORPORATION) 3) SPECIAL POWER OF ATTORNEY
US FAVORABLE - 25% TAX TREATY	5%	UNITED STATES	<ol style="list-style-type: none"> 1) COVER LETTER 2) IRS FORM 6166 (OR ARTICLES OF INCORPORATION) 3) SPECIAL POWER OF ATTORNEY
FAVORABLE - 20% TAX TREATY	10%	HUNGARY, INDIA, INDONESIA	<ol style="list-style-type: none"> 1) COVER LETTER 2) CERTIFICATE OF RESIDENCY (OR ARTICLES OF INCORPORATION) 3) SPECIAL POWER OF ATTORNEY
FAVORABLE - 15% TAX TREATY	15%	BAHRAIN, BANGLADESH, BELGIUM, CZECH REPUBLIC, CHINA, DENMARK, FRANCE, GERMANY, ISRAEL, ITALY, JAPAN, NETHERLANDS, POLAND, ROMANIA, RUSSIA, SPAIN, SWEDEN, SWITZERLAND, UNITED ARAB EMIRATES, VIETNAM	<ol style="list-style-type: none"> 1) COVER LETTER 2) CERTIFICATE OF RESIDENCY (OR ARTICLES OF INCORPORATION) 3) SPECIAL POWER OF ATTORNEY <ul style="list-style-type: none"> • AND LIMITED POA (IF NECESSARY)
FAVORABLE - 15% TAX SPARING	15%	BAHAMAS, BERMUDA, BRITISH VIRGIN ISLANDS, CAYMAN ISLANDS, CYPRUS, HONG KONG, LUXEMBOURG, MAURITIUS, SINGAPORE, SWITZERLAND, VANUATU	<ol style="list-style-type: none"> 1) COVER LETTER 2) IRS FORM 6166 (OR ARTICLES OF INCORPORATION) 3) PROOF OF TAX TREATMENT FOR RESIDENTS DOMICILED IN TAX SPARING COUNTRY

DESCRIPTION OF VARIOUS DOCUMENTATION

DOCUMENT NAME	DESCRIPTION	ORIGINAL / COPY	SIGNATURE REQUIREMENT
IRS FORM 6166	ISSUED BY THE INTERNAL REVENUE SERVICE, STATING THE NAME AND TAX PAYER IDENTIFICATION NUMBER OF THE BENEFICIAL OWNER. IT MUST BE DATED THE TAX YEAR OF THE DIVIDEND.	ORIGINAL	IRS REPRESENTATIVE
CERTIFICATE OF RESIDENCY	A GENERAL DOCUMENT ISSUED BY THE BENEFICIAL OWNER'S LOCAL TAX OFFICE, STATING THE NAME OF THE TAX PAYER AND CERTIFYING THE YEAR OF THE DIVIDEND OR ISSUED PRIOR TO BUT WITHIN A YEAR OF THE DIVIDEND RECORD DATE.	ORIGINAL	LOCAL TAX AUTHORITY
ARTICLES OF INCORPORATION	CAN BE USED IN LIEU OF THE IRS FORM 6166 OR THE CERTIFICATE OF RESIDENCY BUT THIS MUST BE NOTARIZED AND CONSULARIZED BY THE RESPECTIVE PHILIPPINE EMBASSY.	COPY WITH NOTARIZATION AND CONSULARIZATION	NOTARY AND LOCAL PHILIPPINE EMBASSY
COVER LETTER (APPENDIX A)	LISTING OF BENEFICIAL OWNERS.	ORIGINAL	DTC PARTICIPANT
SPECIAL POWER OF ATTORNEY (APPENDIX B)	(REQUIRED FOR ALL QUICK REFUND CLAIMS) AUTHORIZES THE WITHHOLDING AGENT / REPRESENTATIVE IN THE PHILIPPINES TO FILE FOR TAX RELIEF ON BEHALF OF THE BENEFICIAL OWNER. MUST BE NOTARIZED AND CONSULARIZED BY THE RESPECTIVE PHILIPPINE EMBASSY.	ORIGINAL	BENEFICIAL OWNER, NOTARY, AND LOCAL PHILIPPINE EMBASSY
LIMITED POWER OF ATTORNEY	IF THE POA IS SIGNED BY THE BROKER, TRUST AGREEMENT MUST ALSO BE SUBMITTED	COPY	DTC PARTICIPANT
PROOF OF TAX TREATMENT FOR RESIDENTS DOMICILED IN TAX SPARING COUNTRY	<p>1 ANY AUTHENTICATED DOCUMENT SHOWING THAT THE DOMICILE COUNTRY ALLOWS AS A CREDIT FOR TAXES DEEMED TO HAVE PAID IN THE PHILIPPINES EQUIVALENT TO 15%, I.E. INTERNAL REVENUE LAWS OF DOMICILE COUNTRY</p> <p>2 CERTIFICATION OF THE TAX AUTHORITIES OF THE DOMICILE COUNTRY STATING THAT SAID COUNTRY DOES NOT IMPOSE TAXES ON FOREIGN SOURCED DIVIDENDS, OR ANY AUTHENTICATED DOCUMENT SHOWING THAT THE DOMICILE COUNTRY DOES NOT IMPOSE TAXES ON FOREIGN SOURCED DIVIDENDS.</p>	ORIGINAL	NOTARY AND LOCAL PHILIPPINE EMBASSY

FREQUENTLY ASKED QUESTIONS (FAQs)

QUESTION	ANSWER
WHICH RESIDENTS ARE CONSIDERED ELIGIBLE FOR EDS?	ONLY INDIVIDUALS ARE ELIGIBLE TO PARTICIPATE IN THE EDS PROCESS. THESE HOLDERS WILL BE PAID AT 25%.
WHAT ABOUT INDIVIDUALS WHO ARE ENTITLED TO THE 15% OR 20% RATE?	THEY MUST SUBMIT PAPERWORK AS DETAILED IN THE QUICK REFUND ELIGIBILITY MATRIX BY WED. 24 MARCH 2010 DEADLINE.
DO I NEED TO PHYSICALLY SEND ANY DOCUMENTS TO J.P. MORGAN / GLOBETAX IN ORDER TO PARTICIPATE IN THE RELIEF AT SOURCE PROCESS / EDS?	YES, AN ORIGINAL COVER LETTER WITH A BREAKDOWN OF SHARE HOLDING FOR EACH INDIVIDUAL BENEFICIAL OWNER AND COUNTRY OF RESIDENCE IS REQUIRED IN ORDER TO PARTICIPATE IN THE RELIEF AT SOURCE PROCESS ON EDS.
WILL I BE PAID THROUGH DTC FOR CLAIMS SUBMITTED THROUGH THE RELIEF AT SOURCE PROCESS?	YES.
HOW DO I OBTAIN AUTHENTICATION OR CONSULAR STAMP FOR THE SPECIAL POWER OF ATTORNEY AND OTHER DOCUMENTS?	PLEASE CONTACT THE OFFICE OF YOUR LOCAL PHILIPPINE EMBASSY FOR CONSULAR SERVICES. THIS WILL REQUIRE NOTARIZED DOCUMENTS TO BE EXAMINED BY THE EMBASSY AND THEY WILL ATTACH AN APPROPRIATE SEAL OR STAMP OF AUTHENTICATION (FOR A FEE).
HOW LONG DOES IT TAKE FOR QUICK REFUNDS TO BE PAID?	WE ESTIMATE IT MAY TAKE UP TO 4 WEEKS FOR QUICK REFUNDS TO BE PAID.
DOES THE QUICK REFUND PROCESS HAVE A MINIMUM FEE PER BENEFICIAL OWNER?	YES, THERE IS A MINIMUM FEE OF \$125.00 PER BENEFICIAL OWNER. THIS FEE IS FOR LOCAL OUT-OF-POCKET EXPENSES AND PROCESSING CHARGES.
IS THERE A LONG FORM PROCESS IF THE DEADLINES ABOVE ARE MISSED?	LONG FORM PROCESS, WHILE POSSIBLE, IS CUMBERSOME, TIME CONSUMING, COSTLY (FEES OF AT LEAST \$3,000.00) AND APPROVAL IS NOT GUARANTEED. WE ADVISE ALL HOLDERS TO TAKE ADVANTAGE OF THE EDS AND QUICK-REFUND PROCESS.

CONTACT DETAILS

PRIMARY CONTACT	JENNY LIN
DOMESTIC PHONE (U.S.)	1-800-929-5484
DOMESTIC FAX (U.S.)	1-800-929-9986
INTERNATIONAL PHONE	1-212-747-9100
INTERNATIONAL FAX	1-212-747-0029
EMAIL ADDRESS	JENNY_LIN@GLOBETAX.COM
COMPANY	J.P. MORGAN / GLOBETAX
STREET ADDRESS	90 BROAD STREET, 16 TH FLOOR
CITY/STATE/ZIP	NEW YORK, NY 10004
ADDITIONAL CONTACTS	BRETT LEWIS, JEANNY YANG

APPENDIX A – COVER LETTER REQUIRED FOR PHILIPPINE TAX RECLAIM FILINGS

THIS DOCUMENT MUST BE PREPARED ON THE DTC PARTICIPANT'S LETTERHEAD

DATE

J.P. Morgan
c/o Globe Tax Services, Inc.
90 Broad Street - 16th Floor
New York, NY 10004 - 2205
Attn: Depository Services – The Philippines

Enclosed please find withholding tax reclamation documents which we have submitted on behalf of our client (s) who have had excess tax withheld on Philippine ADRs. We, **(DTC PARTICIPANT NAME)**, also identified as DTC participant number **(#####)**, hereby state that each beneficial owner cited below held the respective amount of shares on the ADR record date of **March 16, 2010** for the security **Philippine Long Distance Telephone Company.**

Below is the list of beneficial owners and their holdings, which total **(TOTAL NUMBER OF ADRs CITED BELOW)** ADRs. Proof of Residency documents are enclosed for each beneficial owner. The ratio is **1** ADR to **1** Ordinary Share. The information is as follows:

<u>Name of Beneficial Owner</u>	<u>Country of Residence</u>	<u># ADRs held</u>	<u># ORD Shares</u>	<u>% Rate</u>
1.				
2.				
3.				
4. (please send a disk if there are more than 9 holders)				

I / We certify that to the best of my knowledge the above beneficial owners are eligible for the preferential rates as stated herein and I declare that I have performed all the necessary due diligence to satisfy myself as to the accuracy of the information submitted to me by these beneficial owners.

We ask that J.P. Morgan, as Depository, validate these excess withholding tax refund requests for the above-mentioned beneficial owner(s). Please contact the undersigned at **(SIGNATORY'S TELEPHONE NUMBER)** should you have any questions.

Indemnification

JP Morgan Chase Bank N.A. is not liable for failure to secure the refund and any funds erroneously received shall be immediately returned to JP Morgan Chase Bank N.A., including any interest, additions to tax or penalties thereon. In addition, the Participant will agree to indemnify, defend, hold and save JP Morgan Chase Bank N.A., the Issuer and their respective affiliates, and the respective directors, offices, agents and employees of JP Morgan Chase Bank N.A. against any and all damages arising out of or relating to the information provided by the undersigned in, or in connection with this document. This is not tax advice. Please consult your tax advisor.

Sincerely,

(Signature of authorized DTC participant signatory)

Name:

Title:

**PAYMENT ADDRESS:
(QUICK REFUND ONLY)**

APPENDIX B – SPECIAL POWER OF ATTORNEY

THIS DOCUMENT MUST BE PREPARED ON THE BENEFICIAL OWNER’S LETTERHEAD

SPECIAL POWER OF ATTORNEY

THIS SPECIAL POWER OF ATTORNEY is made the _____ day of _____ 2010 by **(FULL BENEFICIAL NAME AS IT APPEARS ON CERTIFICATION OF RESIDENCY OR ARTICLE OF INCORPORATION)** (the "Company"), a company incorporated under the laws/a resident of **(TAX TREATY COUNTRY)** with its registered office at **(FULL ADDRESS AS APPEARS ON CERTIFICATION OF RESIDENCY OR ARTICLE OF INCORPORATION)**, and has no fixed place of business in the Republic of the Philippines.

NOW WITNESSETH, THIS DEED that the Company hereby appoint the Philippine Long Distance Telephone Co. with business address at Ramon Cojuangco Building, Makati Avenue, Makati City, Philippines, to be its true and lawful attorney-in-fact in the application for tax treaty relief with the Philippine Bureau of Internal Revenue International Tax Affairs Division.

GIVING AND GRANTING unto said attorney-in-fact, full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises, as duly to all intents and purposes as the Company might or could do, with full power of substitution and revocation and hereby ratifying and confirming all that the said attorney-in-fact shall lawfully do or cause to be done by virtue of these presents.

IN WITNESS whereof this Special Power of Attorney was executed on the day and year first above written.

(FULL BENEFICIAL NAME AS IT APPEARS ON CERTIFICATION OF RESIDENCY OR ARTICLE OF INCORPORATION)

By:

Name
Position

SIGNED IN THE PRESENCE OF:

[Notary Public]
[And Authentication by Philippine Embassy or Consulate]

PHILIPPINE EMBASSY LOCATIONS

** Partial list only – kindly verify with local embassy office for consulate service details*

Embassy of the Philippines in Canberra, Australia
1 Moonah Place
Yarralumla ACT 2600
Phone: (61-2) 6273 2535

Embassy of the Philippines in Brussels, Belgium
85 Rue Washington,
1050 Brussels, Belgium
Phone: +32-(0)2-533.18.06

Embassy of the Philippines in Ottawa, Canada
130 Albert Street, Suite 606,
Ontario K1P 5G4
Phone: (1-613) 233-1121

Consulate General of the Philippines in Guangzhou,
China
Ground Floor, White Swan Hotel Shamian Island,
Phone: (86-20) 8188-6968

Embassy of the Philippines in Prague, Czech
Republic
Senovazne namesti 8, 110 00,
Praha 1
Prague, Czech Republic
Phone: (420) 2242-163-97 or 2242-163-85

Embassy of the Philippines in Paris, France
4, Hameau de Boulaivilliers 75016
Paris, France
Phone: (331) 44-14-57-00

Embassy of the Philippines in Berlin, Germany
Uhlandstrasse 97, 10715
Berlin Federal Republic of Germany
Phone: (49-30) 864-9500

Embassy of the Philippines in Budapest, Hungary
Gabor Aron Utca 58
1026 Budapest
Budapest, HUNGARY
Phone: (361) 200-5523

Embassy of the Philippines in Rome, Italy
Via delle Medaglie d'Oro No. 112-114 00136
Rome, Italy
Phone: (39) 06 39746621

Embassy of the Philippines in Osaka, Japan
Philippine Department Of Tourism
Tokyo Field Office
Tokyo, Japan
Phone: 03-5562-1583

Embassy of Philippines in Kuala Lumpur, Malaysia
No. 1 Changkat Kia Peng
50450 Kuala Lumpur Malaysia
Phone: (603) 2148-9989

Embassy of the Philippines in The Hague,
Netherlands
125 Laan Copes Van Cattenburch 2585 EZ
The Hague, Kingdom of The Netherlands
Phone: (3170) 360-4820

Embassy of the Philippines in Singapore
20 Nassim Road,
258395 Singapore
Phone: (65) 737-39-77

Embassy of the Philippines in Stockholm, Sweden
Skeppsbron 20, 1 tr 111 30
P.O. Box 2219, 103 15
Stockholm, Sweden
Phone: (46 8) 235-665

Embassy of the Philippines in Berne, Switzerland
Kirchenfeldstrasse 73-75; 3005
Berne, Switzerland
Phone: (41-031) 350 1717

Embassy of the Philippines in Abu Dhabi, UAE
Ambassador Extraordinary and Plenipotentiary
Villa No. 2 St. 5, E-18/02, Plot No. 97 behind Al
Falah Plaza, Madinat Zayed P.O. Box 3215
Phone: (00-9712) 641-5922/641-5944

Philippines Mission to the UN in New York
556 5th Avenue
New York, NY 10036
Phone: (212)764-1300

Embassy of the Philippines
1600 Massachusetts Avenue, NW,
Washington DC 20036
Phone: (202) 467 9300

Consulate General of the Philippines in Chicago
30 North Michigan Avenue Suite 2100
Chicago, IL 60602
Phone: (312) 332-6458

Philippine Embassy in London, United Kingdom
Embassy of the Philippines in London, Great Britain
& Northern Ireland
9-a Palace Green, London W8 4QE England
Phone: (020) 7937 1600