

**MELCO CROWN (PHILIPPINES) RESORTS CORPORATION**  
Makati City

1 April 2013

**THE PHILIPPINE STOCK EXCHANGE, INC.**  
3/F Philippine Stock Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City

Attention: **MS. JANET A. ENCARNACION**  
Head, Disclosure Department

**MS. SHEENA PAULA H. PEDRIETA**  
Senior Specialist, Disclosure Department

Re: Corporate Governance Guidelines Disclosure Survey


Gentlemen:

Please find attached the Corporate Governance Guidelines Disclosure Survey of Melco Crown (Philippines) Resorts Corporation for 2012.

Very truly yours,

**MELCO CROWN (PHILIPPINES)**  
**RESORTS CORPORATION**

By:

  
**FRANCES T. YUYUCHENG**  
Corporate Information Officer

## CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY

Company Name: **Melco Crown (Philippines) Resorts Corporation**

	COMPLY	EXPLAIN
<b>Guideline No. 1: DEVELOPS AND EXECUTES A SOUND BUSINESS STRATEGY</b>		
1.1 Have a clearly defined vision, mission and core values.		Note 1 - As a result of recent changes in the majority ownership and control of the Corporation, as well as a change in the nature of its future business operations, the Corporation currently has no operating activity and is currently undergoing transformation which will significantly affect its corporate direction and culture. Items 1.1, 1.2, and 1.3 are thus being developed and defined at this stage as well as in the process of adopting other guidelines as noted below.
1.2 Have a well developed business strategy.		
1.3 Have a strategy execution process that facilitates effective performance management, and is attuned to the company's business environment, management style and culture.		
1.4 Have its board continually engaged in discussions of strategic business issues.	✓	
<b>Guideline No. 2: ESTABLISHES A WELL-STRUCTURED AND FUNCTIONING BOARD</b>		
2.1. Have a board composed of directors of proven competence and integrity.	✓	
2.2. Be lead by a chairman who shall ensure that the board functions in an effective and collegial manner.	✓	
2.3 Have at least three (3) of thirty percent (30%) of its directors as independent directors.		The Corporation has two (2) independent directors, in line with the requirements for publicly listed companies.
2.4 Have in place written manuals, guidelines and issuances that outline procedures and processes.		To be established. Refer Note 1.
2.5 Have Audit, Risk, Governance and Nomination & Election Committees of the board.		The establishment of Risk and Governance Committees will be discussed in future board meetings.
2.6 Have its Chairman and CEO positions held separately by individuals who are not related to each other.		Both the position of Chairman and President are held by one individual.
2.7 Have a director nomination and election process that ensures that all shareholders are given the opportunity to nominate and elect directors individually based on the number of shares voted.	✓	
2.8 Have in place a formal board and director development program.		To be studied. Refer Note 1.
2.9 Have a corporate secretary.	✓	

CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY  
 Company Name: **Melco Crown (Philippines) Resorts Corporation**

2.10 Have no shareholder agreements, by-laws provisions, or other arrangements that constrains the directors' ability to vote independently.	✓	
<b>Guideline No. 3:                  MAINTAINS A ROBUST INTERNAL AUDIT AND CONTROL SYSTEM</b>		
3.1 Establish the internal audit function as a separate unit in the company which would be overseen at the Board level.		To be established. Refer Note 1.
3.2 Have a comprehensive enterprise-wide compliance program that is annually		To be studied. Refer Note 1.



CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY

Company Name: **Melco Crown (Philippines) Resorts Corporation**

	reviewed.	
3.3	Institutionalize quality service programs for the internal audit function.	To be studied. Refer Note 1,
3.4	Have in place a mechanism that allows employees, suppliers and other stakeholders to raise valid issues.	To be studied. Refer Note 1.
3.5	Have the Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	To be studied. Refer Note 1.
<b>Guideline No. 4: RECOGNIZES AND MANAGES ITS ENTERPRISE RISKS</b>		
4.1	Have its board oversee the company's risk management function.	The Company's risk management function is being developed. Refer Note 1.
4.2	Have a formal risk management policy that guides the company's risk management and compliance processes and procedures.	The Company's risk management function is being developed. Refer Note 1.
4.3	Design and undertake its Enterprise Risk Management (ERM) activities on the basis of, or in accordance with, internationally recognized frameworks such as but not limited to, COSO, (The Committee of Sponsoring Organizations of the Treadway Commission) I and II.	To be studied. Refer Note 1.
4.4	Have a unit at the management level, headed by a Risk Management Officer (RMO).	To be studied. Refer Note 1.
4.5	Disclose sufficient information about its risk management procedures and processes as well as the key risks the company is currently facing including how these are being managed.	The Company's risk management function is being developed. Refer Note 1.
4.6	Seek external technical support in risk management when such competence is not available internally.	The Company's risk management function is being developed. Refer Note 1.



<b>Guideline No. 5: ENSURES THE INTEGRITY OF FINANCIAL REPORTS AS WELL AS ITS EXTERNAL AUDITING FUNCTION</b>			
5.1	Have the board Audit Committee approve all non-audit services conducted by the external auditor. The Committee should ensure that the non-audit fees do not outweigh the fees earned from the external audit.		The Audit Committee reviews and approves all non-audit services conducted by external auditor and considers whether the fees for non-audit services would impact the integrity of the audit services prior to granting its approval.
5.2	Ensure that the external auditor is credible, competent, and should have the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	✓	
5.3	Ensure that the external auditor has adequate quality control procedures.	✓	
5.4	Disclose relevant information on the external auditors.	✓	
5.5	Ensures that the external audit firm is selected on the basis of a fair and transparent tender process.	✓	
5.6	Have its audit committee conduct regular meetings and dialogues with the external audit team without anyone from management present.	✓	
5.7	Have the financial reports attested to by the Chief Executive Officer and Chief Financial Officer.	✓	
5.8	Have a policy of rotating the lead audit partner every five years.	✓	
<b>Guideline No. 6: RESPECTS AND PROTECTS THE RIGHTS OF ITS SHAREHOLDERS, PARTICULARLY THOSE THAT BELONG TO THE MINORITY OR NON-CONTROLLING GROUP</b>			
6.1	Adopt the principle of "one share, one vote."	✓	
6.2	Ensure that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	✓	
6.3	Have an effective, secure and efficient voting system.	✓	
6.4	Have effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders.	✓	
6.5	Provide all shareholders with the notice and agenda of the annual general meeting (AGM) at least thirty (30) days before a regular meeting and twenty (20) days before a special meeting.		The By-Laws of the Company provide for a notice of at least twenty (20) days before a regular or special meeting.

CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY

Company Name: **Melco Crown (Philippines) Resorts Corporation**

6.6	Allow shareholders to call a special shareholders meeting, submit a proposal for consideration at the AGM or the special meeting, and ensure the attendance of the external auditor and other relevant individuals to answer shareholder questions in such meetings.	✓	
6.7	Ensure that all relevant questions during the AGM are answered.	✓	
6.8	Have clearly articulated and enforceable policies with respect to treatment of minority shareholders.	✓	
6.9	Avoid anti-takeover measures or similar devices that may entrench management or the existing controlling shareholder group.		To be studied. Refer Note 1.
6.10	Provide all shareholders with accurate and timely information regarding the number of shares of all classes held by controlling shareholders and their affiliates.	✓	
6.11	Have a communications strategy to promote effective communication with shareholders.	✓	
6.12	Have at least thirty percent (30%) public float to increase liquidity in the market.		The Board is currently discussing the steps to be taken to have a least 30% public float to increase liquidity in the market.
6.13	Have a transparent dividend policy.		To be studied. Refer Note 1.
<b>Guideline No. 7: ADOPTS AND IMPLEMENTS AN INTERNATIONALLY-ACCEPTED DISCLOSURE AND TRANSPARENCY REGIME</b>			
7.1	Have written policies and procedures designed to ensure compliance with the PSE and SEC disclosure rules, as well as other disclosure requirements under existing laws and regulations.		To be documented by the Company. Refer Note 1.
7.2	Disclose the existence, justification, and details on shareholders agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.	✓	
7.3	Disclose its director and executive compensation policy.		For purposes of confidentiality, the Company will not disclose its director and executive compensation policy.

CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY

Company Name: **Melco Crown (Philippines) Resorts Corporation**

7.4	Disclose names of groups or individuals who hold 5% or more ownership interest in the company, significant cross-shareholding relationship and cross guarantees, as well as the nature of the company's other companies if it belongs to a corporate group.	✓	
7.5	Disclose annual and quarterly consolidated reports, cash flow statements and special audit revisions. Consolidated financial statements shall be published within 90 days from the end of the financial year, while interim reports shall be published within 45 days from the end of the reporting period.		Due to the time required for consolidation, the Company is prepared to disclose its annual report 105 days from the end of the financial year, which meets with the PSE deadline.
7.6	Disclose to shareholders and the Exchange any changes to its corporate governance manual and practices, and the extent to which such practices conform to the SEC and PSE CG Guidelines.	✓	
7.7	Publish and/or deliver to its shareholders in a timely fashion all information and materials relevant to corporate actions that require shareholder approval.	✓	
7.8	Disclose the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This shall also include the disclosure of the company's purchase of its shares from the market (e.g share buy-back program).	✓	
7.9	Disclose in its annual report the principal risks to minority shareholders associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.	✓	
<b>Guideline No. 8: RESPECTS AND PROTECTS THE RIGHTS AND INTERESTS OF EMPLOYEES, COMMUNITY, ENVIRONMENT, AND OTHER STAKEHOLDERS</b>			
8.1	Establish and disclose a clear policy statement that articulates the company's recognition and protection of the rights and interests of key stakeholders specifically its employees, suppliers & customers, creditors, as well the community, environment and other key stakeholder groups.		To be studied. Refer Note 1.
8.2	Have in place a workplace development program.		To be studied. Refer Note 1.
8.3	Have in place a merit-based performance incentive mechanism such as an employee stock option plan (ESOP) or any such scheme that awards and incentivizes employees, at the same time aligns their interests with those of the shareholders.	✓	
8.4	Have in place a community involvement program.		To be studied. Refer Note 1.
8.5	Have in place an environment-related program.		To be studied. Refer Note 1.
8.6	Have clear policies that guide the company in its dealing with its suppliers, customers, creditors, analysts, market intermediaries and other market participants.		To be studied. Refer Note 1.



CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY

Company Name: **Melco Crown (Philippines) Resorts Corporation**

<b>Guideline No. 9: DOES NOT ENGAGE IN ABUSIVE RELATED-PARTY TRANSACTIONS AND INSIDER TRADING</b>		
9.1	Develop and disclose a policy governing the company's transactions with related parties.	Related party policy will be established. Refer Note 1.
9.2	Clearly define the thresholds for disclosure and approval for RPTs and categorize such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPT within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.	To be provided. Refer Note 1.
9.3	Establish a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions in shareholders meetings.	To be studied. Refer Note 1.
9.4	Have its independent directors or audit committee play an important role in reviewing significant RPTs.	To be studied. Refer Note 1.
9.5	Be transparent and consistent in reporting its RPTs. A summary of such transactions shall be published in the company's annual report.	✓
9.6	Have a clear policy in dealing with material non-public information by company insiders.	✓
9.7	Have a clear policy and practice of full and timely disclosure to shareholders of all material transactions with affiliates of the controlling shareholders, directors or management.	To be studied. Refer Note 1.
<b>Guideline No. 10: DEVELOPS AND NURTURES A CULTURE OF ETHICS, COMPLIANCE, &amp; ENFORCEMENT</b>		
10.1	Formally adopt a code of ethics and proper conduct that guides individual behavior and decision making, clarify responsibilities, and inform other stakeholders on the conduct expected from company personnel.	To be established. Refer Note 1.





**CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY**

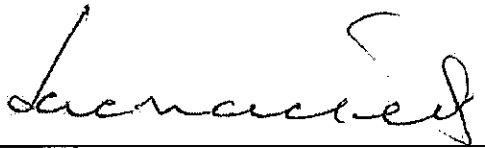
Company Name: **Melco Crown (Philippines) Resorts Corporation**

10.2	Have a formal comprehensive compliance program covering compliance with laws and relevant regulations. The program should include appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.		To be established. Refer Note 1.
10.3	Not seek exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. Should it do so, it has to disclose the reason for such action as well present the specific steps being taken to finally comply with the applicable law, rule or regulation.	✓	
10.4	Have clear and stringent policies and procedures on curbing and penalizing company or employee involvement in offering, paying and receiving bribes.		To be developed. Refer Note 1.
10.5	Have a designated officer responsible for ensuring compliance with all relevant laws, rules, and regulation, as well as all regulatory requirements.		To be established. Refer Note 1.
10.6	Respect intellectual property rights.	✓	
10.7	Establish and commit itself to an alternative dispute resolution system so that conflicts and difference with counterparties, particularly with shareholders and other key stakeholders, would be settled in a fair and expeditious manner.	✓	

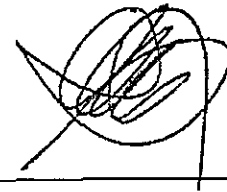
CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY  
Company Name: **Melco Crown (Philippines) Resorts Corporation**

This is to certify that the undersigned reviewed the contents of this document and to the best of my knowledge and belief, the information contained set forth in this document is true, complete and correct.

Done this 1st day of April 2013.



Independent director



President, CEO, or Authorized Representative

