



# Don Esteban Benitez Tallano and Don Gregorio Madrigal Acop Foundation

SEC Reg. CN200322944

TIN: 237-114-038

YOUR EXCELLENCY GLORIA M. ARROYO  
President, Republic of the Philippines  
Malacanang Palace, Mendiola St., MANILA

August 22, 2006

YOUR EXCELLENCY: Greetings:

By way of introduction, though none should be necessary: The DON ESTEBAN BENITEZ TALLANO AND DON GREGORIO MADRIGAL ACOP FOUNDATION (the "Tallano Foundation") was formed pursuant to and in compliance with the orders of Judge Enrique A. Agana in LRC/Civil Case No. 3597-P in order to function as the "successor in interest" of the Tagean-Tallano estate and to "...preserve the estate for and in the interest of Filipino farmers, poor families and their children...".

## NOTICE OF TERMINATION OF LEASE

You are hereby given notice that the fifty-five year lease of the gold assets of the Tagean-Tallano estate ended in December 2005 and we are asserting our court-ordered mandate to administer these assets "for the interest of the Filipino people".

Although there may be a tendency on your part to want to view these gold holdings as the property of the Republic of the Philippines, we hasten to point out that they are part of the PRIVATE property of the Tagean-Tallano estate, which must be administered by the Tallano Foundation for the benefit of the people. Now that the lease has expired and you have been duly notified, any misapplication of these assets can only properly be construed as plunder.

Accordingly, we are entitled to an inventory of the gold assets and we expect your cooperation in arranging for same through the Bangko Sentral Pilipinas which has acted as the storage facility for these assets. Your reply to this Notice of Termination of Lease should include proposed arrangements for payment to the Foundation of the "five percent (5%) of the one percent (1%) of the appraised value of the commodities as Royalty fee" in compliance with the 1976 Clarificatory Decision of Judge Agana, along with an accounting of any such Royalty fees paid throughout the period of the lease. Until final arrangements can be made for the return of the leased property, we expect that you will render payment for and properly account for storage fees since December 31, 2005, which no doubt will be assessed by the storage facility (BSP).

If we do not hear from you within FIFTEEN (15) days, it is presumed that you take no exception to the foregoing facts and that you accept full personal responsibility for compliance.

Very respectfully yours,

Cenon C. Marcos, President

Jaime B. Ramirez, VP

Atty. F. Alejo Estepa, Legal Counsel

CC: OFFICE OF THE SOLICITOR GENERAL  
HON. SECRETARY OF FINANCE

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