

14 January 2010

Philippine Stock Exchange

Disclosures Department
4/F, Philippine Stock Exchange Inc., PSE Centre
Exchange Road, Ortigas Center
Pasig City, Metro Manila

Attention : **Ms. Janet Encarnacion**
Head – Disclosures Department

Re : **ROXAS AND COMPANY, INC.**

Gentlemen:

In compliance with the Revised Disclosure Rules of the Exchange, we hereby submit a copy of Roxas and Company, Inc.'s disclosure on SEC Form 17-C regarding the filing of a Motion for Reconsideration of the Supreme Court Decision dated 04 December 2009 on SC GR Nos. 149548, 167505, 167540, 167543, 167845, 169163 and 179650.

We trust that you will find the foregoing disclosure in order.

Very truly yours,



FRITZIE P. TANGKIAN FABRICANTE
AVP for Legal Affairs/Compliance Officer
Corporate Information Officer

Encl.: a/s

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R O X A S A N D C O M P A N Y , I N C .
(F O R M E R L Y C A D P G R O U P
C O R P O R A T I O N)

(Company's Full Name)

7 T H F L O O R C G B U I L D I N G
1 0 1 A G U I R R E S T R E E T L E G A S P I
V I L L A G E M A K A T I C I T Y

(Business Address: No. of Street City/Town/Province)

ATTY. FRITZIE P. TANGKIA-FABRICANTE

810-8901

SEC FORM 17-C

June 30
Month Day
Fiscal Year

Form Type

Month Day
Annual Meeting

Secondary License Type, If Applicable

Department Requiring this Document

Amended Articles Number/Section

3,587

Total Amount of Borrowings

Total No. of Stockholders

Domestic Foreign

TO BE ACCOMPLISHED BY SEC PERSONNEL CONCERNED

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. Use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. Date of Report: **13 JANUARY 2010**.
2. SEC Identification Number: **834**.
3. BIR Tax Identification No. : **000-269-435-000**.
4. Exact name of issuer as specified in its charter: **ROXAS AND COMPANY, INC.**
5. **Philippines**
Province, Country or other jurisdiction of
Incorporation or Organization
6. (SEC Use Only)
Industry Classification Code
7. **7F Cacho-Gonzales Building, 101 Aguirre Street
Legaspi Village, Makati City 1229**
Address of Principal Office
8. **(632) 810-89-01 to 06**
Registrant's telephone number, including area code
9. **CADP GROUP CORPORATION**
6F Cacho-Gonzales Building, 101 Aguirre Street
Legaspi Village, Makati City 1229
Former name, former address and former fiscal year, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8
of the RSA

Title of Each Class	No. of Shares of Stock Outstanding and Amount of Debt Outstanding
Authorized Capital Stock Common	P3,375,000,000.00
No. of Shares Subscribed & Outstanding Common	2,911,885,870

(As of 31 December 2009)

Of the 2,911,885,870 subscribed and outstanding common shares, 1,365,990,294
shares were exempt securities under Section 10.1 of the SRC.

11. Indicate the item numbers reported herein: Item 5.

Item 5. **Legal Proceedings**.

We would like to inform you that on 13 January 2010, Roxas and Company, Inc. filed with the Supreme Court a Motion for Reconsideration of the Decision dated 04 December 2009 on the cases enumerated below.

In the said Motion, RCI sought the reconsideration of the Supreme Court Decision on the following grounds:

- (i) GRN 167845¹. Certificate of Land Ownership Award [“CLOA”] 6654, insofar as it covers the 3 parcels of land with an aggregate area of 103.1436 hectares, should be cancelled in view of the final and executory 02 April 1996 Court of Appeals decision exempting the said properties from the coverage of Comprehensive Agrarian Reform Law [“CARL”].
- (ii) GRN 169163. CLOA 6654, insofar as it covers the remaining 410 hectares, should be cancelled pursuant to Section IV(b)(10) of DAR Memorandum Order No. 02, series of 1994.

RCI argued that the land awarded to the farmer-beneficiaries under CLOA 6654 has not been properly identified and is not capable of accurate delineation, in violation of Section 16 of the CARL. Without proper identification of the land covered by the said CLOA, its continued existence would effectively circumvent the laws related to agrarian reform.

- (iii) GRN 167505². With the CARP-exemption of 9 parcels of land with an aggregate area of 45.9771 hectares, RCI’s liability to pay disturbance compensation is limited to its agricultural lessees and not to all farmer-beneficiaries found in the subject properties pursuant to Republic Act No. 3844, as amended, and the ruling in *Bacaling vs. Muya*³.

RCI contended that Section 36 of RA 3844, as amended, mandates a landowner to extend disturbance compensation to its agricultural lessees, while the *Bacaling* case provides that farmer-beneficiaries who are holders of Certificates of Land Transfer to “lots that are not and have never been available for agrarian reform” are not entitled to disturbance compensation.

¹ This involves the cancellation of CLOA No. 6654 insofar as 103 hectares are concerned, while GRN 169163 sought the cancellation of the same CLOA 6654 for the remaining 400 hectares. The Supreme Court ruled that the CLOAs covering the other lots in Hacienda Palico and the other two haciendas, except for the 45.97-hectare property subject of GRN 167505, should be respected since RCI failed to prove that the said haciendas are CARP-exempt.

² The Supreme Court granted RCI’s application for CARP exemption of a 45.97-hectare property, subject to payment of disturbance compensation to the affected farmer-beneficiaries.

³ GRN 148404-05 (11 April 2002).

- (iv) GRN 179650⁴. The additional certifications were submitted to prove that the 51.5472-hectare properties are CARP-exempt, and corollarily, address the grounds used by then DAR Secretary in denying RCI's initial exemption application. The alleged inconsistencies are either immaterial or can be readily explained.

RCI argued that: (a) The additional Certification of the MARO⁵ dated 08 June 2001 was submitted to address the "missing link" pointed out by Secretary Morales between the DAR Lot Nos. mentioned in the Certifications and the Lot Numbers mentioned in RCI's titles; (b) Secretary Morales refused to accept RCI's explanation that the "discrepancies" in TCT T-60034 were due to typographical errors that were actually acknowledged and initialed by the Register of Deeds of Nasugbu. To address this issue, RCI submitted, as additional evidence, a Certification dated 06 September 2001 issued by the Deputy Register of Deeds of Nasugbu; (c) the subject properties are in Barangay Lumbangan as shown by TCT 60019 to 60023 and the additional MARO Certification dated 08 December 2001; and (d) discrepancies in the area as stated in the MPDC Certification vis-à-vis the HLURB Certification are immaterial because the HLURB Certification, as per DAR Administrative Order No. 6, Series of 1994, is required not to establish the area of the CARP-exempt properties but to prove that the 1982 Nasugbu Zoning Ordinance has been approved by the HLURB prior to 15 June 1988.

- (v) GRN 149548⁶. Based on the evidence submitted by RCI, the 51.5472-hectare properties subject of GRN 179650 are CARP-exempt. Hence, the premature installation by the DAR of several farmer-beneficiaries in the properties should be declared illegal.

- (vi) GRN 167540 / 167543⁷. RCI argued that:

(a) Applying *DAR vs. Franco*⁸, RCI's landholdings should be declared CARP-exempt in view of the PTA enactment⁹ delineating specific

⁴ This involved RCI's application for CARP exemption of 6 parcels of land with a total area of 51.5472 hectares based on a 1982 Municipal Zoning ordinance. The Supreme Court ruled that "in view of the discrepancies in the location and identity of the subject parcels of land", RCI's application cannot be granted.

⁵ DAR's Municipal Agrarian Reform Officer for the Municipality of Nasugbu, Batangas.

⁶ The only issue raised here by RCI is the legality and validity of the Court of Appeals' decision directing the Department of Agrarian Reform to install farmer beneficiaries within the 51.5472-hectare lot subject of GRN 179650. The High Court ruled that RCI's petition is denied in view of its ruling in GRN 179650.

⁷ These involved RCI's application for exemption of 2,930.29 hectares of land (Haciendas Banilad, Caylaway and Palico) based on Presidential Proclamation No. 1520, which reclassified Nasugbu into a tourist zone. The Supreme Court reversed the Court of Appeals and ruled that PP 1520 did not automatically convert the agricultural lands in the three municipalities, including Nasugbu, to non-agricultural lands.

⁸ G.R. No. 147479, 471 SCRA 74 (26 September 2005). In the Decision dated 04 December 2009, the Supreme Court said, citing *DAR vs. Franco*, "Thus, the DAR Regional Office VII, in coordination with the Philippine Tourism Authority, has to determine precisely which areas are for tourism

tourism priority areas in Nasugbu, Batangas. In Franco, the Court said that “the DAR Regional Office VII, in coordination with the Philippine Tourism Authority, has to determine precisely which areas are for tourism development and excluded from the Operation Land Transfer and the Comprehensive Agrarian Reform Program.” RCI pointed out in its Motion that following the Franco ruling, its landholdings should be declared exempt from the coverage of CARP because the same are located within the areas specifically identified by the PTA as areas for tourism development.

- (b) Consistent with the DAR Exemption Order cited in the Franco case and the submission of the Office of the Solicitor General, the counsel of DAR, RCI’s landholdings, which are (a) located within the PTA-identified tourism priority areas and (b) included in the Nasugbu Tourism Development Plan, should be declared CARP-exempt. In Franco, the DAR Secretary ruled that “the area of 808 hectares, more or less, [identified by the PTA and covered by a Master Plan] is hereby declared for tourism purposes and therefore deemed excluded from OLT or CARP coverage.”
- (c) With the PTA enactment, RCI’s landholdings are CARP-exempt following the Court’s pronouncement that “the only time [the Natalia¹⁰ and Allarde¹¹ cases] may find application is when the PTA actually identifies well-defined geographic areas within the zone with potential tourism value.”

In its Prayer, RCI sought that the Decision dated 04 December 2009 on SC GR Nos. 167540, 167543, 179650, 149548, 167845 and 169163 be reversed and set aside, and on SC GR No. 167505 be modified, as follows:

- (i) that the ROXAS landholdings subject of SC GR Nos. 167540 and 167543 be declared **exempt** from the coverage of CARP applying the Franco ruling;
- (ii) that (a) the 51.5472-hectare properties subject of SC GR No. 179650 be declared **exempt** from the coverage of CARP in view of the 1982 Nasugbu Zoning Ordinance and (b) the premature installation by the DAR of farmer-beneficiaries in the said property be declared **illegal**;
- (iii) that CLOA 6654 subject of SC GR Nos. 167845 and 169163 be declared null and void, and hence, should be cancelled;

development. x x x...**While the above pronouncement in Franco is an *obiter*, it should not be ignored in the resolution of the present petitions since it reflects a more rational and just interpretation of PP 1520.** [At page 8]

⁹ Entitled, “Enactment by the Philippine Tourism Authority of Geographic Areas in the Municipality of Nasugbu, Province of Batangas, as Tourism Priority Areas” dated 10 December 2008.

¹⁰ Natalia Realty, Inc. vs. DAR, 225 SCRA 278.

¹¹ National Housing Authority vs. Allarde, 318 SCRA 23.

- (iv) that any and all CLOAs issued by the DAR, which awarded to farmer-beneficiaries RCI's landholdings, be declared **null and void** and hence, should be cancelled; and
- (v) that only legitimate agricultural lessees occupying CARP-exempt properties, including the property subject of SC GR 167505, be declared entitled to disturbance compensation as provided in RA 3844, as amended.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ROXAS AND COMPANY, INC.
Issuer

By:


FRITZIE P. TANGKIA-FABRICANTE
Assistant Corporate Secretary
AVP for Legal Affairs & Compliance Officer

Date: 13 January 2010.

CC:

Philippine Stock Exchange
Disclosures Department
4/F, Philippine Stock Exchange Inc., PSE Centre
Exchange Road, Ortigas Center
Pasig City, Metro Manila

Attention : **Ms. Janet Encarnacion**
Head – Disclosures Department