

VITARICH CORPORATION
Charter of Internal Audit

POLICY

It is the policy of Vitarich Corporation ("the Company") to establish and maintain an Internal Audit Group (IAD), to provide independent and objective assurance services to add value and improve operations of the Company.

ROLE

IAD shall assist the Company in accomplishing its goals and objectives by bringing a systematic and disciplined approach to provide assurance in areas including reporting, monitoring compliance with laws and regulations and internal policies, efficiency and effectiveness of operations and safeguarding of assets.

AUTHORITY

IAD, with strict accountability for confidentiality and safeguarding of records and information, is authorized and granted full, free and unrestricted access to all of the Company's records, physical properties and personnel pertinent to carrying out any engagement. All employees are requested to assist IAD in fulfilling its roles and responsibilities.

INDEPENDENCE AND OBJECTIVITY

IAD will remain free from interference on matters of audit selection, scope, procedures, frequency, timing or report content to permit maintenance of a necessary independent and objective mental attitude.

Internal auditors will have no direct operational responsibility or authority over any of the activities audited. Accordingly, they will not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair the internal auditors' judgment.

Internal auditors will exhibit the highest level of professional objectivity in gathering, evaluating and communicating information about the activity or process being examined. Internal auditors will make a balanced assessment of all the relevant circumstances and not be unduly influenced by their own interests or by others in forming judgments.

Internal auditors report to the Chief Audit Executive (CAE)/Internal Audit Head, who will report functionally to the Audit Committee and administratively to the Chief Operating Officer and Chief Executive Officer.

The CAE will confirm to the Board, at least annually, the organizational independence of the internal audit activity.

RESPONSIBILITY

The scope of internal auditing encompasses, but is not limited to, the examination and evaluation of adequacy and effectiveness of the organization's governance, risk management and internal controls as well as the quality of performance in carrying out assigned responsibilities to achieve the organization's stated goals and objectives: This includes:

- Evaluating the reliability and integrity of information and the means used to identify, measure, classify and report such information.
- Evaluating systems established to ensure compliance with those policies, plans, procedures, laws and regulations which could have a significant impact on the organization.
- Evaluating the means of safeguarding the assets and, as appropriate, verifying the existence of such assets, including the effectiveness and efficiency with which resources are employed.
- Evaluating operations or programs to ascertain whether results are consistent with established objectives and goals, and whether the operations or programs are being carried out as planned.
- Monitoring and evaluating the effectiveness of the organization's risk management and governance process.
- Performing consulting and advisory services related to governance, risk management and control as appropriate for the organization.
- Reporting periodically on the internal audit activity's purpose, authority, responsibility and performance relative to its plan.
- Reporting significant exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by the Board or Management.
- Assisting in, or independently carrying out validation of suspected fraudulent activities within the Company and notify the Management and the Audit Committee of the results.
- Considering the scope of work of the external auditors, regulators, and/or internal Company functions, as appropriate, for the purpose of providing optimal audit coverage at a reasonable cost.
- Maintaining professional audit staff with sufficient knowledge, skills, experience and professional certifications to meet the requirements of this Charter.
- Evaluating specific operations at the request of the Board and/or Management, as appropriate.

INTERNAL AUDIT PLAN

At least annually, the CAE will submit to the Management and the Audit Committee will endorse to the Board an internal audit plan for review and approval. The internal audit plan will consist of a work schedule as well as budget and resource requirements for the next year.

The CAE will review and adjust the plan, as necessary, in response to changes in the Company's business, risks, operations, programs, systems and controls. Any significant deviation from the approved audit plan will be communicated to the Management and Audit Committee through periodic activity reports.

REPORTING AND MONITORING

A written report will be prepared and issued by the CAE following the conclusion of each internal audit engagement and will be distributed as appropriate. Significant internal audit results will also be communicated to the Audit Committee.

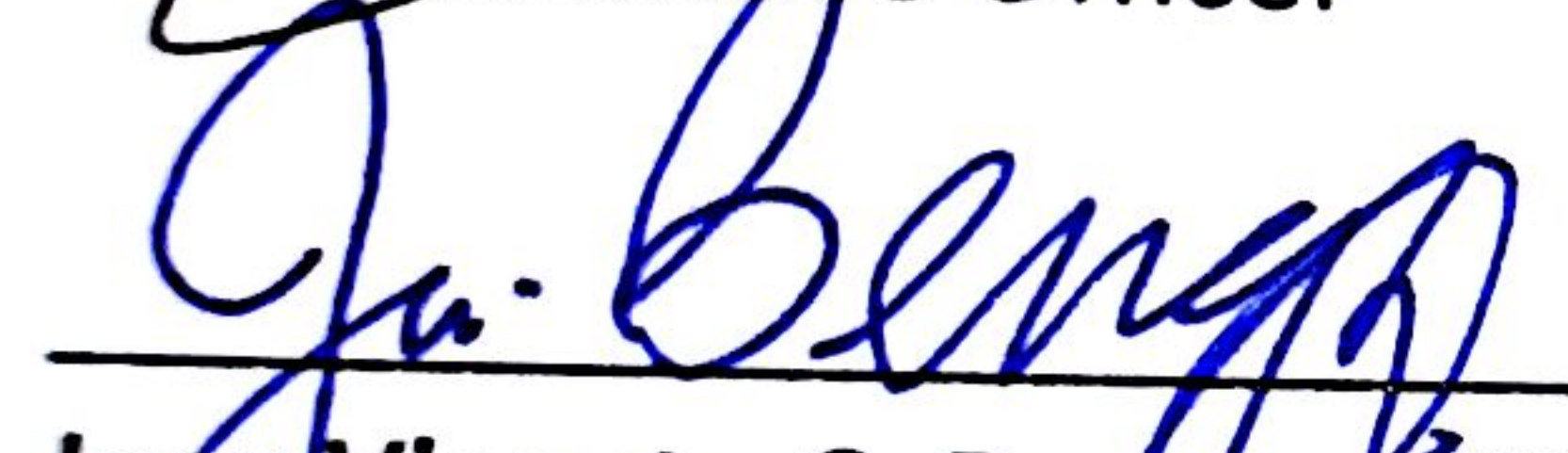
IAD will be responsible for appropriate follow-up on engagement findings and recommendations. All significant findings will remain in an open issues file until cleared.

The CAE will periodically report to Management and the Audit Committee on the internal audit activity's purpose, authority and responsibility, as well as performance relative to its plan. Reporting will also include significant risk exposures and control issues, including fraud risks, governance issues and other matters, needed or requested by Management and/or the Board.

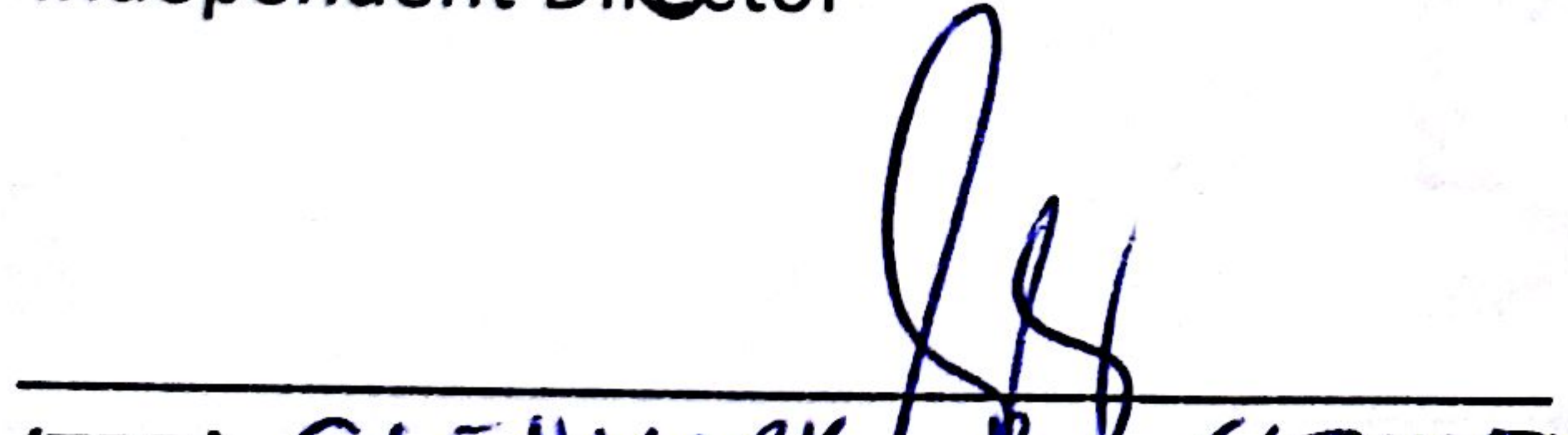
QUALITY ASSURANCE AND IMPROVEMENT PROGRAM

IAD will maintain a quality assurance and improvement program that covers all aspects of the internal audit activity. The program assesses the efficiency and effectiveness of the internal audit activity and identifies opportunities for improvement.


Ricardo Manuel M. Sarmiento
Chief Executive Officer


Jose Vicente C. Bengzon III
Chairman of the Board


Vicente J.A. Sarza
Chair, Audit Committee
Independent Director


(TBD) GLENMARK R. SEDULON
Chief Audit Executive/Internal Audit Head