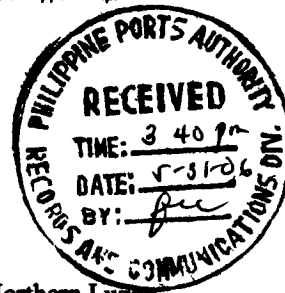


**PHILIPPINE PORTS
AUTHORITY**

MARSMAN BUILDING 22 MUELLE DE SAN FRANCISCO SOUTH HARBOR PORT AREA, MANILA 1018 PHILIPPINES
TEL NO (0632) 527-8356 - 527-8375 FAX NO (0632) 527-4855 <http://www.ppa.com.ph>

May 30, 2006

PPA ADMINISTRATIVE ORDER
NO 02 - 2006



TO The Port District Manager, PDO-Manila/Northern Luzon
The Port Manager, PMO-South Harbor
The OIC-MICT
International Container Terminal Services, Inc
Asian Terminals, Inc
The Association of International Shipping Lines, Inc

SUBJECT **U.S DOLLAR-DENOMINATED VESSEL CHARGES AGAINST FOREIGN CONTAINERS/CONTAINERIZED CARGOES HANDLED AT SOUTH HARBOR (SH) AND MANILA INTERNATIONAL CONTAINER TERMINAL (MICT)**

Pursuant to Board-Com Resolution No 2006-1013 and as confirmed by Board Resolution No 2062 dated May 30, 2006, vessel charges against foreign containers/containerized cargoes handled at SH and MICT shall be denominated in US dollars under the following conditions

1. The existing tariff rates shall be converted from peso to dollar at the rate of US\$1 00 to Php53 50
2. The shipping line may choose to pay in US Dollars or in Philippine Pesos, even if the billing by the Operator is in dollars. Should the shipping line choose to pay in pesos, the payment shall be determined as follows
 - The Operator shall base its billing on the day of completion of work on the vessel,
 - The conversion rate to be used shall be the weighted average rate in the Philippine Dealing System (PDS) as displayed on the page of Reuters or Bloomberg at 4 00 p m of the day of completion of work on the vessel,
 - If the completion of work on vessel falls on a day during which there was no trading in the PDS, the conversion rate to be used shall be the last weighted average rate in the PDS as displayed on the PDS page of Reuters or Bloomberg at 4 00 p m. on the previous banking day closest to the day of vessel completion,
3. The US Dollars denominated tariff items shall be applicable only to international shipping lines calling at MICT and South Harbor
4. Obligations paid in foreign currency should not be sourced or bought from the Philippine banking system

This Order shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation

ATTY. OSCAR M. SEVILLA
General Manager

VISION

By 2010, PPA shall have met the international standards in port facilities and services in at least ten (10) ports in support of national development.

Published in the following newspapers:
Philippine Star - June 1, 2006
Manila Standard

Effectivity Date June 16, 2006
MISSION

We commit to provide reliable and responsive services on our ports, sustain development of our port communities and the environment, and be a model corporate agency of the government.