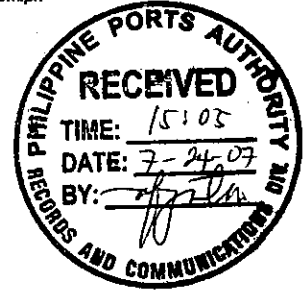




MARSMAN BUILDING, 22 MUELLE DE SAN FRANCISCO, SOUTH HARBOR, PORT AREA, MANILA 1018, PHILIPPINES
TEL. NO. (0632) 527-8356 - 527-8375, FAX NO. (0632) 527-4855, http://www.ppa.com.ph



July 23, 2007

PPA OPERATIONS MEMORANDUM CIRCULAR
NO. 02 - 2007

TO : The Port District Managers
The Port Managers
All Cargo Handling Operators
All Ship Owners
Port Users
And Other Port Users Concerned

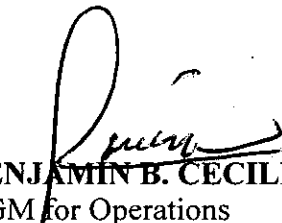
SUBJECT : 65% - 35% Share on Cargo Handling

A round table discussion was recently held among officials of DOTC, PPA, MARINA and PCG with the Philippine Interisland Shipping Association.

One of the issues raised was the complaint of the liner companies on the 65%-35% sharing of the arrastre fees in instances where the cargo handling operator utilizes equipment of the shipping lines. This practice is recommended to be stopped.

In view of the rationalization and review of the cargo handling business and the commitments made by the cargo handlers in their business plans, all authorized cargo handling operators are advised to provide their own cargo handling equipment pursuant to their mandate. They should stop the practice of utilizing the cargo handling equipment of the shipping lines as independent port operators. All activities, therefore, in the performance of this task should be done by the authorized cargo handling operator and not the shipping line personnel.

The PMO shall monitor the strict implementation of this Circular


BENJAMIN B. CECILIO
AGM for Operations

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.

MISSION

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

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