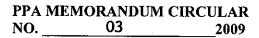


Bonifacio Drive, South Harbor, Port Area, Manila 1018, Philippines, P.O. Box 436, Manila, Philippines Tel. No. (0632) 527-8356, Fax No. (0632) 527-4855, http://www.ppa.com.ph

MAR 0 6 2009



TO

All PDO Managers

PMO Managers Shipping Companies

Shipmasters Harbor Pilots Port Users

Others Concerned

SUBJECT

Amending Article 3, Section B, Item 3.2.3 of PPA Memorandum

Circular (MC) No. 03-95 Re Collection of Applicable Port Charges On Foreign Vessels with Special Permit to Ply Domestic Routes

PPA MC No. 03-95 was issued to ensure the proper assessment and collection of the port charges under PPA MC No. 07-94. Said MC, provides, among others, appropriate guidelines on what appropriate port charges should be collected on foreign vessels which have been authorized by the Maritime Industry Authority (MARINA), whether permanently or in a temporary basis, to ply domestic routes.

Pursuant to BoardCom Resolution No. 2009-1168, to prevent circumvention of the Cabotage Law, and for the purpose of determining the applicable port charges, the following amendments to Article III, Section B, Item 3.2.3 of PPA MC No. 03-95 are hereby prescribed:

"ARTICLE III Specific Guidelines

Section B. Dockage

XXX

3. Other Conditions

XXX

3.2 The imposition of port charges on vessels with status changed from foreign to coastwise or vice-versa, shall be governed by the following guidelines:

XXX

VISION

MISSION.

3.2.3 For a vessel engaged in international or foreign trade granted *special permit* to operate coastwise, the special permit issued by MARINA shall be required.

The temporary conversion of said vessel shall be reckoned from the date of effectivity of the special permit issued by MARINA.

Said foreign vessels granted special permit to ply domestic route by MARINA, shall be levied the applicable foreign port charges (port dues, dockage-at-berth, dockage-at-anchorage) which shall be paid by either the owner, agent, operator or master of the vessel."

All other provisions of PPA MC 03-95 which are consistent herewith shall remain binding, effective and enforceable.

This Order shall take effect 30 days after its publication in a newspaper of general circulation.

ATTY. OSCAR M. SEVILLA General Manager

Published in the Manila Standard - March 9, 2009

Effectivity Date - April 8, 2009