

NOTICE TO PROCEED

28 February 2011

Mr. RENE L. SARTE
Pilipinas Shell Petroleum Corporation
Shell House
156 Valero St., Salcedo Village

ATTENTION : **MR. NEAL JOSEPH A. LADA**
Commercial Fuel Accounts Manager

SUBJECT : **Supply and Delivery of Oil-Based Fuel for Naga Plant Complex
for CY 2011**

Dear Mr. Sarte:

With the approval of the attached Contract Agreement for the **Supply and Delivery of Industrial Fuel Oil for Naga Plant Complex**, you are given notice to commence the delivery in accordance with the terms and conditions of the Agreement.

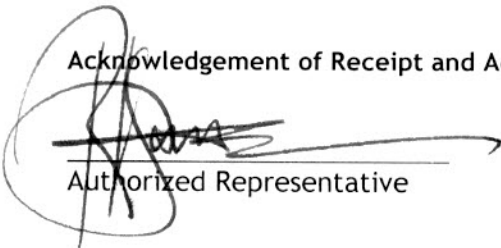
The effective date of the Contract Agreement shall be upon your receipt of this Notice to Proceed (NTP) but not later than seven (7) days upon issuance of the NTP.

Please acknowledge receipt and acceptance of this notice and the attached Contract Agreement by signing both copies in the space provided below. Please return one (1) copy to the Power Sector Assets and Liabilities Management Corporation.

Very truly yours,


EMMANUEL R. LEDESMA, JR.
President and CEO

Acknowledgement of Receipt and Acceptance:


Authorized Representative

28 February 2011
Date