

**NOTICE TO PROCEED**

19 July 2011

**MR. RENE L. SARTE**  
Commercial Fuels Sales Manager  
Pilipinas Shell Petroleum Corporation  
Shell House  
156 Valero Street, Salcedo Village  
1227 Makati City

**ATTENTION : MR. CARMELO H. LAUENCO**  
Commercial Fuels Key Account Manager

**SUBJECT : Supply and Delivery of Oil-Based Fuel for PSALM Corporation for  
Second Semester of CY 2011**

Dear Mr. Sarte:

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

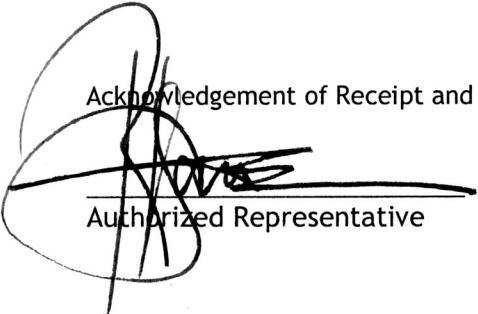
The effective date of the Contract Agreement shall be upon your receipt of this Notice to Proceed (NTP) but not later than seven (7) days upon issuance of the NTP.

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

19 July 2011  
Date