

FOLDER GIVEN

TO

TIO RAMON

6 DEC 2003

10 October 2003

Dear Alex,

10 October 2003

Good day. Hope you consider this reading.

The not-so-well telephone conversation we had last Wednesday and the text message you sent that night to Siuko prompted me to write you where I could better explain than in phone. Please correct me if ever I have misunderstood you.

In all modesty, allow me to express my personal point of view on how you handle things in the company now. After declaring that you are on leave sometime in March, then fly to Zamboanga and visit main office about a few times thereafter wherein the last time you came was to see the SGV auditors whom you engaged the service to audit our system. By the way, did you ever inform your Papang or your Mamang about the conduct of that audit since they are the immediate high ranking corporate officers here? Isn't it proper that due respect must be given them about that engagement? As I gather, not even your Mamang knows about that, however, she accommodated the auditors well.

I really wonder how you relate now with the company. Do you still look after the problems on operations? Does it still matter to you that some tramping vessels encounter problems on maintenance and cargoes? Does it still matter to you that MV Lady Mary Joy 2 has yet to complete her drydock after pass six months now? Manila office has to forward their problems to Zamboanga office, have you abandoned your responsibilities? When was the last time you talked to Butch about transferring to terminal office later give him order thru programmer Sheila - to transfer to Camins CY which was basically different from the instruction he directly received from you? What is so ironic, Butch as Personnel Manager has to get instruction from Sheila. Now, how would you expect us to understand your "new" way of running the company?

This is not to say that I am not in conformity with the "new" system that you are trying to introduce, rather, I just would want that whatever it is that you deemed better for the company will be made clear, not to us, your employees but to the members of your family considering that the firm is a family oriented one. Just take for instance of your directive that Butch, me and Siuko to transfer to Camins CY office. Personally it would be an advantage to me since my transportation expense would be lessened, so how could I contradict? Anyhow, now that you made clear of your reasons about the transferring, at least we understand though it should be, at least, Butch being the senior employee among us (me and Siuko) to be transferred have been consulted before hand taking also into account like -

1. Will we maintain the issuance of ticket forms, blank BLs and DRs if we have our office at Camins? It would indeed be very inconvenient considering the distance from port to veterans is much more accessible than from port to Camins.
2. How would documentations of vessels records and employees file be?
3. Where and how will hiring of employees (Deck and engine officers and Purser) be?

I take it your new mission for the company is to adapt to the information technology with the introduction of computerization to stay competitive in the industry which in no doubt is for the betterment of the company. Correct me if I am wrong, you failed to present the idea to the other members of your family? Or you attempted to but easily give-up when there was resistance from other member?

I do not agree when you said your Papang and your Mamang do not know how to operate the business. In the first place, they were the one who started it. Your mother who has not reached college for one thing possesses that unique intelligence in handling a business that is very rare in businessman; Your Papang as well has a good relationship with high ranking government and private personnel; Your brother Nelson who is a lawyer but humbly admitted he does not know the company's operation (this happened during the meeting held with us before the programmers/encoders transferred to Boulevard office) could handle legal affairs; With the assistance of Bobong and Jayjay who are equally active now and participate in the day-to-day operation; Above all, with your incomparable advanced "know-how" in managing the business, with 6 of you to work hand in hand complementing each other, there is no question that the business will not succeed.

I really suggest that all members of your family will hold a meeting to discuss about the operations of ASLI before things is worsened. Allow each one of you to give suggestions/objections/comments/etc. Of course, one has to express it in a more polite manner. It will be more sensible if done in well-mannered way for better understanding. After which analyze and evaluate what is best for the company. Then, finally, agree on a decision. Should hundred percent of the member will not agree, at least, consider the decision of majority. Open communication is probably the key here.

Thank you very much for giving this your attention.

Respectfully yours,

A bath

**TO: Feliciano N. Tan, Sr.**  
**FROM: Alex**

**21 November 2003**

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Although you want me to come home to talk about the problems that plague both in the company and in our family, I honestly believed that the *only* way to solve it is thru writing. I don't believe we can solve these thru internal verbal discussion regardless even if as you suggested, that a secretary will take notes of discussions in our meeting.

We have discussed many of the issues of these problems before during our many meetings which some were attended by other persons not only from outside the family but even non-company members and to no avail.

You are always vocal in saying that I can invite any of my friends or anyone that I want to attend our meeting to discuss things so they may judge our reasoning. This however, turned out not effective simply because my friends would never argue with you once you become adamant with your opinion on an issue. Who would want to get himself involve in a discussion when for example you would insist that the collector is the most important person in the company, more important than programmers and accountants because you claimed how in the world will we be able to collect our receivables (if not because of the collectors)? You even asked the question sarcastically, with all your bravado if the programmers with their computers can collect our receivables by themselves? I'm not trying to malign you but I find it very important to make this a point why nothing will be accomplish if we discuss things in the same format as before. Abeth's emailed "Chaos", which was done after many of our many meetings, clearly proved this point.

I have already answered Abeth's emailed directly to her but only last week have I came to know that she had it emailed publicly which compels me to answer her in the same way.

Being seen as a person whose parents, brothers and sister are against, our employees would surely conclude the same as Abeth's or maybe even worse. They may even think that I have done something gravely wrong for all of you to be against me. Therefore, it is very important for me to have these discussions in this written format were I believed people who concluded prematurely can be enlightened.

Please do not exaggerate that I want to publish our discussions in the newspaper. I have stated a very sensible point why this has to be done in this format. Please also do not philosophically say that you don't know how to write back to me your answer. If you are sincere in solving these problems surely other people including Nelson or Mr. Gatasi can help write for you. Many of my questions below can be answered immediately just as you can decide within minutes after Mae's phone call to you to stop what I tell our employees to do.

Below are the same questions I have asked many times in our meetings but which were left unanswered:

- 1) Do you think I want Mae's transfer to Cebu because I want her to resign? If yes, for what reason do you think I want her to resign?
- 2) I have mentioned my reasons and asked mamang why even after the temple had said that there is a need to transfer Mae to Cebu she still don't want her transfer. Mamang related that Jay Jay had once mentioned to Mae about her transfer and Mae made it felt that she would resign na lang. Do you think this is a good attitude of an employee even if she is your niece?
- 3) Wasn't it a chose for you and mamang to make between my resignation from the company and her transfer to Cebu and clearly you chose to have me in limbo rather her transfer because you were afraid that she will resign?
- 4) So with your decision you are saying she is more important than me both in the company and in our family?
- 5) If you and mamang really just wanted to transfer Mae to Cebu for a month or two, don't you think this could have been easily done? What was the reason why you never try to convince Mae to transfer?

- 6) I think almost everyone in our main office, including Mae knows that great bad things is happening not only in our company but even also among me and my parents, brothers and sister. If she is a good relative or for that matter concern about the well being of the family, even if not for the company, why can't she voluntarily transfer? Can't she, even if mamang or you wouldn't permit (why would you not permit???), insist to transfer and make a very small sacrifice to stay in Cebu for a month or two for the sake of peace in our family or if she doesn't care about our in-fighting do it for the good of the company or does she think that its better for me to be out of the picture?
- 7) Almost two years ago I have already raised the concern thru John and mamang about why Mae is the only person receiving all the collections of our receivables, writing it herself in an ICR receipts, writing to deposit slips for deposit to banks, encoding to the computer the ICR receipts she herself had wrote, keeping all post-dated checks in her drawer, depositing to banks, making daily bank deposit reports, and doing bank reconciliation report. I have many times question her myself and always her main reason was that if she assign this to another she ends up doing the corrections herself that's the reason why she prefers to do everything herself. And when I insisted to assign other staff to take some of her job I found her many times making excuses and making it difficult for the other staff to comply my instructions. Once I forcefully assigned office staff Jocelyn to encode to the computer the ICR receipts she writes daily only to catch her again encoding it herself a few days later.
- 8) Ever since John had stopped almost 10 years ago making our bank reconciliation reports, no one was assign to counter check her deposits.
- 9) I have shown to mamang our Internal Cash Receipt (ICR) book where in the beginning balance of the day was 800,000 + pesos short from the ending balance of its pervious day which falls under Mae's responsibility long before I asked SGV to make an audit.
- 10) Having all these disturbing situations, I then have decided that the only way I can have someone take over her job was to assign her to Cebu even just for a month. This was very important since I have known persons similar to her character of not wanting to teach others her job. How could anyone take over some of her job if deep inside her she do not want to teach them?
- 11) Even the day you interceded me to allow Mae back to Zbga from Bacolod, her main reason to me was because of the fuel payments of Petron she said she had to go back to Zbga to arranged. I asked her why Precy can't handle it and that I would call and ask Precy if this is true because I'm 100% sure that Precy was capable but that Mae was again in her form of not wanting other people to learn her job. She even asked one of my Manila programmer, Tere (her celfon number is 0917 421-2209, if you want to verify) to talked to me and allow her to go home to Zamboanga for that Petron reasoning. We were together with about four other staffs in a taxi going back to our hotel from our Bacolod office when this was happening. Coming down the taxi she angrily went back to her hotel room and didn't join us for dinner that night. But what did she reported to mamang and you? That her job in Bacolod is done and that she has nothing else to do!
- 12) Have you realized why the entire family is against her transfer to Cebu? Isn't it because that according to Mamang the reason I want her to transfer was because I want her to eventually resign? How could a mere transfer cause her to resign?
- 13) The main reason is because she maliciously told mamang that the programmer was angry at her and that the programmer is the one behind why I want her transfer so she will eventually resign. Can you just imagine how much this allegation fueled Mamang's anger? She made it appear that she will be a victim of Mamang's most angered person if she will be transferred to Cebu. She even made it known that she will resign na lang if she will be transferred. EVIL!
- 14) Why would the programmer be angry at her? Why would the programmer think that transferring Mae to Cebu would cause her to resign?? Mae had nothing to do why the programmer resigned in the first place. She resigned because of her family trouble.

- 15) Clearly Mae took advantage of these events and made it appear that she is the angel, especially with mamang's and Jay Jay's understandable anger to programmers.
- 16) Now, even if she had done something wrong, no one would know because any investigation and/or auditing will be very difficult because my mother herself puts herself very strongly in between any investigation and/or audit on her.
- 17) And to hear from Abeth's praising mamang for being sporty nice in accommodating the SGV people even though mamang wasn't advice of the SGV auditing on Mae?!? I have nothing against people praising mamang but truth should prevail especially when another person's character is maligned.
- 18) Abeth's praised of mamang's being nice to the SGV auditors is actually an understatement. Mamang was *super nice* to the point that she allows Jay Jay with Mae many times to dine and eat outside and even to go to picnics.
- 19) Is it correct to allow a person being audit to dine and lunch with the auditors? What message would you be giving the auditors when the mother, father, and sister themselves encouraged the investigators not only to lunch, dine, and picnic with the person being audited, but publicly shows their unquestionable support to the audited person. I'm sure the auditors were confused themselves why they are doing the auditing?!?
- 20) How do you think the SGV people think of me including their head boss Mrs Betty Go? Maybe you can asked your niece Choo Choo, whom Betty is her boss. How do you think I can effectively ask SGV auditors to continue?
- 21) We have always believed in the temple. We have never ever acquired a vessel even how much we wanted, even how much we felt it was good for us, even how much we needed it, if the temple said it will not be good for the company. Although we never ever asked the temple about a person, but because of our special circumstances and dilemma, we decided to asked and the temple had said that there was a need for the transfer. During one of our meetings, when I raised the question why mamang is defying the temple, why did you bang the table with anger saying that I should not put the temple in the discussion? This meeting was attended by non-members.
- 22) Last week I have instructed checker Gilbert Sarangala of M/V Stephanie Marie to forward daily their manifest of cargoes with its collections to our freight boulevard office for immediate encoding. You gave instruction to same checker not to follow my instruction. Did you instruct directly checker Sarangala or was your instruction relayed by another person, if so, thru whom? In the first place, who was the person who informed you that I gave instruction the checker to forward daily their manifest to our boulevard office? If it was Mamang, who informed Mamang? If Jay Jay informed Mamang, who informed Jay Jay? I am asking these mainly because I know for a fact that Gilbert talked not to you, not to mamang or Jay Jay. He talked always to Mae that's the reason why 10 minutes after I gave instruction to checker Gilbert I received your call. I know this because I asked the checker whom he talked and he said it was Mae whom he always talked to and received your instruction. With her prodding and with mamang's 17 years dependent on her she would always gain your sympathy to have her way.
- 23) She have somehow installed in the mind of mamang that I have hidden agendas to all the things that I do now for why would you always stop my instructions to our staffs? I cannot think of any valid reason why you do this if not that you think that I have bad intention for the company. I may have refused to make myself available for the company for a reason stated above, but I have never *gave* instructions or do things that will undermine the company. Refusing to help is very much different from giving instruction to damage the company. Stopping my instruction meant only one thing you do not trust me.

- 24) Having right people is the most important component in a company and having John, Butch, Michael, Ely, Precy, Abeth, and majority of our existing officers and office staffs were essential in our early operations. However, our operations have grown big enough were our original "right" people are not enough to handle our expansions. We definitely need more right people who can give us not only complete and correct reports but also to produce it on time. The reports are there for anyone to check and verify. Giving cargo incentives to wrong people and having no monthly reports to show if there really was an increase in sales clearly shows how we are wrongly doing things. Mae knows that Mamang and Jay Jay don't see company performance reports or much more analyze them. They rely solely on her including her report on how *biga-un* this new employee is. It is very clear that she now has everything going for herself. It is all for her personal gain, never mind if the company will not expand. Bright, intelligent people will never be able to last in our company. It's not the brain but how she walks that an employee will be determined if she will last in our company or not. Look at what happened to Tere and the magna and cum laude that we had. Tere was terminated as fast as possible compared to Jay Jay's protégée suman cum laude food processor encoders whom she concluded with authority that they can't be terminated because their 6 months contract were renewed and therefore they are now permanent employees!
- 25) The company may expand but in accordance to our *supreme maria's* thoughts and dictates. MGA SIMBERGUENSA!!!
- 26) I have nothing personal against any of our employees. However, many of our Zbga office staffs were taken in not because of their qualification but because of knowing someone from the inside. Three months ago I have already questioned why we had these employees some of which graduated with a course in food processing? I didn't at that time terminate any because accordingly they were contracted for six months. I even transferred them from veterans to boulevard office waiting for the time they will finish their six months contract. A week ago I learned that these employees are still reporting and that their contract were renewed (actually I don't know if their contract were really renewed and/or by whom) and gave instruction that they have to be terminated and paid what is due to them by labor law. She wisely uses Jay Jay to state and conclude that this cannot be done because their contracts had been renewed, by whom I don't know. There were more other cases that she prodded Jay Jay to contradict my office instructions which I'm sure she is so happy that now Jay Jay and I are at odd at each other.
- 27) Have you noted that all my valued programmers are gone? Cecile, a *magna cum laude* graduate from Centro Escolar University with many impressive recognition awards like Presidential Decree # 907, Silver Medal University Leadership Award, University Scholarship, Most Active Class President and many others. Sheng – *cum laude* from AMA University. Tere – St. Paul College, Manila. Best visual programmer who not only has very good grades but who can communicate very effectively to any company president or high ranking government officials. Rubelle Ho – Centro Escolar University, also with grades averaging 1.50. Chickie – Siliman University, also with impressive grades. Who do you think is responsible for their termination and/or resignations? Just like what is happening to programmers Shiela and Aileen, they fear so much of Mae that they would never dare provoke her even if it means not following me. They know they can be terminated them anytime once she whisper venoms to the ear of her Auntie Antonia.
- 28) So she made it always a point to have a situation so that these programmers will disobey me and once I get angry at them she decides whom to let go!

Clearly she has manipulated Mamang to stop me from sending her to Cebu. Clearly she was able to manipulated Mamang and the family from *effectively* auditing on her. Clearly she was able to malign and castigate programmers. Clearly she was able to manipulated Mamang into firing people she do not want.

All these for her gain at the expense of the company and our family.

TO : Alex  
FR : Feliciano N. Tan, Sr.

November 24, 2003

Received your letter dated Nov. 21, 2003. After going through it, I know that there's really a need for us to talk things over. Since John asked permission from me that he wants to see you, I took the chance to discuss with him your letter, wherein I've brought some points that I know should be relayed to you personally. Last night, John called up informing me that there's no need for him to go there for the reason you'll be out of town instead have your questions answered in written.

To make things short, I'll give my answer to your letter in summary. I can't answer all your questions in this letter because some of them needs clarification.

You asked me whether you want Mae to resign, to choose between you and her, why we never convinced Mae to transfer. Well, I talked with Mae about the idea and she is willing to follow orders such as temporarily be assigned to Cebu, Bacolod, Dolo and to some other ports, for the purpose of auditing and to build personal relations to our valued shipper. I even joke her that she's now the ambassador of goodwill, maybe by doing this she'll find the man of her life. Right now she is waiting for your order.

Remember, I didn't accept your resignation! It means, I didn't make a choice between you and Mae. You know, there are things that you can't solve over a cup of coffee, we need time. As what I'm always saying, there are so many ways on how to kill a cat. Nobody is indispensable. If you think I'll choose her than you, then you are wrong.

At present our company's operation is under "status quo" that's why there are some of your directives I put on hold or suspended it, because I can no longer understand such move since you close your communication with us.

Now I want you to come home to have a sincere dialogue with us. I believe this problem of ours is due to miscommunications and individual pride. If we continue doing this we achieve nothing. Being the head of the family, I want my family to be always united and happy, and I do it with my very best. I cannot achieve this alone, I need your cooperation and so with the rest of the family members. So again please come home.

P.S.

Please advise your schedule of coming home, so other members of the family can also be informed and attend the meeting.

**TO: Feliciano N. Tan, Sr.**  
**FROM: Alex**

**29 November 2003**

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I have stated in my letter how Mae intentionally manipulated things for herself at the expense of the company and the family but your letter unquestionably shows your high regards for her. Your typical style of reasoning like problems cannot be solved over a cup of coffee betrays insincerity. I do not know how many cups of coffee we could have drunk from the time I resigned last March up to now for you to find an ambassadorial reason to appease her to agree for the transfer.

I would want to reiterate that my purpose for her transfer was mainly to allow other staff to learn her job which as I have explained she has this peculiar character of not wanting to teach to others. If I am being asked me to give instructions to Mae to go to Cebu to do something I have none. I know that following this statement we shall again will have a long unending discussion regarding my opinion on this matter.

To me, Mae has inflicted so much damage both in the company and my relationship with my parents, my brothers and sister. I demand no less than her resignation. It is impossible for me to be working with her in one company.

Last Tuesday afternoon Nelson forwarded to me the two sets of company resolutions signed by you and the rest of the family for the purchase and importation of a fastcraft from Malaysia. Both sets are exactly the same except that one set has a provision for my signature and the other one has none. If you remember the countless times I have to make these kind of company resolutions I have never omit any names of any of the family member even though I know three signatures would suffice. Even the many times you were against the acquisitions up to a time you refused one time to sign, I never showed bravado to even submit such resolution to Marina with three signatories. I had to appeal to you as many times that I have to in order for you to agree to sign. Once I even brought Mr. Noguchi-san to Zamboanga to help me court and get your consent to buy another vessel so that letting you sign later the company resolution would be much easier. How would you feel, mamang, or anyone in the family if you or any of them were insensitively presented the way the two sets company resolutions were presented to me?

Things like these, Jay Jay's contradicting me on office procedures, mamang's reasoning that Mae is the one checking my expenses, and many others are clear indications why I am sure nothing will come out positive in any dialogue. Actions speak louder than word is very appropriate to this situation.

For years I was confused why I thought you were not happy with what good things I did to the company. But somehow I found the answer in an article (a copy of which is attached) a friend of mine emailed to me entitled "Two Hats".

In it, the father-son relationship clearly shows that they are *not* in tandem with each other. The *success of one is the pain for the other*.

In a similar fashion it will also explain why Nelson, Bobong, and Jay Jay will rather have me out of the company than give in to my demand for Mae's resignation. Probably it pisses them off to whatever good things I can or will be able to deliver to the company. Mamang's reason of course is different. She is still in her anger of passion that to allow Mae's resignation would be a victory of the programmer!

Unlike in schools when the son makes good either in his academics or athletics, the father himself radios to the world of his son's proud achievements. But in a family business, the son should better keep his achievement to himself. Ugly it may be but it is a fact and the earlier it is recognize the more chance it can be resolved.

In order to solve a problem one has to admit it first. You must first admit that you felt pain and anger every time I succeeded. I will not have to relate incidences we had that showed this to be true. The important thing is for you to know that it is not only okay for you to admit it (because as statistic study shows it to be normal) but that you must do so in order that the problem can be properly addressed.

Take for example if I have tuberculosis. If I will not admit or accept that I have such, regardless of symptoms of blood in my saliva, then not only will I not be cured but my family and people close to me will also be affected.

If it hurts for you to let people know that I had done many good things for the company then you *must recognize it as a symptom* of such family business problem.

In a more simple way, if it hurts then say it hurts. Don't say it doesn't hurt even if it hurts.

Take for example if you will not admit that it hurts. You then ~~have~~ have to support me in my plans and ideas for the company regardless of people agreeing with what I do. Surely if it hurts it will show, and the ugliness of your refusal to admit the obvious will eventually cause more pains and divisions.

In an another article it is noteworthy to note that only 30% of family business makes it to the second generation, 10 - 15% makes it to the third and 3 - 5% makes it to the fourth.

I don't know of any family business in Zamboanga that has successfully continued from even the first to the second generation. We have many examples which failed. SKT - the father, Mr. Sy Kok Tiong, to his last breadth was personally going to Varadero de Recodo everyday overseeing the futile task of trying to revived his burned M/V Lady Helen, while his two sons were reputed to have been sacked out of his company because of mismanagement, Thom Shipping - brothers infightings, Shoppers - brothers infightings, Varadero de Recodo - eldest son is in the chicken business now!

Of course they all have their own peculiar reasons for failures. One may say it's because sons were drug addicts, others incompetent, or dishonest.

The above mentioned family business generation-transfer failures and the recent retirement of a famous businessman clearly show that its success largely will depend on the father.

Above facts and "accusations" should be sincerely appreciated and taken in a positive manner in order things can be solve. I hope with this awareness, the family will act united in trying to achieve what many has failed.

## NOTICE OF DISMISSAL

Date: December 1, 2003

To: Ms. Mae Alvarez

I regret to notify you that your employment with the firm shall be terminated on December 4, 2003, for the following reasons:

You have cause so much damaged to both company operations and family infightings.

Severance pay shall be in accordance with company policy. I shall also issue to you a statement of accrued benefits. Insurance benefits shall continue according to applicable law and/or the provisions of our employee policy. Please contact Mr. Butch Felicilda at your convenience, who will arrange other termination matter with you.

I truly regret this action is necessary.

Sincerely,



ALEXANDER A. TAN

Copies to: Mr. & Mrs. Feliciano N. Tan, Sr. / President & Vice President.  
Mr. Butch Felicilda / Personnel Manager

JOHN LU (12/1/2003 9:00:08 AM)

JOHN LU:

GUD A.M. IM NOW IN CEBU 4 FELICIANO DRYDOCK CHIN K CALLED ME YESTERDAY N DISCUS ABT UR LETTER HE REALLY WANT U HOME 2 CLARIFY THINGS HE ASK ME 2 COMMUNICATE W/ U.

Alexander

am sending you fax copy of dismissal of mae. pls receive it personally. i prefer that you keep it to yourself. pls text back once u read it coz

Alexander

i have other things i would like to ask from you.

Alexander

i shall be sending the fax now.

JOHN LU (12/1/2003 11:53:08 AM)

PLS SEND

Alexander

pls receive fax. was that your fax number?

JOHN LU (12/1/2003 11:54:21 AM)

PLS SEND

JOHN LU (12/1/2003 11:54:48 AM)

032 2556277

JOHN LU (12/1/2003 12:03:11 PM)

UR LETTER W/ ME NA DIS IS D ONE WE DISCUS YESTERDAY.

Alexander

I would like to ask you to call personally to Mae and persuade her to voluntarily resign. This would save a lot of pains in both the company and family. as you can see we have come to a point that it would be impossible for her and me to work harmoniously in the company. i have tried to asked the famliy to give me one vessel to manage by myself but was turned down in an ugly manner. I also realized that this is not only bad for the company but bad for me as well since i have realized that fading out would have people think that i have done something wrong. I have experienced many times people i closely know asking me if there was nothing financial wrong doing on my part. although they say it in a very nice manner i sensed that such questions were in their mind. i am hoping that at least u would try to see my point and hopefully u would understand that this would be a better solution. I would not want u to inform anybody, not even papang about my fax to u of Mae's dismissal w/c i shall fax tomorrow if Mae will not submit her offer of resignation.

I have restrained myself to the maximum and had done all i can do to limit the damaged to both company operations and family ill feelings. i think Mae should understand the situation. Her voluntary resignation would save a lot of pains, or maybe she should take a leave of absence for the same period like mine, 9 months.

One ugly thing that can happen is for me to physically force her out of d office w/c would create a lot of pains w/ regards to her parent n family.

if i am force to fax tomorrow her dismissal letter i of course expect papang & others to depend her and this will create incalculable damage once i start to stop operations to all the things that i create for the company.

i of course would not want you to tell anyone of these things that i tell u coz i hope that Mae would just do it voluntarily for the sake of peace in the family.

i don't know if anyone in the family would be able to stop me from closing our manila operations more especially papang since from the very start he was against it. if u remember i had d maiden voyage for mlanila a bday gift to mamang n i wud not want to close it as a birthday gift for papang.

All said, I trust that u would understand clearly the importance of my request to you.

JOHN LU (12/1/2003 12:32:47 PM)

I REMEMBER ONE TIME MAE ASK ME IF U R ANGRY AT HER I DENY DAT COZ I DONT KNOW WAT 2 SAY I RAISE D QUESTION DURING D METING BUT NO DEFINIT ANSWER FRANKLY SPEAKING I DON'T KNOW HOW 2 BEGIN IM PLANNING 2 KOL HER AFTER OFIS HOUR COZ LOT OF PEOPLE HERE IN D OFC.

Alexander

I think it should come from you. If you feel that it is not the solution then u should not call her. you should be absolutely convinced. Incase you have other better ideas you may say so. What I have presented if for me is the only solution based on the present situation.

JOHN LU:

I THINK DIS IS D SOLUTION THAT'S WHY I RAISE DIS QUESTION. NOW IS IT OK 4 U IF I ASK MAE 2 TAKE A LEAVE OF ABSENCE MUNA SO DAT ITS EASIER DEN I THINK SHE WIL UNDRSTAND D SITUATION N EVENTUALLY RESIGN.

Alexander

*k, i'm agreeable to that. i think that's a great best solution. i'm sure maybe after 3 months or so my ill feelings to her would have subside and we can work together again.*

Thanks very much for being able to see my side. i hope u wil b able to convince mae in a nice manner for her to understand that she should do this.

One important thing i think that u should not do is to let mamang or papang know about this. i think it would be better if it would appear that she is doing it on her own so that it will not strain mamang's or papang's feelings to me. much has been already felt.

Again i hope u understand this point.

Incise you will not be able to convince mae today, maybe tomorrow morning u can fax (only) to her my dismissal letter and then after again try to have her fully understand the strain it will have on the company especially on the family.

DEC 4, 2003 11AM

ALEX: John please ask Mae to file before noon today for an indefinite leave of absents starting tomorrow, have it to submit to Butch cc Mamang and Papang.

ALEX: Maybe you can text her and tell her that I am the one telling you to ask her to do this and that this is my idea. She should understand its reasoning. If she has another suggestion she can discuss to you and more or less you have understand my reasoning why for it's the only one and best solution that I know w/c has the less pain for the company and family. She should fully understand that she is being given a chance to save the company and family in fighting but then again this will also show or reveal her true form. She should not baby cry on Mamang's shoulder and should just file her leave of absent and let Mamang and Papang react after submitting and not before.

JOHN: During our conversation the other day she mentioned that she will resign Dec 31.

ALEX: You may fax her the dismissal letter I will give her if she won't take a leave of absents. She must understand its consequences. Tio Gavino, Auntie Fidela, Gilbert and many others. I am absolutely sure, I know what I am doing and 100% sure this is the only solution and it has to be done.

DEC 5, 2003 8:45AM

ALEX: Can you pls verify if Mae has submitted her resignation letter?

JOHN: SHE IS IN THE OFFICE BUT REFUSE TOTALK TO ME IT SOUND THAT SHE IS NOT IN HER MOOD.

ALEX: ok

## NOTICE OF DISMISSAL

Date: December 5, 2003

To: Ms. Mae Alvarez

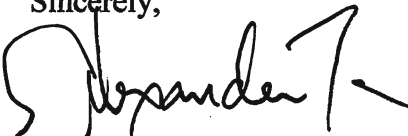
I regret to notify you that your employment with the firm shall be terminated on December 6, 2003, for the following reasons:

You have cause so much damaged to both company operations and family infightings.

Severance pay shall be in accordance with company policy. I shall also issue to you a statement of accrued benefits. Insurance benefits shall continue according to applicable law and/or the provisions of our employee policy. Please contact Mr. Butch Felicilda at your convenience, who will arrange other termination matter with you.

I truly regret this action is necessary.

Sincerely,



ALEXANDER A. TAN

Copies to: Mr. & Mrs. Feliciano N. Tan, Sr. / President & Vice President.

Mr. Butch Felicilda / Personnel Manager

6 Dec 2003

Dear Papang Mamang,

Last Dec 1, 2003 I have asked John to persuade Mae to voluntarily file her resignation in order to save a lot of pains in both the company and family.

I have explained that we have reached a point that it would be impossible for her and me to work harmoniously in the company. One of us has to go. I also explained why I can't fade out from the company more especially to the reason that ever since I resigned last March I have had this ugly impression from people even close to me that maybe I did something wrong financially. I believed that this point has been made very clear to her by John. I have also asked John and explained to him that it is best that my instruction to him be not known to you since definitely if she understood the situation and did her part voluntarily, things would be less painful for everyone. I even reduced my demand for her to resign to 9 months vacation leave and then after John told me that Mae mentioned to him that she will resign on Dec 31, 2003, I mellowed downed to just 3 months leave stating that maybe by that time my ill feelings for her would have subside and that we can work together again.

I have already prepared her dismissal letter to her and I faxed this to John last Dec 1 and advised him to fax to her only if she will not listen to reasoning.

It was made very clear to her that I wanted to avoid giving her the dismissal letter because as I have explained that I expected you and the family will side and protect her and consequently things will worsen.

Please don't take take my threat negatively. I have stated this for the reason that if Mae would still want that I make public my dismissal letter to her then I can prove that she has no concern whatsoever of what will happen to the company and the family. I don't need to execute my threat because it will already show what kind of a family person she is.

This morning I went to Culiman and submitted to Tio Ramon a folder containing letters and printed text messages which I hope would clearly explain my side. I have also requested from him to give it to Tio Gavino and Auntie Fidela or to whoever necessary.

I have done what was necessary. I have not abuse my position. On the contrary I can say Mae was the one who abused her closeness to Mamang. In a way she was drunk with power. She would not listen to reasonings. Now that she is out, she tries to win people with pity that she is the underdog. I stand by the content of the folder and I welcome anyone to write and point were I failed. I am human and I commit mistakes. But overall I believed that I did what was necessary and right and with compassion and fairness.

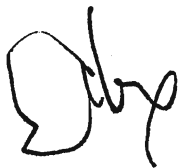
I know papang will see it the other way as he always do. Anyway, everything is in that folder and whatever the consequences of my action I stand by it with clear conscience.

I have asked John not to proceed to Zbga but this afternoon I learned that Papang had told him to come home. I presumed that he will want to have another meeting with John's presence and

predictably we will have the same unresolve ending. At this moment I believe that it is not the best time to have such meeting. It will be more effective for me to relay to John and him to you.

Lastly, I will be going back to Manila tomorrow morning for Stephanie's birthday on Tuesday. I understand it will be difficult for both of you (assuming you will go) to go with me on the same flight on Tuesday in relation with what I did to Mae. I hope mamang and you could come. It would also give you a chance to congratulate her for her passing her UP entrance exam and able to obtain her Private Pilot License which she had expected you would congratulate her the last time she was here. I hope, instead of spending too much time in office and/or business works, I suggest grandpa and grandma should spend more time with their grand children and their school accomplishments.

Your eldest son,

A handwritten signature in black ink, appearing to be 'D. Lopez' or similar, written in a cursive style.

December 6, 2003

Mr. Alexander A. Tan  
Board of Director  
Aleson shipping lines, Inc.  
Zamboanga City


Sir;

In response to your letter dated Dec. 5, 2003, in all candor I respectfully accept your notice of dismissal sarcastically not because I'm beholden to the extend of assistance that your company has extended to me and my family, rather, because I never expect undue treatment to be accorded to me amidst utmost perseverance and dedication to my duty as prescribed. The damage has been done as far as my personal sanctification relevant to my post is concern. Nevertheless, I still believe that your reason for dismissal is too elementary to swallow in as much that citing company operation to have been damaged, in fairness sake, this has to be clarified not only because I'm an employee of your company but over and above this consideration my family deserves it. Moreover, family in fightings, as cited is a very flimsy reason since this is not the result of my inefficiency but because of your confusing leadership/management.

Am I to be blamed for all this fallacies engineered by your confusing leadership? So be it if you feel necessary to regret as stated in the last portion of your letter, to me it is a classic manifestation of a childlike actuation that deserves a demonic reaction as result of your unprofessional misconduct.

Nevertheless, thank you very much for the opportunity given me to work in your company.

Respectfully yours,

  
FLORAMIL R. ALVAREZ  
Employee