

- 7) The proposal to transfer the Motorpool and other repair works to Lobregat Site at Cawa-Cawa is under study by the management. The constructed rooms for workers at the site by contractor Bing Gonzales will be checked by Mrs. Tan.

OTHER MATTERS:

- a) Mr. & Mrs. Tan asked our programmers Aileen and Luann as to how much is the present Freight Receivables. For the ZAMBO-ISABELA-LAMITAN ROUTE as of July 2004, the total amount was P2,038,282.80; and OTHER ROUTES (Manila, Cebu, Bacolod, Dipolog, Dumaguete, Jolo, Bongao, Pagadian and Zamboanga) is P45,396,517.41.

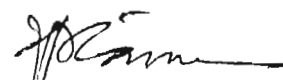
The body was informed that Luann Serafin is resigning effective September 30, 2004. With the present problem of our receivables, Mr. Tan requested Luann to stay foot at least a week or two to help Aileen in updating the receivables.

- b) Precy and Annalyn was asked to explain in the delay in forwarding the collection list to Aileen and Luann. Precy explained that the delay is only three days and collection reports from other branches is being forwarded to Zamboanga after a week since they send their reports thru our vessels. Yours truly suggested that we request all other offices to send their reports thru LBC. Also request Zambo. Collectors (Jason & Moises) to submit their collections with their reports daily.
- c) With regards to shipper Dennis Hardware which Aileen and Precy complains that they always ask for adjustment in our freight computation, Sir Nonoy advised Aileen to inform Manila Office to accept their cargoes but on prepaid basis.
- d) Sir Nonoy request yours truly to go out and check the account balances of shippers/consignees after the receivables were already updated. Precy to prepare the confirmation letter and to be signed by either Bobong or Mrs. Tan.
- e) Butch and Abeth will go to Cebu by next week for the NSM Audit of MV Aleson Con-Carrier 7 and 8 and attend the Seminar on ISPS.
- f) Fare rate for Isabela & Lamitan was brought up. Other shipping lines plying the same route is increasing their fare but Mr. & Mrs. Tan said that we will not increase our fare on this route.

g) MV Aleson Con-Carrier 7 and 8 is scheduled to drydock by October and November this year. Sir Nonoy suggest that they be drydocked in Cebu instead of Zamboanga so that the repair works will be done faster.

There being no more topics to discuss, the meeting was adjourned at 5:45 pm.

Recorded by:



FLOISA L. CASTRO

NOTED BY:

FELICIANO N. TAN, SR.
President/Presiding Officer

MINUTES OF MEETING HELD LAST SEPTEMBER 25, 2004

PRESENT: Mr. Feliciano Tan, Sr.
Atty. Nelson A. Tan
Mr. Feliciano A. Tan, Jr.
John Lu
Joselito Lim
Michael Reyes

The meeting was called to order and presided by Mr. Feliciano N. Tan, Sr., our President, at around 1400H, September 25, 2004.

Taken up during the meeting are the following:

- 1) Report of Lito Lim & Michael Reyes on Container Van Repair from Monday to Saturday, as follows:
- 2)

| | |
|--------------|----------|
| Minor Repair | - 36 pcs |
| Major Repair | - 28 pcs |
- 3) The President informed the body that the company is offering the contractors of van repair P800.00 per van and will wait for their decision if they accept the offer or not, and if acceptable they will be given the chance to do the repair up to December this year. By January 2005, another contractor will be hired to do the repair works.
- 4) The presiding officer assigned Lito Lim to check all MT vans at CY Boulevard and relocate them to CY Camins including those for repair.
- 5) The relocation of two (2) transformer from CY Blvd. to CY Lobregat needs request letter addressed to the City Engineer and Zamcelco Manager. Will wait for Engr. Clyde to arrive from Cebu.
- 6) A suggestion was raised to hire personnel to assist Butch Felisilda.
 - 1 - for replacement of Siuko Iwasaki who already resigned and
 - 1 - for replacement of Abeth Hipolito who will then be transferred to Mrs. Tan Office at Veterans.

7) Accounts Receivable -


| | | |
|---|------|---------------|
| Isabela & Lamitan Route as of Sept. 15, 2004 | -- P | 1,874,189.80 |
| Other Routes (Zbga-Manila-Bacolod-Dipolog-Dumaguete-Cebu) Sept. 19/04 | -- | 40,143,863.00 |

The body was informed that Programmer Aileen Rodriguez is also resigning effective September 30, 2004. To this Mr. Nono Tan said that Bobong will talk to Aileen and Luann if they can still be with Aleson.

- 8) John said that Cebu CY need one (1) Office Van to be used by Cebu CY personnel.
- 9) Mr. Nono Tan inquired about the Cebu Personnel (IT) who are coming to Zamboanga and said that they should stay at the vacant house in Camanchile so as to minimize expenses.
- 10) Bobong Tan brought up regarding the letter received from PPA Isabela advising us to stop the operation of MV Stephanie Marie due to the damaged fender at their port. Mr. Nono Tan ask Atty. Nelson Tan to write a letter to Mr. Sawadjaan & copy furnished to Gov. Salappudin of Isabela re: the said letter.
- 11) As informed by John Lu, MV Alexander has already departed Fortune Shipyard in Cebu to Zamboanga after her drydocking. Onboard said vessel is the buyers representative from Indonesia.
- 12) Before the meeting was adjourned, yours truly suggest that there should be one (1) personnel to be assigned to attend to the inventory of the container vans. Mr. Nono Tan said that we will take up this matter by next meeting.

There being no more topics to discuss the meeting was adjourned at 1730 pm.

Recorded by:


MOISA L. CASTRO

NOTED BY:

FELICIANO N. TAN, SR.
Presiding Officer

- 3) The body agreed that there should be a written MEMO addressed to Joey Epanto, Johnny Demarunsing & Zardus Ali for them to be informed that they are under the supervision of Lito Lim with regards to the company's port operations.
 - 4) Lito requested Butch to issue a MEMO to all Chief Engineers re: the shutting down of Generators when standby at port. Butch on the other hand asked Lito to submit a written complaint/report for him to have a basis in taking action against the engineers.
 - 5) Maricor Gayanilo was also called to attend the meeting by Mr. Tan, Sr. She was informed by Sir Noney that he will have a separate meeting with her, Jane, and Kashy on Oct. 05, and further informed her that might be assigned back to Boulevard Office after the meeting.
 - 6) Atty. Nelson Tan asked Lindamor re: the computerization system of the company, its purpose and use to the operation of the company, especially the X-Drive. He also asked Lindamor to brief/orient the top management on this anytime she is ready and available for the said orientation.
- To this, Bobong Tan also asked Lindamor if we can use one computer unit at Blvd. Office for the sole purpose of verifying/checking cargoes of all our shippers/consignees anytime when there are queries.
- 7) Brought up was the unpaid accounts of Mr. Efren New. Mr. Tan, Sr. said that we have to refer the matter to our legal counsel.
 - 8) Mrs. Tan informed the body about the claim of the damaged 32 units TV Set from Manila to Bacolod, and have decided to pay the said claim based on the value declared on the bill of lading.
 - 9) Mr. Tan, Sr. instructed Lito Lim to temporary take over the operation at Camins effective Monday, October 04, 2004. He also direct Lito to talk to laborers in the stripping of cargoes that the company is lowering the fee P200.00 per van instead of present rate of P300.00 per van. Also advice Mic Reyes to pull out the canteen and go with the vulcanizing shop in the said area.
 - 10) Butch informed the body that he was not able to attend the ISPS training Cebu but instead will call Sir Alex in Manila to inquire if the ISPS Man already available.
 - 11) Engr. Clyde informed Mr. Tan that only 1 transformer at Blvd. CY was transferred to CY Lobregat instead of two units.

Mr. Tan on the other hand informed the body that Engr. Clyde will be hire new contractor for our Van Repair at CY Camins.

12) MV Alexander is already sold to an Indonesian Company. Bobong advised Butch to transfer some of the apprentice mates and engineers to MV Lady Mary Joy 2 since the vessel lacks apprentices already. The utilities on the said vessel were already terminated.

13) Before the meeting was adjourned, Lito Lim brought up about the use of 20 ftr. Foreign Van to be ship from Manila to Zamboanga free of charge. Sir Nonoy said that we will take up this matter on our next meeting.

There being no other matter to discuss, the meeting was adjourned at 1745H.

Recorded by:


ELOISA L. CASTRO

Noted by:

FELICIANO N. FAN, SR.
Presiding Officer

- 7) A suggestion from Engr. Clyde Sasil that before hiring apprentice engr. , they be required to have knowledge in welding to include oilers.
- 8) All welders were recalled to CY Camins and to report to Engr. Clyde Sasil for instructions.

Engr. Clyde said that we will use welding rod no. 6012 china brand instead of using 6011 for van repair but for vessels' use is 6011.

- 9) Atty. Nelson Tan suggested to Butch to hire Deck & Engine Officers for RESERVE. He also ask the suggestion of the body as to the walling of CY Camins and Gate. It was decided that there should be a gate then a place for deep well and comfort room.
- 10) Lito Lim informed the body that PPA Zamboanga wrote a letter to us re: the use of our 15 & 20 tonner forklift at the port and a meeting was called at 10am on October 11 to thresh out the problem. Sir Nonoy advised Engr. Clyde to attend the meeting together with yours truly.

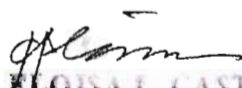
OTHER MATTERS:

- a) Engr. Clyde Sasil requested for a transparency talk with the Presiding Officer. Together with Butch they ask if the company can increase the salary of the employees. Mr. Nonoy Tan said that the company cannot give increases because the company has too much overhead expenses including the concreting of CY Camins.

Butch our personnel manager said that his present salary of P10,000.00/month cannot cope up with his family expenses considering the increases of prime commodities, gasul, gasoline and others. To this Mr. Tan said that the company cannot really increase our salaries and informed us (Butch, Lito, Ely) that if (or greener pasture, he will not hold us provided we will inform him thru letter or verbal and promised that he will pay what is due to us, our separation pay from the company.

There being no other matter to discuss the meeting was adjourned at 1730 hrs.

Recorded by:


ELOISA L. CASTRO
Recorder

NOTED:

FELICIANO N. TAN, SR.
Presiden/Presiding Officer

MINUTES OF MEETING HELD LAST OCTOBER 16, 2004

PRESENT: Mr. Feliciano Tan, Sr. Josélim Lim
 Feliciano Tan, Jr. Abeth Hipolito
 Engr. Clyde Sasil Jane Miranda
 Ernesto Felisilda

The meeting was called to order and presided by Mr. Feliciano N. Tan, Sr., our President, at around 1430, October 16, 2004.

Taken up during the meeting are the following:

- 1) The Presiding Officer informed the body that he called Abeth Hipolito to attend this meeting because he is transferring her back to Main Office to Head the Accounting Department. She was directed by Mr. Tan to attend right away the Account Receivables with a total uncollected freight account of around 40M including the Isabela & Lamitan uncollected accounts.

Effectivity of Abeth's transfer is October 18, 2004. Mr. Tan also informed Butch Felisilda to transfer to Main Office by first week of November 2004.

- 2) Jane Miranda on the other hand was assigned back to Boulevard Office to head the operations of the said office with Lindamor as the Head for all IT's and encoders, while Lito Lim to be the incharge of CY Camins Operations.
- 3) On our problem with MV Lady Mary Joy 2 engine personnel re: the shutting down of their Auxilliary Engines, Mr. Tan ask Butch to help check with LMJ2 C/E Richard Suycano as to why they cannot follow office memorandum.
- 4) With the transfer of Abeth to Main Office and the resignation of Sinko, Butch needs two (2) personnel to assist him in the ISM, NSM report preparation for submission to Marina Office.
- 5) Mr. Tan informed Abeth to check with our collectors as to their efficiency in collecting the uncollected accounts of Zamboanga Office which is around 19M including the Isabela & Lamitan accounts. Engr. Clyde suggested to form a committee of three (3) to sit down and take measures on how to solve the problems of the uncollected accounts.
- 6) Lito Lim requested for two (2) blue guards for CY Camins for night duty of which Mr. Tan approved and told Butch to do the hiring.
- 7) DJ1 will substitute DJ2 on the Zambo-Jolo route on Sunday, Oct. 17, 2004 due to some engine trouble of DJ2.

- 8) Lito Lim informed the body that ATO made a verbal complain regarding our 4-high storage of van at CY Camins of which most of us present said that the vans are not in any way obstructing the airport.
- 9) Mr. Tan advised Engr. Clyde to give a dateline to Contractor Bugarin in the completion of the concreting of CY Camins. And as to the concreting of Gate 1 of CY Blvd, Gate 2 will be open for use of our trucks and movers.
- 10) Lito Lim requested for 2 units 3-battery flashlight for the 2 blue guards of CY Camins which is approved by Mr. Tan.
- 11) Also approved during the meeting was the P300.00 cellcard (load) for Terminal Checker Richie Natividad who is assigned at the Pier.

There being no other matter to discuss the meeting was adjourned at 1700 hrs.

Recorded by:


ELOISA L. CASTRO
Recorder

NOTED:

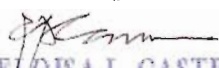
FELICIANO N. TAN, SR.
Presiden/Presiding Officer

Engr. Clyde Sasil to hire new contractor for major repair of vans at P600.00 per van to start on Monday, October 25, 2004, and minor repairs to be assigned to our welders.

- 6) As to the penalties charged to the different vessels of the company, Mr. Tan directed Butch to negotiate the payment to P80,000.00 - 100,000.00 only.
- 7) Mr. Tan said that we should collect rental from USAC for the use of our equipment at the port during loading and unloading so that we have cash to defray expenses for the repairs and maintenance of the equipments.
- 8) Lito Lim informed the body that the Warehouse at CY Camins needs repair and remodeling of which Mr. Tan said that will be next after the concreting.

There being no other matter to discuss the meeting was adjourned at 1615 hrs.

Recorded by:


E/OISA L. CASTRO
Recorder

NOTED:

FELICIANO N. TAN, SR.
President/Presiding Officer