

August 8, 2006

Dear Papang & Mamang,

Although much of this letter were done two months ago, I restrained myself to send my reply simply because I just wanted to go on with my separation with our family business within your decision of options you offered to me regardless of the unfairness and propagating stories against my departure. My two trips to China recently were in line with this thought. However, *just like* my opportunity with Basic Corporation to have them charter Con-Carrier vessels, I *again* lost business opportunity *because* of your wrong decisions.

On second thought, however, I think it is *not* just wrong decisions but something uglier for a son to acknowledge. It is my dilemma. Should I suffer what you try to want people to think of me or should I depend myself and say the truth about my parent's character?

My failure to conclude a contract in my recent trip to China, Papang's recent 2 weeks stay in the old Q.C house, telling relatives how he miss his grand children Stephanie, etc., telling how I tore Metro Bank documents demonstrated continuous maligning of my character, either intentional or not.

Therefore, the following is my response to Papang's letter *heavily worded and styled* by Nelson dated May 2, 2006:

It would be admirable for anyone if my siblings was helping me write to you about my reasons why I *deserve* the shares I am *requesting* (not claiming) because the bigger share *I will be given* the less for him.

It was painful to read how a sibling helps you write and *always* responded my *polite-letters* (March 30, 2006, April 24, 2006, April 26, 2006), which were full of reconciliatory gestures to heal our differences and move on with the smallest possible family strains and pains, by the following paragraphs (colored red). ***Clearly anyone don't need to wonder what the sibling's is hoping for!;***

“..... You anchor your claim for a bigger share because you feel you were solely responsible for the progress of the company. I think at this stage it has become futile to debate with you on that point since it is obvious that you already have a closed and concluded mind. We have already crossed that bridge and no amount of vocabulary in any language or dialect can suffice to clear up that issue on your role in our family corporation.”

I was negotiating *not* claiming and it was Mamang who told me that I will have 2 percent share and when you gave me your December List the amount was totaled less than 2 percent share and it was because of this that I am pointing at, and to say that I claim for a bigger share because I feel that I was solely responsible is definitely out of context, antagonizing and definitely not a reconciliatory gestures.

“..... You make it appear that the company never compensated you for the services you rendered, or if it did, was not enough since you were responsible for the 73 of the 76 properties owned now by Aleson.”

Can you kindly show me proof that I said that the company never compensated me for the services I rendered or even did I complain that I was given enough?

“..... You made this company grow but please don't think that you own everything what the company has right now.”

What made one think to say such unpleasant accusation that I think I own everything what the company has? Such statement is misleading and definitely not a reconciliatory gesture. I read so many times my March 30 and April 26 letters (which you based your May 2, 2007 letter) looking for any such statements but could not find any. There absolutely should have *no* reason for you to make such statement because said two letters were written in the most polite manner and *no* indication at all of me saying that I own anything much more everything what the company has.

“..... we do not contest the fact that you worked with utmost devotion but it doesn't give you the license to disregard company policies or step on other people just to get what you want.”

Again, my March 30 and April 26 letters were written in the most polite manner and full of reconciliatory gestures and hopes of family unity.

Why response with such statements?

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And *using* provocative vocabularies (*my legal family, shares squabbling, etc.*), *substituting* words (*my request becomes I am claiming, my negotiations becomes shares squabbles*), and *fabricating scenarios* as against the real uncontested facts of TABLE-1 below;

TABLE-1

{1976}	{1981}	{2004}
Estrella del Mar	--- 73 DECISIONS / 73 NEGOTIATIONS / 73 ACQUISITIONS ---	
	16 VESSELS	511m
	1 Lot of 1,476 CONTAINERS	88m
	Heart of Zbga, CONTAINER YARD Camins	70m
	7 units TRUCKCRANES	14m
	1 FUEL TANKER	0.3m
	3 WATER TANKER	0.9m
	30 FORKLIFTS	38m
	5 PRIME MOVER	2.3m
	9 TRAILERS	1.6m
		784,066,000.00
	It is the <i>SUCCESS</i> of Property No. 1 which <i>AFFORDED</i> us to buy Property No. 2	
	The <i>SUCCESS</i> of Property No. 2 which <i>AFFORDED</i> us to buy Property No. 3	
	The <i>SUCCESS</i> of Property No. 3 which <i>AFFORDED</i> us to buy Property No. 4	
	The <i>SUCCESS</i> of each <i>acquisition</i> <i>AFFORDED</i> us <i>to continue</i> buying up to Property No. 76.	
	Property No. 75 was MV Aleson Con-Carrier 8.	
	We almost was not able to acquire ACC-8 because after I paid the downpayment and you refused to release the balance payment unless I promise to stop buying vessels. Your decision was not based on the company's financial condition but more on personal grievances of the clear successes I was delivering for the company.	
	which eventually made our company <i>accumulate</i> properties valued at 784 million pesos with Cash in Banks in excess of 200M by end of September 2004 <i>and</i> without DEBT!	
	And during these period we were able to financed expensive tuitions and other basic lifestyles for the Family and complied to give our workers the required minimum wages.	
	<i>AND YET DESPITE THESE</i> , YOU CAME OUT OF YOUR RETIREMENT TO PROMULGATE & CONSPIRED AN AGENDA TO MALIGN and TAKE ME OUT OF THE COMPANY <i>initiated</i> with your Board Meetings <i>which started in Sept 2004 as shown in</i> TABLE-2 in page 3 of this letter.	
----- not talking anything of here -----	----- we are talking about these properties -----	
TABLE-1 & TABLE-2, next page, clearly shows that it was the "cook's" formula that clearly <i>empowered the growth and expansions</i> of the company from 1981 to September 2004.		

Even in a situation where one cannot disclaim or discredit my accomplishments of effectively responsible for the acquisition of 73 of the 76 properties of our family business, *one tries to cite story samples to belittle my undertakings* depicting me as a cook who *was* nurtured, educated, trained, provided a kitchen, equipments, salary and supplied ingredients. Sarcastically even asking in *humbleness* who owns the cooked food, the cook (me) or the restaurant owner? and concluding wrongly that you are the only owner of our family corporation and that I am not, and asking if by the cook skills, vision and ability he was able to open subsequent branches and people flock to patronize his cooking, does the cook has the right to *claim* these branches because he was the one sweating in the kitchen? And gloriously believing that the answer is a no-brainer!

I think it is the responsibility of parents to nurture and provide education to their children. For them to talk about and use these as if their children owes them would be repulsive *especially if their son did nothing wrong but actually have done so much for the family* (TABLE-1 & TABLE-2 next page).

And your “cook” is negotiating *not claiming any branches*.

Your “cook” is citing that he “concocted” 73 of the 76 recipes of the restaurant menu *thereby putting more credibility to what you have stated that his skills, vision and ability provided the company to have branches in Manila, Cebu, (Dumaguete), Bacolod, Dipolog, (Pagadian), Isabela, Lamitan, Jolo, and Bongao, using it only as a reason to negotiate, not claim*, to his “business partners” *to be conscientious, to have conscience, and to be reasonable on not enforcing to their choice of option*.

In any normal business partnership *of this situation, the “cook” would gratefully be given to select some of the 73 dishes he concocted limited to the value of his shares*.

However, sad to say, the cook’s business partners *is not only denying this to him but enforcing to give him only 3 main dishes and of their choice using their authority as parents* with equations (dividing the 73/76 dishes in *quantity?!)* favorable to themselves.

Worse, even the 3 options *are really not options* for the cook, as stated herewith;

“Option”	Valued	Offer Date	“Main Dishes”
1	190 M	Dec 2005	Stephanie Marie, LMJ2, 1 unit Con-Carrier 1 unit TruckCrane, 1 unit Water Tanker, 1 Prime Mover, 2 units Trailer, 2 units Forklift (10 & 15 tonner).
2	174 M	Mar 22, 2006	LMJ2, 3 Con-Carriers, 180 units Containers, 1 unit TruckCrane, 1 unit Water Tanker, 1 Prime Mover, 2 units Trailer, 2 units Forklift (10 & 15 tonner).
3	154 M	May 2006	Stephanie Marie, 3 Con-Carriers 1 unit TruckCrane, 1 unit Water Tanker, 1 Prime Mover, 2 units Trailer, 2 units Forklift (10 & 15 tonner).

Even with polite-letters of explanation *that they can shrewdly divide and make use of their existing properties and avoid future competition with each other*, his business partners *are enforcing to give the cook varieties of low end dishes some of which, if he uses, will have to be head-on with his former restaurant business*. And the total value of each options *decreases*, disrespectful of rational reasoning.

And Papang thru Nelson's “fueled-inflamable” wordings can say to me with firmness (sic) that:

“..... Parenting is not just about giving and acceding, it is also about correcting and denying whenever the need arises, no matter how painful or cruel it may seem to the child”.

“..... It is a complicated art of balancing one’s desire to see your child always happy on one hand and doing what is the right thing for him though it may make him unhappy or even angry at the moment”.

“..... It is our primary accountability to see to it that the remaining assets after your departure can sustain the viability of the company since as you very well know, not all our vessels are running profitably and most of our equipments have deteriorated through the years from ordinary wear and tear”.

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Giving the cook a *variety* of dishes and telling him to sell those he cannot use, **one can clearly conclude that his business partners do not like the cook despite his 73 concocted recipes which the restaurant and his business partners are enjoying all by themselves now**.

TABLE-1 & TABLE-2 clearly showed that it was the “cook’s formula“ that *empowered and generated the growth and expansions of the company from 1981 to September 2004*, and yet the “cook’s” business partner *morbidly conspired with each other September 18, 2004 to start board meetings to promulgate so-called “company rules and policies” to moved, replaced, and designated key office personnel of our company unmindful of the achievements (TABLE-1) and work dedications I have done for our family business as shown in TABLE-3 of next page*.

TABLE-3

1st Ever BOARD MEETING dated Sept. 18, 2004:

- ▶ The body was informed that *Luanne Serafin is resigning effective Sept 30, 2004.*

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See page (6)

2nd BOARD MEETING dated Sept. 25, 2004:

- ▶ The body was informed that programmer *Aileen Rodriguez is resigning effective Sept 30, 2004.*

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See page (9)

3rd BOARD MEETING dated Oct. 2, 2004:

- ▶ *Lindamore Augustine, our programmer was called to attend the meeting. Mr. Tan, Sr. asked Linda if she can handle all responsibilities left by Aileen Rodriguez, is resigned effective Sept 30, 2004. Linda said that she has to learn some of the works yet before she can absorb all.*
- ▶ *Maricor Gaynilo was also called to attend the meeting by Mr. Tan, Sr. She was informed by Sir Nonoy that he will have a separate meeting with her, Jane and Kashy on Oct. 5 and further informed her that might be assigned back to Boulevard Office after the meeting.*

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See page (11)

4th BOARD MEETING dated Oct. 9, 2004:

The Presiding/President Officer informed all present that

- ▶ ENGR. CLYDE SASIL is designated as OIC Overall effective immediately.
- ▶ He will also take charge Departmentalization of the company's man power.
- ▶ Office hours at CY Boulevard will be changed from Shifting to the regular time 8am – 5pm.
- ▶ Jane Miranda and Maricor Gaynilo will transfer to CY Boulevard (from Main Office) effective 10-13-04.
- ▶ will take charge on the computerization system of the company which include updating of the account receivables.
- ▶ Jane Miranda will take charge on the other functions of the company.
- ▶ Abeth Hipolito will soon be transferred to Main Office to take charge of the accounting operations of the company

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5th BOARD MEETING dated October 16, 2004:

The Presiding/President 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.
- ▶ Jane Miranda on the other hand was assigned back to Boulevard Office to head the operations of the said Office.
- ▶ Lindamore Augustine as the Head of all IT's and encoders.
- ▶ Lito Lim be the in-charge of C.Y. Camins Operations.

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SUSPENSION LETTER dated October 20, 2004

By virtue of my position as President and CEO of Aleson Shipping Lines, Inc., I am hereby appointing Mr. JOHN LU as acting Vice-President for Operations vice Mr. Alexander A. Tan who is hereby suspended for committing acts and issuing orders that are inimical to the interests and general welfare of the company.

This Order shall take effect immediately.

Pls refer to page 22

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- FELICIANO TAN, SR.

MINUTES OF MEETING HELD LAST SEPTEMBER 18, 2004

PRESENT: Mr. Feliciano Tan, Sr. Luann Serafin
Mrs. Antonia A. Tan Annalyn Alipalo
Mr. Feliciano A. Tan, Jr.
Ernesto S. Felisilda
Joselito Lim
Michael Reyes
Precilla Alvarez
Aileen Rodriguez

The meeting was called to order and presided by Mr. Feliciano N. Tan, Sr., our President, at around 1500H, September 18, 2004.

Taken up during the meeting are the following:

- 1) The issuance of Company ID to six (6) special guards assigned at CY Camins and Main Office at Veterans which was approved by the body.
- 2) The Presiding Officer assigned Lito Lim and Michael Reyes to report to the body the number of Container Vans repaired during the week as we always experienced the non-availability of MT vans during departure of our cargo vessels from the Port of Zamboanga.
- 3) The President informed the body that the company will end the contract with the Welders/Contractors in the Van Repair at CY Camins due to the special request of the City Mayor to employ the student-welders of Zambo. Trade School and Zambo. Fisheries.
- 4) With regards to the company's 15T Forklift used by USAC in the loading and unloading of our vessels, Mr. Nonoy Tan advised that we have to collect from them the corresponding rental of the unit.
- 5) As informed by the Presiding Officer, Joey Epanto, Johnny Demarunsing and Zardus Afih will be under the supervision of Lito Lim in all the daily operations at the Port. Lito Lim can assign also Joey and Diaz to assist in checking with the contractors at CY Camins re: Van repair.
- 6) Lito ask Butch to issue a memorandum (for the nth time) to all vessels in the shutting down of their auxilliary engines during standby at Zamboanga port.

- 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 adviced Aileen to informed 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-Carier 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. Nonoy 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. Nonoy 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. Nonoy Tan ask Atty. Nelson Tan to write a letter to Mr. Sawadjaan & copy furnished to Gov. Salapudin 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. Nonoy 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:


ELOISA L. CASTRO

NOTED BY:

FELICIANO N. TAN, SR.
Presiding Officer

MINUTES OF MEETING HELD LAST OCTOBER 02, 2004

PRESENT: Mr. Feliciano Tan, Sr. Mrs. Antonia Tan
 Atty. Nelson A. Tan Ma. Lindamor Agustin
 Mr. Feliciano A. Tan, Jr. Maricor Gayanilo
 Ernesto Felisilda
 Joselito Lim
 Engr. Clyde

The meeting was called to order and presided by Mr. Feliciano N. Tan, Sr., our President, at around 1440H, October 02, 2004.

Taken up during the meeting are the following:

- 1) Mr. Tan, Sr. informed the body that the office is terminating the contract for van repair at CY Camins to Contractors, Michael Reyes and Samuel Lledo. Mr. Tan also informed all present that Michael Reyes will be suspended indefinitely effective Monday, October 04, 2004. This is due to some anomalous repair charges that he and contractor Angel Bello (Michael as subcontractor of Angel) collected from the company. Charging the company at P2,000.00 per van and P500.00 of the said amount goes to Angel as subcontract fee.

To this, Butch was instructed by Mr. Tan, Sr. to prepare the suspension letter and served to Michael Reyes and to effect immediately.

- 2) Lindamor Agustin, our programmer was called to attend the meeting. Mr. Tan, Sr. asked Linda if she can handle all the responsibilities left by Aileen Rodriguez, who resigned effective Sept. 30. Linda said that she has to learn some of the works yet before she can absorbed all.

Mr. Tan requested yours truly to list down all responsibilities of Lindamor which is as follows:

- a) As Programmer of the company
- b) Head all computer encoders
- c) Canvassing of cargoes
- d) Head CY Personnel -

Terminal Checkers
Prime Mover Drivers
Forklift Operators
Crane Operators
Mechanics
Electricians

- 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 Nonoy that he will have a separate meeting with her, Jane, and Kasby 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 so 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 engrs. , 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, gasol, gasoline and others. To this Mr. Tan said that the company cannot really increase our salaries and informed us (Butch, Lito, Ely) that if for 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:

NOTED:


ELOISA L. CASTRO
Recorder

FELICIANO N. TAN, SR.
Presiden/Presiding Officer

MINUTES OF MEETING HELD LAST OCTOBER 16, 2004

PRESENT: Mr. Feliciano Tan, Sr. Josélimo 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:

NOTED:


ELOISA L. CASTRO
Recorder

FELICIANO N. TAN, SR.
Presiden/Presiding Officer



ALESON SHIPPING LINES, INC.

Cable Address: "ALESON"
 172-174 Veterans Ave.
 Zamboanga City
 Tel. Nos. 991-26-87, 991-42-58, 991-20-99 (FAX)
 Port Area 991-5874, 992-4585

Quezon City Branch
 Tel. Nos. 732-12-80 (FAX)
 712-05-07
 743-33-48

Cebu Branch:
 R. Palma St.
 Cebu City
 Tel. No. 254-9239
 255-5673
 (FAX) 255-0277

October 20, 2004

MEMORANDUM -

To : Board of Directors
 All Office Managers and Staff
 All Ship Officers and Crewmembers
 All Others Concerned

By virtue of my position as President and CEO of Aleson Shipping Lines, Inc., I am hereby appointing Mr. JOHN LU as *acting Vice-President for Operations* vice Mr. Alexander A. Tan who is hereby suspended for committing acts and issuing orders that are inimical to the interests and general welfare of the company.

This Order shall take effect immediately.

Please be guided accordingly.

[Signature]
 FELICIANO N. TAN, SR.
 President/CEO

Cc: all concerned
 file

Issued By
 Philippine Airlines

MINDANAO
 ECONOMY CLASS

FLIGHT LOG

TICKET NUMBER	PASSENGER NAME	FLIGHT DATE	FLIGHT NO.
1 079 0700445693 0	ALEXANDER CRAIG TAN MUA - ZBGA	06-14-04	
1 079 0700445694 1	ALEXANDER TAN "	06-23-04	
1 079 0700445695 2	LUANNE SERAFIN ZBGA - MUA	06-23-04	
1 079 0700445696 3	WILLIAM WANNING SERAFIN MUA - ZBGA	07-09-04	
1 079 0700445697 4	WILLIAM SERAFIN MUA - ZBGA	07-09-04	
1 079 0700445698 5	WILLIAM SERAFIN ZBGA - MUA	open date	
1 079 0700445699 6			
1 079 0700445700 0	John Lu MUA - ZBGA	Oct 9, 2004	
1 079 0700445701 1	JAY TAN MUA - ZBGA	Oct. 15, 2004	
1 079 0700445702 2	MARINA MUA - ZBGA	Oct. 18, 2004	
1 079 0700445703 3	STEPHANIE MUA - ZBGA	Oct. 25, 2004	
1 079 0700445704 4	STEPHANIE ZBGA - MUA		

BOARD MEETING date Dec. 11, 2004:

Mr. Feliciano N. Tan Sr. addressed that

- ▶ the reason why he suspended Mr. Alexander Tan is because Mr. Alexander Tan declared Martial Law by ordering to close down all the offices.
- ▶ He in turn wants to know if Mr. Alexander Tan is still "IN" or "OUT" with the company.

BUT FACTS SHOWED OTHERWISE:

Oct. 6, 2004

In the afternoon I ordered Cebu and Manila offices close upon learning that Clyde is in the company whom Nelson hired behind my back. I never even knew about your board meetings that you started having for no copies were furnished to me. Simply speaking I was *never* informed of your board meetings.

Oct 7, 2004

Early morning ordered Cebu and Manila offices to resume operations.

One can simply check with our Cebu and Manila offices if they stopped their operations from October 7 to 20, 2004 TO KNOW THAT THEY DID NOT.

And yet Papang under Nelson's pen writes with firmness (sic) to me that:

"you pretend ignorance on why I suspended you the first time around and made it appear to our relatives that I was acting with bad faith and had ulterior motives to oust you since I envy your so-called "achievements" in the company and wanted to steal the credit from you".

page 19



Aileen Rodriguez & Luanne Serafin

These two *were the best* IT (again one can simply check in our Zbga Staff Profile, their high college grades in their respective transcript of records) in our Main office.

They were even responsible for the installation of our PLDT-DSL connections which I we were the first to have in our City.

They were my point people as I relied very much on them to provide me company data were I can pinpoint exactly who are responsible for the delays of our freight collections.

We even have to make 2-shiftings starting at 6 am up to 9 pm for encoders to post our voluminous daily receivable/payments entries as well as to catch up with our heavy back-logs for how can we pin-point who is causing the delays of our collections if we do not even updates our receivables on time?!

Shifting-scheduling is a cost saving measure for our company because we do not need to buy additional computers but instead extend its regular 8 hours usage to 16 hours, in other words, 2 office staffs is using one same computer in different shift 8 hours time schedules.

I even utilized Cebu staffs to go to help in Zamboanga on shifting 2 weeks stay since *Cebu has all computer literate staffs* while our Zamboanga office is full of computer illiterate staffs, one of the main reason *why we can't cope up with our receivables updating on time* (simply because they do not know how to use a computer!)

Even as our computer freight system at that time was the one that inform us that our receivables were high at 40M, *one has to pinpoint accurately* who were responsible because of the many level of people responsible for the collections of our freight, to wit;

- 1) Was the billing statements printed on time?
- 2) Was the billing statements correct?
- 3) Was the billing statements correctly submitted to our clients?
- 4) Was the billing statements received?
- 5) How many days *from* printing of billing statements *by our billing department* did our collectors submitted to our clients their billing statements?
- 6) Were the paid bill of ladings in the collector's list *correctly deleted* from our receivables when our billing department make their almost daily updates?

Abeth Hipolito

In a *nationwide operations* there is *no other way* management can pinpoint *who is responsible for the delays of the collections* unless one has a flat-form-base (x-drive or server) were all transactions of the freight system will be posted for management to see and effectively pinpoint who among the levels of personnel involved in the freight collection system did or did not post their work, on time or not!

But Someone's simple-mind, not understanding the complexity of a nationwide collection system, declared, concluded and *gets her way* by prodding you to appoint Abeth to be the Head of our Collection System Nationwide.

Can Abeth or anyone *without a flat-form-base* (were all transactions of the freight system will be posted for everyone to see) be able to know if our Manila, Bacolod, Cebu, Dipolog, Isabela, Bongao, Jolo, and Zamboanga offices and their corresponding collectors be able to know;

- 1) If the billing statements in their respective ports were printed on time? Were they printed correctly?
- 3) If the billing statements printed were correctly submitted to our clients in their respective ports?
- 4) If the billing statements printed were received by our clients in their respective ports ?
- 5) How many days *from* printing of billing statements *by our billing department* did our collectors in our various ports submitted to our clients their billing statements?
- 6) If the paid bill of ladings in the collector's list *correctly deleted* from our receivables when our billing department make their almost daily updates?

How effective would Abeth be in-charge of our collections when she does not know anything about computers plus the fact that she and the other two don't see "eye to eye" with each other? To whom will she gets report from if not from Aileen and Luanne? Will such set-up works? Clearly it will not!

Lindamore Augustine

From 1988 up to 2003 we had no problems with our receivables as can be check in our records. It was only in the late 2003 going to 2004 that we experiences increases in our un-collected freights *but* this was attributed by *many factors* as we expanded to Manila operations and our many computer illiterate staffs in our main office also expanded in Zamboanga and their majority numbers together with our *family-members who also dislikes computers contributed greatly* to our collections problem.

I once tried to remedy this situation back in August 2003 when I instructed our Zamboanga Main office to give a one-month notice of separations to office employees who were not computer literate using the legal technical-upgrade reasoning but *even Jay Jay came in the picture* (please refer in my letter to you dated 21 Nov 2003, page 4???, paragraph 3 – *as my proof of evidence*) to stand and state that I cannot do that!

I was the one who accepted Lindamore's emailed application *as with all our computer staffs in all our port of operations*. I designed our *computerized freight systems from the very beginning* back in 1988 and even *personally designed every each of how it will be printed in our bill of ladings* (which until now is what Aleson is using). I hired our first programmer Jong Jong whom I have to let go despite his computer brilliance because of his drugs attitude problems. After him I hired two or three more guys before hiring Aileen Rodriguez and Luanne Serafin.

Lindamore was a new graduate, *5 months employed* at that time when without consulting or even advising me she was designated to be The Head of our IT Department in your 4th Board Meeting dated Oct. 9, 2004 effectively replacing me. (And please note that the letter of my suspension was dated October 20, 2004)

Still *being completely innocent about the contents* (or one can say "conspiracies" of your board meetings, I have forwarded a hard copy evidence of her insulting me but all of you disregarded it, unmindful of my feelings of *your actions* of *not even bringing up for discussion* in your Saturday weekly meeting even as I have already requested Precy that it be brought up in your meeting.

A sibling, who was there in your meeting and when I complained to him why it was not taken up he answered back in the most disgusting way *na nobody brought it up!*

- But reviewing the other day Lindamore's insulting Yahoo messages;

... Linda_zbga: HINDE BA SUSPENDED YAN?

... Linda_zbga: **order kc sa amin d2** hnde na kami tanggap ng instruction galling sa kanya.

Now, I realized why all of you refused to bring that evidence in your meeting kasi it was simply *my own family's joint order!*

Clyde

Nelson talked to him for more than 2 hours in the sala of your Camanchile house in my presence but never told me the he was interviewing him for possible hiring. This he did about 2 weeks before I learned that he was with our company.

You designated him, *a one week employed*, as OIC of our Heavy Equipments Department in your board meeting dated October 9, 2004 *effectively replacing me*.

For years I have patiently compiled and produced for our company a book manual (later I incorporated it conveniently at the right corner side pages of our company's Container Tariff & Discount Manual (132 pages) – which I also produced for our operations from its 1st to the present 4th edition of which would be impossible for us to operate nationwide without this Tariff Manuals) of all our heavy equipments with photos and equipment particulars and even gave each a name for identify and easy reference purposes, to wit;

10 tons FORKLIFT –	<i>Tigerwood</i>	(later re-named <i>FL1</i> - page 24)
	<i>Jack Niclaus</i>	(later re-named <i>FL2</i> - page 24);
3.5 tons FORKLIFT -	<i>Wolverine</i>	(later re-named <i>FL3</i> – page 25) . . .
	<i>Leopard</i>	(later re-named <i>FL8</i> – page 27);
15 tons FORKLIFT -	<i>Zbga Giant</i>	(later re-named <i>FL101</i> – page 28) . . .
	<i>FL 122</i>	(page 38);
35 tons TRUCKCRANE	<i>Linkbelt</i>	(page 39) . . .
	<i>IHI Manila</i>	(page 41);
10 tons FUEL TANKER	<i>Irag</i>	(later re-named <i>FT301</i> – page 42) . . .
WATER TANKER	<i>Iran</i>	(later re-named <i>WT403</i> – page 43);
TRUCTOR HEAD	<i>Italy</i>	(later re-named <i>PM501</i> – page 44) . . .
	<i>Mexico</i>	(later re-named <i>PM505</i> – page 46);
TRAILERS	<i>New York</i>	(later re-named <i>TT601</i> – page 42) . . .
	<i>Kagoshima</i>	(later re-named <i>TT705</i> – page 50);

What kind of *company policy* can one follow when you designated Clyde, *a one week old employed stranger to replace me*?

Three months *into his designation as the Over-All Chief of our Heavy Equipments, he even has no listings of our heavy equipments* but when asked why, *you even defended him* in your board meeting dated October 2004 *that your Clyde was not able to prepare the list yet because you are in the process of re-organizing our company operations*. And the *Board were satisfied* when two weeks later *he submitted a one page Equipment Listing of our Heavy Equipments?!*

As I worked to tackle problems *for the company, The Board was busy with an agenda conspiring to oust me by replacing and moving personnel indiscriminately*.

The so-called *Company's Rules and Policies* and the so-called *"concerted efforts, from your mother to your siblings, from my uncles, relatives, classmates, family friends, business acquaintances, all of us tried to lure you back to no avail"* are all *crafted powdered words for public consumptions attempting to cover up the real story.*

More of the Nelson's "fueled" crafted powdered words:

" Needless to say that I never wanted any of this to happen to us but a decision has to be made no matter how painful or difficult it may be".

" You were never fired but you left on your own accord over personnel and policy issues".

" The company has suffered enough of the confusion and instability caused by our internal conflict, it is high time that order and discipline be imposed in all aspects of this organization".

" Time and again you have issued orders that tended to cast instability and confusion in our company, not to mention demoralization among our employees".

" It is a direct affront to my authority as the chief executive officer of this organization and a clear case of insubordination by a junior officer".

Refer to page

One would ask why one would want to separate from his “restaurant” which he has worked all his working life and has concocted 73 of the 76 recipes, more so if he is the eldest.

It is obvious the “cook” has no intention to go. *It is his business partners whose actions clearly indicate otherwise* **BUT YET THEY TRY TO PAINT A DIFFERENT COLOR.**

My letters dated January 13 & 19, 2006 to you where *I had given my desire to still join our family business despite the past*, I only asked for **one very reasonable condition** to which you sarcastically disagreed and concluded on your own that the condition will bring chaos to our family business.

Despite your disagreeing with my one condition, I still wrote you again, *not because I desperately still want to join our family business*, but because I was looking for an avenue for us to be united as a family as what you have written in your January 2006 letter to me.

You mockingly wrote back to me that you do not understand me because if you ask me (before) to join back I do not want, and now I look as if I am being pathetic wanting to join back our family corporation.

If you had just asked the Temple, either ways, whether the Temple says that my one condition will bring chaos or not, I shall still be with the company.

Because if the temple *will agree* with your opinion that my one condition will bring chaos to the company *you can even force me in* without me having my one condition and on the other hand if the Temple agrees with my condition then I see *no point for you not follow* since *all our acquisitions of our vessels we had asked the Temple.*

Again, in both cases, I shall be with the family corporation.

But you never ask the Temple.

And still Papang thru Nelson's pen writes with firmness (sic) that:

- “..... Alex, I cannot understand you. If I tell you to stay with the company, you want to go out. And if I want you out, you write so many things of the past”.
- “..... If your idea of the best plate in the house is for your parents to give you the license to do whatever your heart desires no matter who gets hurt, we shall be guilty of abdicating our role as good and responsible guardians to our children and to society as well”.
- “..... It is unfortunate that you have decided to impose an unreasonable condition for your possible return”.
- “..... I need not elaborate the chaotic consequences that will ensue if every family member be given the power to terminate on the lame excuse that an employee offended his or her feelings”.
- “..... Especially judging from your past actions and behavior, this company will suffer more rather stabilize due to your unpredictability in handling down decisions”.
- “..... I have clearly stated many times in my conciliatory efforts in reaching out to you that you are most welcome to rejoin Aleson as long as you abide by my policies and rules”.
- “..... That is why the option of returning to Aleson will always be available to you as long as you simply agree to abide with our company's rules and policies, on the other hand, should you remain fixed in your desire to venture on your own, the Board after a lengthy deliberation, has finally decided to offer you the following: ...”.

Refer to page 22

TABLE-4

“..... Remember where the seed money came from and I want you to stop giving conditions but to follow my conditions for you to join the company. If you don't like, OK na. You have your choice. But don't blame any members of the family or our employees for whatever situation that may arise”

I recalled that the late Juan Yap had part seed money when you started with M/V Estrella del Mar. But as you and Mamang *alone* worked with your skills, vision and ability *both of you felt* and acted the opposite as to what both of you are saying now *to disclaim* your own son's achievements and *effectively claiming* his works to yourselves by using it as the reason to lord over his accomplishments and powdering together stories to hide from the public the real true story.

So again, *please* stop trying *to pretend and propagate* to people that *your concerted efforts, from your mother to your siblings, from my uncles, relatives, classmates, family friends, business acquaintances, or who have you, all of us tried to lure you back to no avail.*

Actions speak louder than words.

Be man enough to say what you want and what you do not want and not hide under the skirt of lies to ask the police and military to help you.

TABLE-5

Terminate employees by just telling them straightly and not transfer them inconveniently to other places or worse to tell the employee that it was I who want him terminated. YOU TERMINATED LITO LIM and yet you told him and Mamang continuously tells everyone until now that he was terminated because I want him terminated!

Record shows I terminated employees by telling to them directly and personally.

TABLE-6

But the *most strangest thing* Papang did behind my back was *to tell* Kotiu & Aunt Bunlan last December 2004 *that I was not just asking for one vessel but that I was asking you and Mamang how much money you need that I will give the two of you for both of you to stop meddling in the company! And when confronted he denies saying it. It is unlikely for 2 persons to hear the same thing. Kotiu and and Bunlan should know very well what kind of a father I have.*

And still Papang thru Nelson's "pen" writes with firmness (sic) to me;

“ The focal point that remains with us as responsible parents is the equitable distribution of the company's asset since you are on the eve of embarking on your own”.

“ Moreover, the company has to bear the brunt of having to deal with some idle and non-performing assets that are eating away at our finances”.

“ God knows I have a clear conscience in deciding what I believe is for the best for our family, nothing more, nothing less”.

Refer to page 22

In my letter dated April 26, 2006 (duplicated herewith in the next page), I shall present your response (next page after), labeled **TABLE-7**, purportedly to show to Kotiu and Aunt Bunlan for what they already know the kind of parents I am dealing with.

April 26, 2006

Dear Papang,

I am forwarding to you a *draft* contract between Aleson and Basic to Basic Solution, Inc. for the Time Charter for Con-Carrier 3. A similar Agreement can be made for the other 2 vessels.

My negotiation with them started 6 or 8 months ago and is now in it the final negotiation stage of which all details had been worked out and accepted by both parties. It took them time to realized that there are very few or many no other small cargo vessels similar to our size (240 gross tons) here operating domestically that has a 25 feet x 101 feet cargo hold openings, which is very important because with said cargo hold size-opening, the vessel can accommodate 3 x 10 number of containers, plus the fact that our Con-Carriers are of younger age. All of our Con-Carriers have this cargo hold size-openings so we can allocate any of them (vessels) to Basic to Basic Solution, Inc.

They have accepted to charter at Eight Hundred Fifty Thousand (850,000.00) per vessel per month which I believed is a very good rate compared to the Four Hundred Fifty Thousand (450,000.00) per vessel per month Apo Cement has been paying us for the past 2 years or so.

I have previously asked that I charter the three (3) Con-Carrier vessels from Aleson in my hope to sub-time charter them to Basic to Basic Solution, Inc.

My commitment to Basic to Basic Solution, Inc. is that we start the operation on June 1, 2006 which is just a month away from now and it is *imperative* for me that I have to sign contract with them now or will lost it. Their major ports of call will be Manila and Cagayan and their major client is Nestle. They will be using their own 20 footer containers and have deployed big truck cranes and 25 toner forklifts in various ports in preparation for these operations. I have emailed to them a similar Time Charter draft this morning and we are schedule to meet this coming Friday at 11 in the morning to sign and formalize this Agreement.

If for whatever reasons I still won't be allowed to charter the Con-Carrier vessels and sub-charter them back to Basic to Basic Solution, Inc., I would like to suggest that Aleson should accept this offer and negotiate directly with Basic to Basic Solution, Inc. because it will not only be for commercial (profit) reason but it can also help me save my face with my commitment with Basic to Basic Solution, Inc.

Contrary to what may your inner advisers may conclude and access, I believe that Aleson *has* and *can* shrewdly accommodate three (3) Con-Carrier vessels for this very special opportunity being offered by Basic to Basic Solution, Inc. Actually they wanted to time charter *five* units of our Con-Carrier vessels but I had to limit it to only three (3) because I believed that more than three (3) units will affect the container operations of Aleson.

I hope you can take immediate action regarding these situations.

Your son,

Alex

PAPANG'S RESPONSE THRU JOHN LU (28-April-06 9:48 am)

I talked to your Pa last night this is his message:

As what I have said no vessel is available for charter if you commit to your client it is up to you *I have nothing to do with it.*

TABLE - 7

Alex to John Lu	
John Lu to Alex	
March 13, 2006	9:46 AM Apo Cement charter less than 450T per month. I wud like to offer to charter at 525T pesos per month. We follow all conditions stipulated in Apo TC contract plus 1 month advance deposit, also the Time Charter wil in no way be competing with Aleson because my major port of calls will be Manila and Cagayan. Tnx.
March 15, 2006	3:00 PM Follow up k lang re charter of Con-Carriers? 3:37 PM Talk 2 ur pa yeaterday n he dnt like d idea of time charter.
March 30, 2006	SEND A VERY NICE LETTER.
April 8, 2006	11:03 AM Also my offer to time charter a Con Carrier vessel at 525T per month to start May 1, 2006. Also pls advice that starting May 1, 2006, GoodVoy will start paying the salary of my 2 office staffs Tracy Sarmiento and Sherly Fayluga, and myself. Pls advice Precy re this so she will not include us on May's Payroll onward. Our PCF will also be stop on this same date. Tnx 11:22 AM I wil not need any containers, forklifts, or cranes so that all these Aleson can keep so that no effect whatsoever to Aleson's operations. 11:29 PM For clarification, u mean that equipment and vans will be excluded in your shares? 11:39 AM am emphasizing on my time charter offer that it will not affect present Aleson operations. I think allocations of either vessels, equipments or cash representing our shares should be done in a way as to maximize value of all items involve.
April 10, 2006	11:27 AM Talk to ur pa n dis is his msg: RE "agreed vessel" wat option u like 1st ACC, ASM, n LMJ2, 2nd ACC%, ACC7, ACC8 n LMJ2. RE mode of transfer try 2 consult your lawyer and I will try mine RE time charter I have told you before that I don't like the idea. 11:46 AM Why Papang don't like the idea of Time Charter where in fact it gives additional income to Aleson? 12:07 PM He told me dat he dnt like d idea coz he prefer dat u get ur share na. 12:15 PM I have explained in my letter that my getting out of Aleson is necessary but explained that we can do this in a nice way were our family can continue communicating and even do business together. Is Papang's action in line with this? 2:10 PM Were you able to talk to Papang na? 3:09 PM Msg frm ur pa: I want 2 know wat option u like 2 take dis is very imp. Coz we have 2 make resolution n need time 2 process d transfer of the said "agreed vessel" 2 ur co. if u dnt like my option den 4 me der is nothing 2 discuss. RE time charter we now dploy 4 vesel 2 ply mla bac dip zbga route 2 vesel ply cbu bac zbga route 2 vesel at apo cement due 2 drydock schedl we need 2 pulout frm apo so no vessel available. 3:14 PM LMJ2 is both in options 1 & 2. I think I hv explained in my letter why we can't legally own her coz of her gross tonnage. Can I hv Kristel Jane 3 instead, just like I explained in my letter? 4:37 PM LMJ2 is both in options 1 & 2. I think I hv explained in my letter why we can't legally own her coz of her gross tonnage. Can I hv Kristel Jane 3 instead, just like I explained in my letter? - follow up pls.
April 11, 2006	9:28 AM Pls follow up with Papang re my last msg yesterday. Thanks. 5:51 PM Wer u able to talk to Papang? 5:56 PM Yes but no definite answer yet
April 17, 2006	7:53 AM LMJ2 is both in options 1 & 2. I think I hv explained in my letter why we can't legally own her coz of her gross tonnage. Can I hv Kristel Jane 3 instead, just like I explained in my letter? - follow up pls. 7:54 AM Yes but no definite answer yet - wud like to follow up on this text you send me last week April 11, good am. Tnx 8:53 AM Also - RE time charter we now dploy 4 vesel 2 ply mla bac dip zbga route 2 vesel ply cebu-bacolod-zbga route 2 vesel at apo cement due for drydock schedl we need 2 pulout frm apo so no vessel available.

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- will all the 8 container vessels now be operated exclusively by Aleson? When will Papang pull out from Apo Cement its time chartered vessels Con7 and Con8?

9:04 AM Maybe by next month. I just don't know if Bobong was able to advice Apo.

9:23 AM I don't know if both. I will try to confirm to Precy. Text you later.

4:16 PM Acctg 2 precy only acc8 has a formal request by d end of dis month. we schedl 2 talk with your pa 2moro am.

April 18, 2006 2:45 PM Gud pm msg frm ur Pa: I have 2 option 4 u 2 choose nothing more.

4:00 PM OK i'l try to ask other elder people 2talk to him. He is unreasonable. Tnx

4:14 PM Will Con7 b also pulled out from Apo Cement?

April 19, 2006 9:17 AM Will Con7 b also pulled out from Apo Cement? - follow up pls.

9:23 AM I was not able to follow up re status of acc7 yesterday. I wil confirm later.

2:20 PM Tnx

5:01 PM Will Con 7 be also pulled out from Apo Cement? - wer u able to ask?

April 20, 2006 10:04:00 AM Will Con 7 be also pulled out from Apo Cement? - wer u able to ask?

10:13 AM Gud am sorry I was not able to reply you have kasi problem na anp. ok ya depart cla last night. Text you later pm pa.

4:27 PM Msg frm ud Pa. I need 2 know wat option u like so dat we can ask the lawyer wat is best. try to consult ur lawyer too. We need time in doing this since it require proper documentations dats y we nid lawyer 2 to this things we wil do it fair n square. We wil pulout ACC7 frm Apo but not now.

4:36:00 PM k, who is the lawyer that Papang wil consult re this?

4:53 PM He did not mention any name I did not also ask.

4:56:00 PM Pls ask so I can coordinate with his lawyer. I think this is but SOP. Tnx.

4:57 PM K

5:05:00 PM Also can u ask Mamang if she feels the same that it is fair & square to give my family only options 1 & 2? Tnx

5:06 PM K

April 21, 2006 1:36 PM Pls ask so I can coordinate with his lawyer. I think this is but SOP. Tnx. - follow up, tnx.

1:37 PM We talk now

1:36 PM Also can u ask Mamang if she feels the same that it is fair & square to give my family only options 1 & 2? - also follow up, tnx.

April 22, 2006 12:02 PM Wer u able to talk to Papang n Mamang?

12:08 PM I talked to your pa yesterday pm no definite atty yet. He will let me know if there is na. I was not able to talk to your ma this morning. She did not report to the office. I wil try this pm.

April 24, 2006 9:01 AM Gud am msg frm ur ma: Its but fair to divide our property (shipping) according to the number of units not by value since we don't know the exact market price. In option 2 there is 1 extra unit as bonus.

April 24, 2006 11:51 AM Also pls follow up agen who wil the lawyer Papang wants to help us with our documentations, Tnx.

11:52 AM k.

3:34 PM RE lawyer nuay pa daw ur pa sed.

April 26, 2006 EMAILED AN APPEAL LETTER FOR PAPANG TO HELP ME SAVE MY FACE AND EXPLAINING THAT THE DEAL I NEGOTIATED WAS 6 - 8 MONTHS OLD AND CLEARLY IS ADVANTAGEOUS FOR ALESON. EMAILED TIME CHARTER DRAFT FOR ALESON DIRECT DEAL WITH BASIC CORPORATION.

April 27, 2006 12:16 PM Also I inspected this morning in Batangas one Foreign Container ship of 104 units 20 footer capacity with 2,000 hore power Hanshin Main Engine. Owner's asking price is US\$1.5M negotiable. Aleson can buy this or me depending on how much cash I have with Aleson. Tnx.

4:20 PM After Zbga can ACC3 go to Cagayan PICMW to drydock to sand blasting and epoxy paint to charterer's request at their expense so they can take delivery starting June 1?

4:23 PM I can extend the delivery of the other 2 Con-Carriers 7 & 8 until the most to July 1. Tnx.

4:46 PM I try to confirm with your pa

5:35 PM Try 2 reach ur pa this evening & relay ur message. m out no landline.

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5:35 PM K tnx

April 28, 2006 EMAILED ALSO A COPY TO PAPANG OF MY LETTER SEND TO BASIC INFORMING POSSIBLE PROBLEM.

April 28, 2006 9:26 AM Try 2 reach ur pa this evening & relay ur message. m out no landline. - wer u able to talk to my father?

9:37 AM I have also emailed a copy of the letter I emailed to Mr. Sheldon and his colleagues of Basic corporation informing them of the real status re my commitment to them. Was this forwarded to Papang? If yes, any reactions or comments from him? Tnx.

9:48 AM I talked to your pa last night this is his message: as what I have said no vessel is available for charter **if you commit to your client it is up to you I have nothing to do with it.**

April 29, 2006 9:07 AM I talk 2 ur pa yesterday pm **no definite atty yet.** He will let me know if there is na. - also on this. Tnx.

9:59 AM I wud like to request that the offer of Basic to Time Charter 3 Con-Carriers be intelligently discuss in your board meeting today. Tnx.

10:04 AM I am granting my permission to allow all my letters and documents I send to Papang relevant to Basic's offer to be brought to the meeting for discussions. Tnx.

10:05 AM We don't have meeting 2day. We have meeting 2 time a month only that is every other Sat. I will try to discuss with him again.

10:26 AM **Who is Aleson's retainer lawyer in Zbga?**

10:28 AM Atty Nuval and Atty Climaco

10:29 AM **Can we not ask anyone of them to process my share separations?**

10:45 AM I cannot comment on this. I will try to relay this to your pa.

May 2, 2006 1:37 PM Gud pm. **Pls follow up from my father re lawyer whom he wants to do the documentations - Tnx**

2:41 PM I forwarded ur msg 2 ur mom no reply pa.

2:42 PM **Tnx. What about Papang?**

2:45 PM No contact pa mga late pm na cguro wake up na dat time.

5:01 PM **Wer u able to talk to Papang?**

5:10 PM On my way pa.

6:23 PM Talk to ur pa he said that both of **u should agree on d sharing 1st then d atty** wil do d documentation. However, expect a letter fr him.

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AFTER 12 DAYS OF ASKING 12 TIMES THE SAME QUESTION OF WHO A LAWYER PAPANG WANTS, I AM TOLD TO WAIT WITH ANSWERS "WITH NO DEFINITE ATTY YET", "WILL LET YOU KNOW IF THERE IS NA", "LAWYER NUAY PA DAW", "NO DEFINITE LAWYER YET", AND FINALLY I AM TOLD THAT I HAVE TO DECIDE ON PAPANG'S OPTIONS BEFORE HE WILL KNOW HIS LAWYER.

AS A BUSINESSMAN, CHAIRMAN & PRESIDENT OF A COMPANY I THINK PAPANG SHOULD HAVE THE RESPONSIBILITY & OBLIGATION TO DECIDE DECISIVELY AND FOR THE WELL BEING OF THE COMPANY AND SET ASIDE HIS PERSONAL PREFERENCES & OR DIFFERENCES WITH ME.

The Family Business Advisor

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Two Hats

Mom: Caught in the Middle

by John L. Ward

Key executives in family businesses often wear "two hats." Decisions are more difficult because managerial and family perspectives overlap. Here is a typical scenario presenting the family business owner trying to balance business and family.

The transition of business leadership from father to son can present painful and seemingly insoluble family business problems. And when it does, the person who suffers most is often the mother of the son/wife of the father. The two most important men in her life are hurting each other.

As Mom

I'm so proud of my son; he is bringing so much to the business. He wants to do what he thinks is right for the business.

My son keeps complaining to me, and to my daughter-in-law, that he's frustrated — that his father can't "let go." I know he's right. How can he let go of what's been his whole adult life?

It seems I see less and less of my son and his family. The relationship between him and his father is getting very strained. They're avoiding each other.

They both complain to me about each other. Wise friends tell me not to get caught in the middle—don't make a communications "triangle," they say. My husband and son must learn to work it out between themselves...and I'm the one getting all the stress. They need to talk to each other, listen...

But my son has never learned to talk about how he feels.

We see this no-win emotional dilemma much too often. Rarely do business-building parents find new careers to rush to, leaving a competent heir to his or her own show. If that were the case, offspring would be begging for advice from "too busy" parents, rather than trying to push them out of the way.

We agree with the realization in this story that moms/wives can get themselves entrapped in triangles of ineffective communications. What to do? Some who are caught in the middle develop the personal strength to avoid being drawn in, and tell each of their men, "I'm sorry you feel you have this problem with the other. But you have to talk directly to each other about it!"

Some "moms" even successfully "conspire" with daughters-in-law so that the message comes through twice as strong. In this way, each can emphasize some tolerance and patience...and can coach her man on better expression of their feelings directly to one another.

As Wife

But his aggressiveness and eagerness to do his own thing are making him push my husband out of the business. My husband doesn't feel appreciated, needed.

And I don't want my husband feeling unimportant and lonely and moping around the house. That's not good for either of us.

I'm really torn. I know my husband still has so much to offer if he were only asked and respected. He has been in this business 30 years! And I think he has a right to hold onto most of his stock. After all, he built it all.

But my husband has never learned to talk about how he feels.

The Family Business Consulting Group, Inc. presents

Your
Free
Issue

The Family Business Advisorsm

The Monthly Guide to Successful Business Management, Family Relations and Asset Protection

Complimentary Issue

Family Business Survival: Understanding the Statistics

"Only 30%"

by Craig Aronoff

Perhaps the most quoted statistic in the world of family business is this one: 30% of family businesses make it to the second generation, 10-15% make it to the third and 3-5% make it to the fourth generation. Thousands of newspaper, magazine and journal articles report this statistic. The marketing materials used by the burgeoning family business consulting industry are rife with those numbers.

Indeed, we don't argue with the numbers. We just have a few quibbles with how they are presented. The meaning of the statistics is hard to fathom without defining family business (when we use the numbers it means family business leadership and control, therefore excluding such successful ways of "making it" as transfer of ownership to employee or cashing out to a com-

petitor's strategic acquisition). Another small quibble is that, in fact, 30% make it through the second generation, not to the second generation. We know these things because the original research leading to these conclusions was conducted about twenty years ago by our own John Ward on Illinois manufacturing companies. The numbers have been replicated globally.

But we have a very serious argument with how the statistics are used. A brochure we received recently from a family business consultant is typical: "Only 30% of all family businesses make it to the second generation. And a meager 5% make it to the fourth generation." Judgment implied in descriptors like "only" and "meager." Generally, people using these statistics imply, suggest or out-right say that the numbers indicate a sorry state of affairs.

continued on page 6

An Open Letter to the Non-Family Executive

If you're a new non-family executive in a family company, or if you're thinking about accepting a management position in a family firm, you may be wondering how to make the experience a successful one. It's a wise thing to think about, because family firms pose many challenges to executives that they don't encounter in other companies.

Based on our years of experience working with hundreds of family-owned businesses,

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Putting the Team First
Shared Goals for E. & J. Gallo
Estate Tax Audits
In A Heartbeat
Secrets of Long Life
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FROM : ALESON SHIPPING LINES ZBGA UET FAX NO. : 9912099

Jan. 05 2006 02:31AM P1



ALESON SHIPPING LINES, INC.

Cable Address: "ALESON"
172-174 Veterans Ave.
Zamboanga City
Tel. Nos. 991-26-87, 991-42-58, 991-20-99 (FAX)
Port Area 991-5874, 992-4585

Quezon City Branch
Tel. Nos. 732-12-80 (FAX)
712-05-07
743-33-48

Cebu Branch:
R. Palma St.
Cebu City
Tel. No. 254-9239
255-5673
(FAX) 255-6277

ASLI-06-01

MEMORANDUM

TO: Ms. Chara Ceda
Mr. Oliver Guevarra

FROM: Mr. Feliciano N. Tan, Sr.
President


SUBJECT: As stated

DATE: January 02, 2006

With reference to Memo. No. ASLI-05-58 dated Dec. 20, 2005 addressed to Col. (Ret.) Jesus Guerson and with attention to both of you, of which the office is requesting you to report temporarily to Zamboanga Main office.

Effective upon receipt of this follow-up MEMO, please be informed that you are once again directed to report to the Main office in Zamboanga.

For your guidance and compliance.


Feliciano N. Tan, Sr.
President

Jan 05 06 02:51p

Alex R. Tan
FRX

2437455

p.1

January 4, 2006

Ms. Eloisa Castro
Personnel Manager
Aleson Shipping Lines, Inc.
172-174 Veterans Ave. Zamboanga City

Dear Madam:

This is to formally notify you that I am resigning from Aleson Shipping Lines, Inc. as
Company Driver. January 06, 2006 will be my last day of employment.

Thank you for the opportunity to work for such an outstanding organization.

Sincerely,


Oliver O. Guevarra

Jan 05 06 02:48p

Alex A. Tan

2437455

p. 2 p. 1

January 4, 2006

Ms. Eloisa Castro
Personnel Manager
Aleson Shipping Lines, Inc.
172-174 Veterans Ave. Zamboanga City

Dear Madam:

Please accept this letter as my formal notice of resignation from Aleson Shipping Lines, Inc., effective January 6, 2006. The associations I've made during my employment here will truly be memorable for years to come.

I hope a one-day notice is sufficient for you to find a replacement for me. If I can help to train my replacement or tie up any loose ends, please let me know.

Thank you very much for the opportunity to work here.

Sincerely,


Chara S. Ceda

Clarification on “only meant to properly divide our assets and not applicable for sale to others”:

. taken from page 6, last 2 paragraphs of my March 30, 2006 letter to you:

If assuming, you will agree to give us M/V Stephanie Marie, M/V Kristel Jane 3, and allow us to time charter 3 units Con-Carriers for three years, the total amount for the three years charter for the three Con-Carriers amounting to 56,700,000.00 pesos (525T x 3 units x 12months x 3 years) is a large amount which we can work out to deduct from the 115,580,000 balance.

By doing so, my remaining balance will then be down to just 58,880,000 pesos which our family business can easily afford even to convert to cash or allocate other remaining property assets or a combination of both. These we will do without competitions and maximizing our present property assets.”

In this proposal, 5 important facts *can be appreciated*:

- (1) I *even allowed* the amount of 56,700,000.00 to be converted to “*post-dated payments*” for 3 long years.
- (2) The present’s time-charter rate of a con-carrier is only 440T and the cook’s offer of 525T would instantly profit the cook’s business partners the amount of 9,180,000.00 (525T-440T=85T x 3 units x 12months x 3 years).
- (3) The “cook” and his business partners can operate all their vessels without competing with each other.
- (4) All existing property assets of the family business would be shrewdly utilized *unlike if one has to force to sell* a property or item obviously he cannot use in his operation.
- (5) The remaining balance *would then be down to* just 58,880,000 pesos which *aleson can* easily afford even to convert to cash *or allocate other remaining property assets or a combination of both*. – COOK’S BUSINESS PARTNERS ARE GIVEN THE FULL POWER TO PAY THE BALANCE IN CASH OR ALLOCATE PROPERTIES OR A COMBINATION OF BOTH AT NO DEFINITE TIME YET EVEN AS THEY ENJOY THE COOK’S 73/76 WORKS.

DOUBLING THE VALUES OF ALL THE 76 PROPERTY ITEMS WILL RESULT SAME EFFECT BECAUSE THE PURCHASING POWER VALUE OF EACH SHARES HAS ALSO DOUBLED. OBVIOUSLY IF THE PRICES WERE DOUBLED ONE CANNOT BE PERMITTED CONVERT IT’S EQUIVALENT TO CASH. ONE CAN ONLY TO USE HIS DOUBLED-VALUED-SHARES-AMOUNT TO BUY ONLY ON THE DOUBLED-VALUED-PROPERTIES.

The 58,880,000 pesos that I mentioned is not doubled. If doubled to 117,760,000 pesos obviously I cannot be permitted to convert it to cash but can only be permitted to use the 117,760,000 pesos to “buy” *limited to the 76 properties of which each values are also double so in effect my purchasing power to obtain any of the 76 properties are the same.*

I believed Mamang understand this very well because I explained it to her in detail. My siblings are all college graduates and should understand it too.

But understanding *is* one thing. *Intention* is a totally different thing.

As always I am perceived and propagated to have intentions other than my own.

I submitted the list evaluation of our operational property asset *last September 2005 yet*. If you or any of the family do not agree of any of the price I indicated for the 76 property items, at least by this time you should have written what property item or items you feel my price is not correct.

It is unfair to generalize and say that the evaluation was done by me and some price evaluation may not be correct and using this as a reason to justify your father-authority to give my family what you want.

It seems every little thing you use it to delay and forced me to accept what you want. And yet I hear from other people that you claiming that you are giving my family the best vessels? This is absolutely craft because if it is, then my family would take them with open arms! But the truth is and obviously you are forcing to give us something that you don't want.

The evaluations I made on each of the 76 items were honestly made based on present market value as far as I know since I have no knowledge what of the 76 properties will eventually represent my 2 shares. I would never formulate to cheat my parents and or siblings to obtain and own something.

Majority of the 76 property items, *even those that I know will end up with Aleson*, I assessed with very conservative valuation, probably lower than what they are worth in real market values like M/V Estrella del Mar is only at 12M, M/V Neveen only 4M, 15 tonner Forklift average only at 1.5M, 35 Tonner Truck Cranes only 2M, Prime Mover at only 440T, 40 footer Trailers at 220T, 20 footer Trailers at 120T.

I hope I will not again be propagated that I lower values of the properties that I know will end up with Aleson. One has to look at the total picture of the 76 property items in conjunction with the total value it will have in effect on my 2 shares.

Take for example M/V Estrella del Mar. If I assessed it higher than 15M my 2 shares value will increase. And I would be willing to take it at 12M under my 2 shares of 225M.

Even the 60T on the value of a 10 footer container is but adequate considering *the time it would take to fabricate* and the importance of already *having them now* in operations to serve shippers.

When Mamang came last year September (2005-a year after THE BOARD MEETINGS) to informed me that the family had *finally decided* to let go of me from our family business and arrived *to give me 2 (two) shares* of the total 7 (seven) shares of the company, great pains and great *sentimientos* enveloped me as I struggle to composed myself as I acted happy to accept it, consoling myself that maybe it was the only solution to our years of indifferences in our company and hoping that someday things will be better for us to be united again.

Although at that time (Sept. 2005) I already had copies of the above Board Meetings, *it is only now* that I *fully understand the value of its connections to all of the events that followed afterwards.*

Late September of last year (2005), *in my complete innocence, not realizing as I now fully do*, I showed *and even gave a draft copy of my incorporation papers* to Nelson to explain and *genuinely invited him to join his shares with me banking on my belief* that since he does not have any business experiences *plus the fact* that he now, at that time, had the free choice of investing "*his money*" with a brother *who had created it for him and who had a good tract business accomplishments.*

I also even invited Bobong *to fly to Manila* and explained the same to him.

Both rejected my offer. I would *never* make the offer *if only I had realized at that time the participants and plans of the board meetings.*

Last July 5, 2006 I was in China and was about to transact a deal to acquire a vessel. It was my second trip and was ready to decide to sign a memorandum of agreement. However, when I called Mamang to request that my 60M cash be transferred to my account she informed me that I have I should not decide on anything in China because I have to decide first on what vessels that I will be accepting from Aleson.

The 60M cash was already a settled case separated from the vessels that which we are in disagreement with. Clearly said amount has been decided regardless of what vessels I will accept. And yet both of you seems not to be contented on firing me from the family business, putting people in the company to piss me off, telling lies and inventing stories.

This is another additional example of the way you and Mamang are doing things for me, absolutely unreasonable and unfair.

Given the situations that you have created for me and my family, starting at your morbid plan of board meetings, propagating stories against me, to putting people that I hate to control what I have created, discrediting and disclaiming my accomplishments, and putting all sorts of difficulties to hold on my family shares, I shall use below the following formula which I believed at the moment is the most appropriate in order to protect *the value* of my family shares starting at the time I completely resigned and stopped receiving salary last May 1, 2006:

	ALEX & FAMILY SHARES	ALESON SHARES
Vessel / Equipment	224,018,857.14	560,047,142.86
C a s h: April 30, 2006	60,000,000.00	150,000,000.00
May 30, 2006		
<i>Interest % earned on Cash @ 8% gross</i>	320,000.00	800,000.00
<i>Operation income @18% net</i>	3,360,282.86	8,400,707.14
	-----	-----
	63,680,282.85	159,200,707.14
June 30, 2006		
<i>Interest % earned on Cash @ 8% gross</i>	339,628.18	849,070.44
<i>Operation income @18% net</i>	3,360,282.86	8,400,707.14
	-----	-----
	67,380,193.89	168,450,484.72
July 31, 2006		
<i>Interest % earned on Cash @ 8% gross</i>	371,339.74	928,349.34
<i>Operation income @18% net</i>	3,360,282.86	8,400,707.14
	-----	-----
	71,111,816.49	177,779,541.12
Aug. 31, 2006		
<i>Interest % earned on Cash @ 8% gross</i>	391,905.12	979,762.80
<i>Operation income @18% net</i>	3,360,282.86	8,400,707.14
	-----	-----
	74,864,004.47	187,160,011.06

The dollars and ringgit deposits, receivables, office equipments, fuel onboard the 18 ships, investment of 35M in McDonald (which was taken from the shipping company), and other equipments should be formulated the same at 2 shares for my family because these are parts of the company assets before my separation.

The family *has taken upon themselves to manage the family business* and whatever great profits or losses the company shall have thru their management skills *should not* affect the value of my family shares under above formula.

And there is absolutely no dispute as to the value amount of the cash shares of my family therefore said cash amount should already be immediately transfer to our Good Voyage Shipping Account at Metrobank, Pioneer branch Mandaluyong City under S/A No. 717-3-717-50466-7.

The following is one example how the 76 PROPERTY ITEMS *can easily be* distributed. All it takes is a Deed of Sale. This is just an example to prove wrongly your notion that:

“..... It is our primary accountability to see to it that the remaining assets after your departure can sustain the viability of the company since as you very well know, not all our vessels are running profitably and most of our equipments have deteriorated through the years from ordinary wear and tear”.

Refer to page 21

ALESON SHIPPING LINES' SHARES

		1) 8 units Con-Carriers	183,000,000.00	
		2) M/V Lady Mary Joy 2	80,000,000.00	
		3) M/V Estrella Del Mar	12,000,000.00	
		4) M/V Nickel Princely	22,000,000.00	
		5) M/V Neveen	4,000,000.00	
		6) M/V Alex Craig	7,000,000.00	
		7) M/V Danica Joy 1	25,000,000.00	333,000,000.00
		8) C.Y. Camins	70,000,000.00	
		9) C.Y. Lobregat	10,000,000.00	
		10) 1,476 Containers	88,560,000.00	168,560,000.00
		11) 30 units Forklift	38,526,000.00	
		12) 7 units Truck Crane	14,000,000.00	
1) M/V Stephanie Marie	60,000,000.00	13) 1 unit Water Tanker	300,000.00	
2) M/V Kristel Jane 3	60,000,000.00	14) 3 units Water Tanker	900,000.00	
3) M/V Danica Joy 2	70,000,000.00	15) 5 units Prime Mover	2,200,000.00	
4) M/V Sea Jet	35,000,000.00	16) 9 units Trailer	1,580,000.00	57,506,000.00
	225,000,000.00		559,066,000.00	

These are *not* inheritance properties and as such parents should *not* assign themselves the role to be the chief authority to distribute them.

I don't think there is moral or honor in doing so especially as explained and evidences showed in this letter.

I think my above proposals in distributing the properties are well justified and very fair considering my role in creating these properties.

All other properties that are under my name and or children outside above properties will be return to you as I prefer to own things that I worked for myself that I will give all to my children.

It was I who had the guts and knowledge to deliver the results of what I planned to have for the company. I delivered the 73 properties for the company. I am stating this *not* to brag but to support why it is but fair and reasonable that I be given the choice to choose among the 73 properties limited to the total amount of 225 million pesos.

And the evidences that I presented here, especially the morbid conspiracy plans executed in the board meetings do add heavily to support the entitlement that I am asking for.

I have worked genuinely for the family up to the time I offered Nelson and Bobong to join me. There were no pretensions and or hidden agenda as I do not have that kind of a character. The least the family can do is to allow me to separate appreciatively.

TABLE-1 & TABLE-2 can proved that I worked for what I have today. The product excesses of my works which you and Nelson and the others will eventually owned were not your works, nor was it the work of Lolo or anyone, but the product of conspiracies (as **TABLE-3** can prove).

My house in Corinthian is the product of my works. You did not give it to me or anyone no matter how you, Nelson, or anyone in our family propagates or wants other people to believe.

I do not know where a Nelson got the money to buy his Green-Hills house which I believe will eventually be worth twice the price I bought my Corinthian house. The educations and food he provides were the products of questionable means. His actions against me, despite what I did to the value of his shares in the family business resonates his character.

The shallowness of Nelson's reasons - "seed money", "cook's theory", "manager's theory" - all resonates harmoniously to the wicked Board's Meeting's promulgations of "company policies" aimed at me.

You once said to me na sumakay lang ako sa company mo. But as I was born your son, it was natural for me to do that. And as evidences of what I have done for the company as a son in **TABLE-1 & TABLE-2**, I think I did a good job as a son in our family corporation.

TABLE-3 is a solid evidence of what you rewarded to me of my works.

I have also been very patient with your insulting decision to have people like Clyde, Ely, Guerzon, and other personnel take important positions in managing what I have created and the pains of these people laughing on me.

I hope with this letter you will allow me to separate from the family business and appreciatively give me what I deserve for and this is the immediate transfer of my 2 shares on both cash and properties *limited* to my working period with our family business, hopefully by September 2, as a birthday wish granted to Mamang because none of this would have happened *without* Mamang's *prodding* and *approvals*.

Your letter 2 days ago stating that I have ceased to be an officer or even a board of director of this company and my only participation is being a mere stockholder in accordance to the number of shares you and Mamang will assign to me *greatly conforms* to the joys and wishes of your writer. For him to say for you that it is your duty to run the business efficiently and look after the welfare of the company's employee so that they can perform their jobs effectively (Clyde - LMJ2?), to propagate that I have chosen not to join and be part of Aleson again after resigning despite our numerous appeals to you (tell that to Quani Ma), and that I opted to leave and formed my own company (I have many written many times that it was Mamang who told me last September 2005 that all of you have decided that I have to leave the company, gave me even the 2 shares formula of which I based my shares on the 784M properties and you even made your own 3 options list!) is nothing but cover ups as I have shown in this letter.

As what Mahathir said in yesterday's Philippine Star newspaper on his allegation of his successor Abdullah:

His denial is inadequate. "All he was saying was that 'I'm good man ... I'm a religious man, I wouldn't do this.' But specific answers, there were none".

I think I have the right to protect myself by telling the side of my story against your propagations. That is why I feel that it is only appropriate that I furnish copies to our immediate relatives, friends that matters, and even employees for them to know and check for themselves the evidences I have presented in order for them not to wrongly judge my accomplishments, intentions and character.

Although I am aware that each of people has their own peculiar problems in life, I shall still forward copies to them to give myself *that chance* of being cleared and understood.

My rug story contrary to both your understanding and reasoning, I believed stands on solid ground.

The *parental authority* is similar to the *knowledge* of the tourist. The tourist used his *knowledge* to obtained the rug. The Kashmiri rug in our case is the 76 properties.

The tourist (cook's business partners) who bought (going to obtain) a beautiful Kashmiri (73/76 properties) rug from the family (cook's family) who labored for a (26) full year to make it. Cleverly (parent's authority) he (his business partners) offered (enforced) to pay in German marks (TRICKERY - quantity formula equations), and then (try to) offered worthless marks (LMJ2) from the inflationary (11 months drydocking with no plan where to operate) pre-WWII Weimar period.

Only when he told the story (when people will know) to shocked friends back home did he begin to think about *what he had done to this family*.

In time, the very sight of his beautiful rug (73/76) turned his stomach.

The only difference is that the tourists has no love loss on the family who created the Kashmiri rug so it will not turned their stomach. But people will eventually come to know and their Kashmiri rug will only be beautiful to themselves and their salaried household helpers.

Very truly yours,

Alex

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