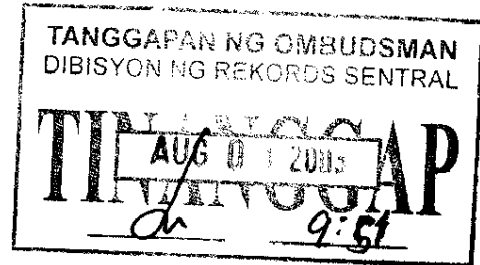


July 31, 2003

**THE OMBUDSMAN
AGHAM ROAD
GOVERNMENT CENTER, DILIMAN,
QUEZON CITY**



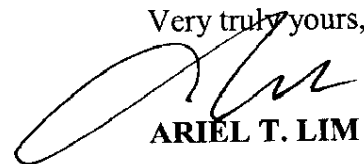
Sir;

This has reference to the 3 km. across road constructed within Batangas Port, Batangas City. Originally the contract price was P 16 Million. As this will be a temporary access road because the permanent road is a part of Batangas Phase II in another area, besides it is within the reclamation area. Which is a part of a PPA Reclamation Contract with FF. Cruz & Company.

Notwithstanding without any reason whatever the cost of the construction of this access road increased to P 66 Million this facts had been a subject of a comment of Lito Banayo of Daily Tribune on July 11, 2003 issued copy of which is hereto attached as a Annex A, on the basis of a letter of even date address to Mr. Ariel T. Lim by concerned PPA Employees also attached as Annex B.

It is respectfully requested urgently that a Fact-Finding Team be dispatched immediately, because FF Cruz will soon begin the Reclamation Project above stated and as a consequence this 3 km. road will be covered in the reclamation process and all physical evidences on the existence of this road will disappear.

Very truly yours,



ARIEL T. LIM