



REPUBLIC OF THE PHILIPPINES
SUGAR REGULATORY ADMINISTRATION
North Avenue, Diliman, Quezon City
P.O. Box 70, U.P. Diliman, Quezon City
TIN 000-784-336-000

02 May 2006



SUGAR ORDER NO. 10
Series of 2005-2006

**SUBJECT : SWAPPING AND/OR PHYSICAL EXCHANGE OF RAW
"B-2" OR NFA SUGAR WITH AVAILABLE REFINED SUGAR**

WHEREAS, the NFA in its letter to the SRA dated 27 April 2006 requested for approval of the "swapping" of "B-2" sugar quedans with the available refined sugar in order to provide the domestic market especially in Metro Manila with affordable refined sugar to stabilize prices;

WHEREAS, the SRA sees that there is a need to approve said request to enable the NFA to save on cost of tolling and transporting the "B-2" sugar in refined form from the different sugar refineries in the Visayas/Mindanao to Metro Manila to facilitate and expedite the distribution/disposition in the domestic retail markets;

NOW, THEREFORE, under and by virtue of the authority vested in the Sugar Regulatory Administration (SRA), it is hereby ordered that:

Section 1. The "B-2" sugar quedans liquidated by the NFA from the sugar producers of Crop Year 2005-2006 can be applied for swapping.

Section 2. The application for "swapping" shall be done by the NFA through a letter of application filed with the SRA, Quezon City attached thereto the following:

1. Physical "B-2" quedans and RSQ
2. Listings of the said quedans
3. Affidavit as to the ownership of the subject sugar
4. Memorandum of Agreement (MOA) between the NFA and the sugar traders as to the winning bidder duly notarized, manifesting the exchange of the "B-2" sugar with the available refined sugar.

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Section 3. The approved "swapping" shall authorize the withdrawal of the sugar through the surcharging of the "B-2" NFA sugar quedans with available refined sugar per Sugar Order No. 10, Series 2005-2006 and the issuance of the corresponding Letter of Authority to the concerned mills.

Section 4. This type of "swapping" is only applicable to the "B-2" sugar quedans of the NFA issued this CY 2005-2006 and not to other classes of sugar quedans issued by the mills.

Section 5. This Order shall take effect immediately.

Section 6. Provisions of Sugar Orders, Circular Letters, and/or other rules and regulations contrary to or inconsistent with this Sugar Order, are hereby amended, modified or revoked accordingly.

BY AUTHORITY OF THE SUGAR BOARD:


JAMES C. LEDESMA
Administrator