

January 18, 2007

MR. JAIME JOSE ABOITIZ

President and Chief Operating Officer
Cotabato Light & Power Company, Inc.
Sinsuat Avenue, Cotabato City 9600

Dear Mr. Jaime Jose Aboitiz:

Re: Management Contract

We are writing to notify you that in view of the assignment by Aboitiz Equity Ventures, Inc. ("AEV") to Aboitiz Power Corporation ("APC") of all of its rights and interests in the shares of stock of Cotabato Light & Power Company, Inc. ("CLPC"), AEV has assigned to APC the Management Contract between AEV and CLPC. The assignment is in accordance with Clause 7 of the Management Contract.

Pursuant to this assignment, please be advised that all our rights, title and interest in and to the Management Contract now inures to APC effective as of January 1, 2007.

Kindly make all necessary arrangements with and payments due as of January 1, 2007 under the Management Contract to APC.

Sincerely,


STEPHEN G. PARADIES

Senior Vice President

Noted:


JAIME JOSE ABOITIZ

President and Chief Operating Officer

Date: _____