[SUGAR ORDER NO. 10, S. 2010-2011, June 16, 2011]

SHIPMENT OF ADVANCE-SWAPPED "B" OR DOMESTIC SUGAR TO "A" OR U.S. EXPORT SUGAR

WHEREAS, Section 2 (b) of Executive Order No. 18, series of 1986 mandates the SRA to establish and maintain such balanced relation between production and requirement of sugar and such marketing conditions as will ensure stabilized price levels reasonably profitable to producers and fair to consumers;

WHEREAS, Sugar Order No. 9, series of 2010-2011 allowed advance-swapping or "B" or Domestic sugar in to "A" or US. Market Sugar and the application for the same has reached no less than 160,000 Metric Tons;

WHEREAS, the application for advance-swapping is more than the requirement for the additional U.S. quota of the current crop year, and will fill up the whole traditional quota for the next crop year;

WHEREAS, there is a need to physically ship the advance-swapped sugar to the U.S. in order to attain the balance required for a stable and viable market environment;

WHEREAS, the provisions of Sugar Order No 8, Series of 2010-2011, specifically Section 2.1 on the verification of "A" quedans issued from May 1, 2011 onwards need to be rationalized;

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

Section 1. Filing up of the additional U.S. Quota allocation.

> *1.1* A" U.S. Quota sugar verified for U.S. Quota Year 2010-2011 under Sugar Order No. 8, Series of 2010-2011 shall have first priority for the additional shipment to the United States for Quota Year 2010-2011.
> *1.2* In the event that the aggregate verified "A" quedans will not be enough to fill-up the additional U.S. Quota, the difference shall be filled-up from the advance swapping on "First come-First Served" basis.

Section 2. Commitment to Shipment

> *2.1* All holders of advance-swapped "B" to "A" pursuant to Sugar Order No. 9, Series of 2010-2011, as amended, are hereby required to submit a duly-notarized Undertaking to Ship their advance-swapped "B" to "A" to