

[SRA CIRCULAR LETTER NO. 45, June 10, 1998]

**IMPLEMENTING GUIDELINES FOR THE RELEASE AND
DISTRIBUTION OF THE PRODUCERS TRUST FUND**

Pursuant to Sugar Order No. 6, Series of 1995-1996 dated December 2, 1995, (the "Sugar Order" providing the classification of CY 1992-93 and 1993-94 "D" or World Market Sugar to "B" or Domestic Sugar under certain conditions and upon payment of P175.00 per 50-Kilogram (Lkg) bag if paid on or before January 26, 1996 or P200.00 per 50-kilogram (Lkg) bag if paid thereafter to a depository bank, and the amount thus collected was constituted as a "Producers Trust Fund" (the "Fund") to be distributed by the National Council of Sugar Producers as Trustee of the said fund, to the designated beneficiaries, the following implementing rules and guidelines are hereby promulgated:

1. The amount already collected shall be released and distributed on the pro-rata basis to all qualified beneficiaries under the Sugar Order except that millers who have been determined by the SRA to have failed to export their "D" sugar during the crop years mentioned in the Sugar Order and who have failed or refused to pay the Price Differential, full or in part, shall have their pro rata share offset against the amount due as Price Differential Payment, and the balance, if any, shall be released to them. An amount equivalent to 5% shall be withheld to cover administrative and other expenses as provided in Section 6 of the Sugar Order.
2. The net amount (after deducting 5%) due to planters-beneficiaries shall be released to the Confederation of Sugar Producers Associations, Inc. ("CONFED") and to the National Federation of Sugar Producers, Inc. ("NFSP") according to the percentage of the shares of their members in the Fund during those crop years.
3. The net amount (after deducting 5%) due to the millers-beneficiaries shall be released to the Philippine Sugar Millers Associations, Inc. ("PSMA") according to the percentage of the shares of their qualified members and the members of the Association of Integrated Millers ("AIM") in the Fund during those crop years.
4. CONFED, NFSP, and PSMA shall each execute a Trust Agreement upon receipt of the aliquot share of other members.
5. CONFED and NFSP shall undertake the distribution of the aliquot share of their members through their respective district planters associations, and each district planters association shall likewise be required to execute a Trust Agreement as a condition precedent to the release to them of any portion of the Fund for distribution. The list of beneficiaries and the amount due them shall be determined on the basis of the SRA records. The district planters association shall verify from their records who among such beneficiaries are or were members of their respective associations during crop years 1992-93 and 1993-94.