August 3, 2020

PPA ADMINISTRATIVE ORDER
NO. 04-2020

TO: All Port Managers
PPA Lessees
Others Concerned

SUBJECT: Staggered Payment of Rental Fees Covering the Period
March 15, 2020 to July 31, 2020

1. LEGAL BASES

1.1 Article IV, Section 6 b) (iv) of Presidential Decree (P.D.) No. 857, as amended (To adopt, amend, repeal its by-laws)

1.2 Section 4 (z) of RA No. 11469 otherwise known as the “Bayanihan to Heal As One Act,” which provides that the President shall have the power to move statutory deadlines and timeliness for the filing and submission of any document, the payment of taxes, fees, and other charges required by law, and the grant of any benefit as a temporary emergency measure to respond to the crisis brought by the pandemic in order to ease the burden on individuals under the community quarantine

1.3 Section 1 (d) of the Office of the President Administrative Order No. 30 which states that the suspension of deadlines for the payment of monetary obligations and/or the submission of documents, for the duration of community quarantine

1.4 Section 8 (2) of IATF Resolution No. 38 which provides that for residential and commercial rents falling due within the duration of the ECQ, MECQ, and GCQ, on residential lessees and micro-, small, and medium enterprises
(MSMEs) and sectors not permitted to operate during the said period, a grace period of 30 days from the last due or until such time that the community quarantine is lifted, shall be observed, whichever is longer, without incurring interests, penalties, fees, or other charges.

1.3 Section 3.5 of DTI Memorandum Circular No. 20-20 which states that cumulative amount of rents falling due within any of the covered community quarantine, shall be equally amortized in six (6) months following the end of the 30-day minimum grace period without interest, penalties, fees and charges, which amount shall be added to the monthly due. To avail of the 6-month concession, the lessee shall provide the lessor a signed Promissory Note or letter, undertaking to pay the deferred rent/s in accordance herewith, and failure thereof shall make such deferred rents due and demandable immediately following the end of the minimum grace period of 30 days;

1.4 Section 3.5 DTI Memorandum Circular No. 20-31 which provides that Lessors are not obliged to refund residential and commercial rents paid by the lessees before or during the period of the community quarantine.

1.5 PPA Board Resolution No. 2921

2. OBJECTIVES

2.1 To provide temporary economic relief to PPA lessees affected by the COVID-19 pandemic.

2.2 To mitigate the impact of community quarantines to PPA lessees.

3. COVERAGE

This Administrative Order covers all PPA lessees with existing lease contract, agreement, or undertaking and are affected by community quarantine.

4. GUIDELINES

4.1 Lessees who were not able to pay the monthly rentals for the period March 15, 2020 to July 31, 2020 shall have the option to pay the cumulative rents in monthly installment for five (5) months starting August 2020 up to December 2020 without interests and penalties.

4.2 The Lessee shall execute a promissory note or letter indicating his intention to pay in installment. Sample format of promissory note is provided in Annex "A".
4.3 Lessees who intend to pay in full the cumulative rentals from March 2020 to July 2020 in August 2020 shall not be imposed interests and penalties.

4.4 Lessees who already paid their rentals from March 15, 2020 to July 31, 2020 shall not be refunded and not allowed to avail the installment plan.

4.5 Rental payments due from August 1, 2020 including the computed monthly installment shall be paid as and when they fall due.

4.6 Interest and penalty charges shall be imposed on late payment of rental due for August 2020 onwards reckoned from the day following the due date.

5. REPEALING CLAUSE

All existing rules, regulations and guidelines or parts thereof which are inconsistent with any part of this Administrative Order are hereby repealed or modified accordingly.

6. EFFECTIVITY

This Order shall take effect immediately upon its publication once in the Official Gazette or in a newspaper of general circulation.

JAY DANIEL R. SANTIAGO
General Manager

Published in the Business World - August 5, 2020
Effectivity Date - August 6, 2020
PHILIPPINE PORTS AUTHORITY
PMO - ____________________________

BILLING STATEMENT

NAME OF LESSEE/PTOC HOLDER : ______________________________________________________

TYPE OF CONTRACT/PERMIT : 
- [ ] Contract of Lease
- [ ] Permit to Occupy No. ____________________________

TOTAL LEASED AREA (in sqm) : ____________________________

LOCATION : ______________________________________________________

MONTHLY RENTAL : ______________________________________________________

OUTSTANDING OBLIGATION : 

MARCH 2020 ____________________________

APRIL 2020 ____________________________

JUNE 2020 ____________________________

JULY 2020 ____________________________

TOTAL ____________________________

APPROVED BY:

________________________________________________________________________

Port Manager

PROMISSORY NOTE

In accordance with the pertinent provisions of PPA Administrative Order No. 04-2020 entitled “Staggered Payment of Rental Fees Covering the Period March 15, 2020 to July 31, 2020”, I , ____________________________ (NAME OF LESSEE/OCCUPANT) , do hereby commit to pay our outstanding obligations with the Philippine Ports Authority- PMO representing our unpaid monthly rentals covering the period March 15, 2020 until July 31, 2020 in accordance with the following schedules:

[ ] Pay in full the cumulative rentals from March 2020 to July 2020 in August 2020 on or before __________, 2020

[ ] Pay the cumulative rents in monthly installment for five (5) months starting August 2020 up to December 2020 with the following specific schedules:

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It is understood, that in accordance with the subject PPA AO No. 04-2020, any unpaid rentals as stated in the above schedules will be imposed interest and penalty on 01 January 2021.

(Signature over Printed Name of the Authorized Representative)