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12 October 2012

Tel: 6823 8780
Fax: 6304 8222

Attn: Chief Executive Officer

Dear Sir

**SUPPLEMENTAL LETTER 5 -
MODIFICATIONS TO THE VESTING CONTRACT DATED 23rd SEPTEMBER 2003**

The Holder (Name of entity) and the Issuer (SP Services) have in full force and effect the Vesting Contract dated 23rd September 2003 (the "Vesting Contract").

2. This Supplemental Letter 5 is supplemental to the Vesting Contract and the Supplemental Letters dated 25th May 2009, 3rd June 2009, 15th April 2010 and 16th March 2011 related thereto. Unless otherwise defined herein or if the context otherwise requires, the capitalized terms used in this Supplemental Letter shall have the meanings given to them in the Vesting Contract.

3. The Issuer hereby encloses the Modifications set out in Appendix 1, which have been mutually agreed by the Issuer and the Authority arising from the changes to the LRMC Scale Factor Indices for the purpose of calculating quarterly Vesting Contract price. These Modifications shall take effect for the determination of the Vesting Contract quantities from the Hedge Quarter Q1 2013 onwards.

4. Save as is otherwise stated herein, all the provisions contained in or subsisting in relation to the Vesting Contract shall continue to be applicable and binding and the Vesting Contract shall remain in full force and effect and shall be read and construed and be enforceable as if the terms of this Supplemental Letter 5 were inserted by way of addition, substitution or modification thereto as the case may be.

5. Please acknowledge your acceptance of this Supplemental Letter 5 by signing in the section marked below, as well as initialing all the pages in Appendix 1 and returning the attached duplicate of this Supplemental Letter 5 (and the Appendix 1) to the Issuer not later than seven (7) days from the date of this Supplemental Letter.

Yours faithfully

Jeanne Cheng
Managing Director
SP Services Ltd

To:

SP Services Ltd
10 Pasir Panjang Road #03-01
Mapletree Business City
Singapore 117438

ACCEPTANCE OF SUPPLEMENTAL LETTER 5

We acknowledge and accept the provisions of your Supplemental Letter 5 dated 12 October 2012.

Signature: _____

Date of Signature: _____

Signed by: _____

Designation: _____
For and on behalf of **[NAME OF ENTITY]**

Company Stamp: _____

The table below sets out the amendments to the Vesting Contract as a consequence of the revisions to the LRMC Scale Factor Indices for calculating the quarterly Vesting Contract price directed by the Authority.

Save as provided for below, the Contract and all provisions thereof shall continue to be applicable and be in full force and effect as the legal, valid and binding obligations of the Holder and the Issuer.

Clause	EXISTING CLAUSE	AMENDED CLAUSE (S)
Schedule C Section 7.	The CAPITAL COST INDEX shall be an index specified by the Authority reflecting the capital cost for the current Quarter relative to the Base Quarter. This index has two components.	The CAPITAL COST INDEX shall be an index specified by the Authority reflecting the capital cost for the current year relative to the Base Quarter. This index has two components.
Schedule C Section 7.3	For CI, the primary changes in the underlying factors can be broadly captured by inflation and foreign exchange, with a full-scale revaluation of all these costs to be undertaken every two years. Since the DSPI (Domestic Supply Price Index) includes both the domestic inflation and foreign exchange elements for products, this is a suitable simple index to use.	For CI, the capital cost will be updated in between the reviews of the LRMC base parameters every 24 months as determined by the EMA. The Authority will undertake a mid-term review of the capital cost in the middle of the first year to determine the CI in the second year.

Clause	EXISTING CLAUSE	AMENDED CLAUSE (S)
Schedule C Section 7.4	<p>CI is calculated as follows:</p> <ul style="list-style-type: none"> - Take the DSPI from Singapore Department of Statistics for the Base date: $DSPI_B$ <p>Find the most recent DSPI from Singapore Department of Statistics for the Determination date: $DSPI_D$ and the DSPI for the quarter (D-2), two quarters before the quarter D in which the Determination Date falls: $DSPI_{D-2}$, where the DSPI for a quarter is calculated as the simple average the DSPI for each month in that quarter.</p> <ul style="list-style-type: none"> - Calculate the simple two-Quarter extrapolation $DSPI_{D+1} = DSPI_D + (DSPI_D - DSPI_{D-2})/2$ <ul style="list-style-type: none"> - For the next Quarter $CI = DSPI_{D+1} / DSPI_B$ 	<p>CI is calculated as follows:</p> <ul style="list-style-type: none"> - Capital Cost (B) is the Base Capital Cost, and Capital Cost (t+1) is the capital cost applicable for the year t+1 - For $CI(t+1) = \text{Capital Cost}(t+1) / \text{Capital Cost}(B)$

Clause	EXISTING CLAUSE	AMENDED CLAUSE (S)
Schedule C Section 8	The OVERHEAD COST INDEX is largely an inflation index to be specified by the Authority reflecting the overhead cost for the current Quarter relative to the Base Quarter. The primary elements of the non-fuel overhead costs are wages and imported spare parts. In the absence of a wage rate index, the Consumer Price Index (CPI) can be used although the DSPI may more realistically reflect the cost of imported parts. On balance, since spare parts tend to be ordered sporadically, the CPI is the most appropriate.	The OVERHEAD COST INDEX is largely an inflation index to be specified by the Authority reflecting the overhead cost for the current year relative to the Base Quarter. The MAS Core Inflation rate would be used in determining the overhead cost index. .
Schedule C Section 8.1	The Overhead cost index is calculated as follows: - Take the CPI from Singapore Department of Statistics for the Base date: CPI_B	The Overhead cost index is calculated as follows: - Take the MAS Core Inflation from the Monetary Authority of Singapore for the Base date: $MASCI_B$

Clause	EXISTING CLAUSE	AMENDED CLAUSE (S)
	<p>Find the most recent CPI from Singapore Department of Statistics for the Determination date: CPI_D and the CPI for the quarter (D-2), two quarters before the quarter D in which the Determination Date falls : CPI_{D-2}, where the CPI for a quarter is calculated as the simple average of the CPI for each month in that quarter.</p> <p>- Calculate the simple two-Quarter extrapolation</p> $CPI_{D+1} = CPI_D + (CPI_D - CPI_{D-2})/2$ <p>- The Overhead cost index for the next Quarter equals CPI_{D+1} / CPI_B.</p> <p>The Authority will use the CPI for the Overhead cost index.</p>	<p>Find the mid-point of the latest projected range of the MAS Core Inflation Rate for the year t+1 from the Monetary Authority of Singapore that is available as at 1st December of year t: $MASCIR_{t+1}$ and the MAS Core Inflation for the period in the determination year t which corresponds to the period used in the determination of the Base MAS Core Inflation (March to May): $MASCI_t$, where the MAS Core Inflation for the period is calculated as the simple average of the MAS Core Inflation for each month in that period.</p> <p>- Calculate the projected MAS Core Inflation for year t+1</p> $MASCI_{t+1} = MASCI_t * (1 + MASCIR_{t+1})$ <p>- The Overhead cost index for the next year equals $MASCI_{t+1}/MASCI_B$.</p> <p>The Authority will use the MAS Core Inflation for the Overhead cost index.</p>