Republic of the Philippines
Province of Cavite
City of Bacoor

OFFICE OF THE SANGGUNIANG PANLUNGSOD
RECEIVED
CONTROL NO.
BY: d
DATE: 03/21/23
TIME: 2:20 PM
CONTACT NO.
BACOOR, CAVITE

5th SANGGUNIANG PANLUNGSOD

COMMITTEE/S		TITLE OF PROPOSED MEASURE	CONTROL NUMBER	
Committee on Information and Communication Technology		PCR-248-2023– RESOLUTION AUTHORIZING CITY MAYOR, HON. STRIKE B. REVILLA TO SIGN THE CONTRACT OF LEASE BETWEEN THE CITY GOVERNMENT OF BACOOR AND SMART COMMUNICATION, INC. PERTAINING TO THE USE OF A PARCEL OF LAND LOCATED AT TABING DAGAT, BACOOR CITY, AS A SITE OF ITS EXTENSION OFFICE.	PCR-248-2023	
VENUE	Session Hall, Sangguniang Panlungsod, Bacoor City		DATE/TIME	March 13, 2023 10:00 A.M.

COMMITTEE REPORT NO. ICT-009-S-2023

Referred to this Committee on the 34th Regular Session of the 5th Sangguniang Panlungsod is the above-captioned subject matter for appropriate action and recommendation.

Record shows that the Smart Communication, Inc. and the City Government of Bacoor entered into a lease contract on July 8, 2010 for a period of ten (10) years involving a parcel of land which was utilized by the Smart Communication, Inc. as its communication facility. Due to COVID-19 pandemic the said lease contract, which expired in the year 2020 was not renewed, however, Smart Communication, Inc. have continuously utilized the premises, in arrears, up to the date the company requested the renewal of the Contract of Lease.

The City Government of Bacoor required the Smart Communication, Inc. to settle first the rental arrears prior to its consideration and execution of the Contract of Lease covering the same property.

As per the Certification dated November 4, 2022 issued by the Office of the City Treasurer, Bacoor City it certifies that Smart Communication, Inc. paid the amount of ONE MILLION NINE HUNDRED THIRTYONE THOUSAND TWO HUNDRED SIXTY NINE PEOS & 12/100 (Php1,931,269.12) under Official Receipt No.2396395 dated

Republic of the Philippines
Province of Cavite
City of Bacoor

5th SANGGUNIANG PANLUNGSOD

September 14, 2022 (photocopy attached) in compliance with the requirement of the City Government of Bacoor.

The Office of the City Legal Services in its Indorsement No. 153, Series of 2023 (with photocopies of supporting documents) requested the Office of the City Mayor to endorse the measure to the Sangguniang Panlungsod, Bacoor for the approval of city resolution.

Hence, the request from City Mayor, Honorable Strike B. Revilla for the approval of a City Resolution authorizing him to enter into and sign the Contract of Lease by and between the City Government of Bacoor and Smart Communication, Inc.

RECOMMENDATION:

In view of the foregoing, and considering that the subject matter had already been reviewed by the Office of the City Legal Services, the Honorable Members of the Committee hereby recommend ***TO APPROVE*** the City Resolution authorizing City Mayor Honorable Strike B. Revilla to enter into and sign the Contract of Lease by and between the City Government of Bacoor and Smart Communication, Inc. covering the portion of a parcel of land owned by the City Government of Bacoor located at Gen Evangelista, Barangay Tabing Dagat, subject to the existing policies, rules and regulations for that matter.

WE HEREBY CERTIFY that the contents of the foregoing report are true and correct.

Signed this day of March 2023 at the City of Bacoor, Cavite.

THE COMMITTEE ON INFORMATION AND COMMUNICATION TECHNOLOGY

HON. COUN. ROGELIO M. NOLASCO
Chairman

HON. COUN. ALEJANDRO F. GUTIERREZ
Vice Chairman

HON. COUN. REYNALDO D. PALABRICA
Member

HON. COUN. ADRIELITO G. GAWARAN
Member

Prepared by:

ROBERTO A. DE GUZMAN
Local Legislative Staff Assistant I

Republic of the Philippines
Province of Cavite
City of Bacoor

OFFICE OF THE SANGGUNIANG PANLUNGSOD
RECEIVED
CONTROL NO.
BY:
DATE: 03/21/23
TIME: 2:20 PM
CONTACT NO.
BACOOR, CAVITE

5th SANGGUNIANG PANLUNGSOD

COMMITTEE/S		TITLE OF PROPOSED MEASURE	CONTROL NUMBER	
Committee on Information and Communication Technology		PCR-248-2023 – RESOLUTION AUTHORIZING CITY MAYOR, HON. STRIKE B. REVILLA TO SIGN THE CONTRACT LEASE BETWEEN THE CITY GOVERNMENT OF BACOOR AND SMART COMMUNICATION, INC. PERTAINING TO THE USE OF A PARCEL OF LAND LOCATED AT TABING DAGAT, BACOOR CITY, AS A SITE OF ITS EXTENSION OFFICE.	PCR-248-2023	
VENUE	Session Hall, Sangguniang Panlungsod Bacoor City, Cavite		DATE/TIME	March 13, 2023 10:00 A.M.

EXCERPT FROM THE MINUTES OF 34TH REGULAR SESSION
NO. ICT-009-S-2023

Honorable Acting Vice Mayor Catherine S. Evaristo/Presiding Officer of the 5th Sangguniang Panlungsod called the session to Order at 10:00 A.M.

Secretary of the Sangguniang Panlungsod, proceeded with the roll call, the approval of the Journal and Minutes of the 33RD Regular Session, and the reading of the referrals to committees of proposed Ordinances, Resolutions, Messages, Communications, Petitions and Memorials.

In ***Regular Session***, the internal rule on the 34th Regular Session was suspended by Hon. Coun. Reynaldo D. Palabrica.

Upon reading and referral of Item No.OM.E ***PCR-248-2023- "RESOLUTION AUTHORIZING CITY MAYOR. HON. STRIKE B. REVILLA TO SIGN THE CONTRACT OF LEASE BETWEEN THE CITY GOVERNMENT OF BACOOR AND SMART COMMUNICATION, INC. PERTAINING TO THE USE OF A PARCEL OF LAND***

Republic of the Philippines
Province of Cavite
City of Bacoor

5th SANGGUNIANG PANLUNGSOD

LOCATED AT TABING DAGAT, BACOOR CITY, AS A SITE OF ITS EXTENSION OFFICE." Honorable Councilor Rogelio M. Nolasco, Chairman of the Committee on Information and Communication Technology moved for the approval of the said Resolution due to the fact that Smart Communication fully settled the Rental arrears for the continuously utilized of the premises after the expiration of contract lease in year 2020 and fully complied with the requirements of the City Legal Services to enter into Contract of Lease with the City Government of Bacoor.

The motion was unanimously seconded and the Resolution Authorizing City Mayor, Hon. Strike B. Revilla to sign the contract of lease between the City Government of Bacoor and Smart Communication, Inc. pertaining to the use of a parcel of land located at Tabing Dagat, Bacoor City, as a site of its extension office was ***APPROVED*** in ***Regular Session*** on the 34th Regular Session of the 5th Sangguniang Panlungsod, Bacoor City.

The regular session was closed and adjourned at 11:00 A.M.

Prepared by:

EDGARDO B. NOLASCO
Staff Clerk

Attested by :

HON.COUN. ROGELIO M. NOLASCO
Chairman
Committee on Information and Communication Technology

5TH SANGGUNIANG PANLUNGSOD

Approved
For Committee Report
3/13/2023

Republic of the Philippines
Province of Cavite
CITY OF BACOOR
Office of the Mayor

March 10, 2023

OFFICE OF THE SANGGUNIANG PANLUNGSOD
RECEIVED
CONTROL NO.
BY: [illegible]
DATE: 03/10/23
TIME: 9:20 AM
CONTACT No.
BACOOR CAVITE

HON. ROWENA BAUTISTA-MENDIOLA
Vice Mayor, City of Bacoor
Bacoor Government Center
Bacoor City, Cavite

THRU: **Atty. Khalid Atega, Jr.**
Sangguniang Panlungsod Secretary

SUBJECT: **Request for Authority to Enter Into and Sign the Contract of Lease with Smart Communications, Inc.**

Dear Hon. Bautista-Mendiola:

Per Indorsement No. 153, Series of 2023, issued by the Office of the City Legal Service, requesting the undersigned for endorsement and request for the proper authority to enter into and sign the Contract of Lease with Smart Communications, Inc. over a parcel of land located at Gen. Evangelista, Tabing-dagat, Bacoor, Cavite, I respectfully request the esteemed members of the Sangguniang Panlungsod to perform the appropriate action that will grant me the authority to enter into and sign the abovementioned Contract of Lease. The said agreement is in consonance with City Ordinance No. CO 33-2018 or the "Bacoor Lease Ordinance", series of 2018.

Attached herewith is the aforementioned letter, together with its attachments, for your immediate reference.

Sincerely yours,

STRIKE B. REVILLA
City Mayor

Office of the Mayor
Strike B. Revilla
SBR20231173

Republic of the Philippines
Province of Cavite
CITY OF BACOOR

OFFICE OF THE CITY LEGAL SERVICE

INDORSEMENT NO. 153, SERIES of 2023

TO : **Hon. STRIKE B. REVILLA**
City Mayor

Thru: **Atty. PAUL MICHAEL G. SANGALANG**
Office of the Mayor

SUBJECT : **Request for Endorsement to the Sangguniang Panlungsod**

DATE : 08 MARCH 2023

On 8 July 2010, the City Government of Bacoor (the City) entered into a Contract of Lease with Smart Communications, Inc. (Smart) for a period of ten (10) years (First Contract of Lease, attached herewith as Annex A). Upon its expiration in 2020, however, both parties failed to extend or renew the contract since it was the height of the COVID-19 Pandemic.

Sometime in 2021, Smart has requested the City to execute a new Contract of Lease for the continued use of the property as a telecommunication facility – in accordance with the City Ordinance No. CO 33-2018, Series of 2018, or the "Bacoor Lease Ordinance". The City learned however that Smart has rental arrears from 8 July 2017 until the present date despite their continued possession of the leased premises, which is a portion of the parcel of land located at Gen. Evangelista, Tabing-Dagat, Bacoor City, Cavite registered under the City Government of Bacoor.

To resolve the matter, the City required Smart to settle their rental arrears prior to its consideration of a possible renewal or extension of the Contract of Lease. In furtherance of its business interests, Smart agreed to settle the arrears from 8 July 2017 up to 7 July 2020. This payment is supported by a Certification issued by the Office of the City Treasurer of Bacoor, attached herewith as Annex B and the Official Receipt covering the said payment, attached herewith as Annex C. Further, this payment also covered the monthly rentals from 8 July 2020 until 30 July 2021, which represents the period when the First Contract of Lease expired until the time that Smart initiated the execution of a new Contract of Lease.

From the foregoing, this Office hereby requests the Office of the City Mayor to endorse this measure to the Sangguniang Panlungsod and request for the proper authority to enter into and sign the Contract of Lease with Smart Communications, Inc. A draft Contract of Lease is attached herewith as Annex D, for your reference.

Thank you for your assistance.

Respectfully,

ATTY. EUGENE L. DE JESUS
City Legal Officer

CONTRACT OF LEASE

BASIC TERMS

LESSOR	THE CITY GOVERNMENT OF BAGUIO
AUTHORIZED REPRESENTATIVE OF LESSOR	MARIO B. BRAVO City Mayor Supporting Documents:
ADDRESS OF LESSOR	Lessor Address: BAGUIO CITY GOVERNMENT CENTER, SESO, SESAME ST., BRGY. SAN ANTONIO, CITY OF BAGUIO, PROVINCE OF BENGUET
LESSEE	SMART COMMUNICATIONS, INC.
ADDRESS OF LESSEE	SMART Tower, 6796 Ayala Ave., Makati City
AUTHORIZED REPRESENTATIVE OF LESSEE	Lucille Sy Group Head, LEAP Procurement
PROPERTY	Type of Development: Cell Site Title/Unit Number: [illegible]
LEASED PREMISES	Site Address: BAYOMBONG, NUEVA VIZCAYA, BAGUIO CITY Assigned Area: [illegible] Leased Area: [illegible]
LEASE PERIOD	FROM: [illegible] TO: [illegible]
RENTAL (Monthly Rate)	[illegible] Amount in words: [illegible]
PAYMENT TERMS	Quarterly
ESCALATION RATE	Escalation Rate: [illegible] Effectivity: [illegible]
SECURITY DEPOSIT	Existing Security Deposit: [illegible]
METHOD OF PAYMENT	Check Delivery: [illegible] THE CITY GOVERNMENT OF BAGUIO [illegible] BAGUIO CITY HALL, BAGUIO CITY
LESSOR'S CONTACT DETAILS	Contact Person: MARIO B. BRAVO Residence Address: CITY GOVERNMENT OF BAGUIO, BAGUIO CITY Mobile No. / Tel. No.: [illegible] Email Address: [illegible]
LESSEE'S CONTACT DETAILS	ANTONIO N. TRONCO Manager, [illegible] Street Address: [illegible] Mobile No. / Tel. No.: [illegible] Email Address: [illegible]
OTHER TERMS	[illegible]

BOXES

LESSEE

ANNEXES	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	

IN WITNESS WHEREOF, the Parties have executed this Contract of Lease consisting of Five Pages, including the Standard Terms and Conditions of Lease and any attached Schedules as of the date written below. In the event of conflict between this signed Basic Terms and the Standard Terms and Conditions of Lease, the signed Basic Terms shall prevail.

LESSOR:
[illegible]

LESSEE:
Represented by

NIRIKE B. REVILLA
City Mayor

DATE SIGNED: _____

DEBBIE M. HU
[illegible]
[illegible]

DATE SIGNED: _____

[illegible]

[illegible]

[illegible]

ACKNOWLEDGMENT

[illegible]

[illegible]

[illegible] Notary Public [illegible] on the [illegible] day of [illegible] 2022, personally appeared

NAME	TIN
[illegible]	[illegible]
By	
[illegible]	[illegible]

[illegible] and is to be known to be the same person who executed the foregoing instrument and acknowledged the [illegible] same to be his free and voluntary act and deed as well as that of the corporation he represents.

[illegible] I have hereunto set my hand and seal at the place above written.

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

ACKNOWLEDGMENT

(For CORPORATE)

REPUBLIC OF THE PHILIPPINES
CITY/MUNICIPALITY of [illegible] S.S.

BE IT REMEMBERED, Notary Public for [illegible] this [illegible] day of [illegible] 2023, personally appeared

NAME	ID No.	ISSUED ON/AT
[illegible]	Passport [illegible]	[illegible]

[illegible] known to me to be the same person who executed the foregoing instrument and who duly acknowledged to me that [illegible] voluntary act and deed as well as that of the corporation represented.

WITNESS MY HAND AND SEAL on the date and in the place above written.

Notary Public

Doc. No. [illegible]
Page No. [illegible]
Book No. [illegible]
Series of 2023

STANDARD TERMS AND CONDITIONS OF LEASE

[illegible] **LESSOR** and **LESSEE** [illegible]

WHEREAS, LESSOR [illegible]

WHEREAS, LESSOR [illegible] LESSEE [illegible]

NOW, THEREFORE, [illegible]

1. **LEASE PERIOD** – [illegible]

RENT – [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

3. **OTHER PERMITS, FEES & TAXES**

a. LESSEE [illegible]

LESSEE [illegible]

4. **ESCALATION RATE** – [illegible]

5. **SECURITY DEPOSIT**

LESSOR [illegible] LESSEE [illegible]

b. [illegible]

6. **PAYMENT TERMS**

a. [illegible] LESSEE [illegible]

b. [illegible]

c. [illegible] LESSEE [illegible]

d. [illegible]

7. **UTILITY CHARGES**

a. [illegible]

b. [illegible]

LESSOR

LESSEE

STANDARD TERMS AND CONDITIONS OF LEASE

ACCESS RIGHTS

[illegible]

[illegible]

[illegible]

RIGHT OF WAY

[illegible]

[illegible]

USE OF LEASED PREMISES

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

STANDARD TERMS AND CONDITIONS OF LEASE

14 LESSOR REPRESENTATIONS AND UNDERTAKINGS

[illegible]

[illegible]

ASSIGNMENT AND SUBLEASE [illegible]

15 DEGREE OF DILIGENCE, DAMAGES AND WARRANTIES

[illegible]

[illegible]

16 TERMINATION

[illegible]

[illegible]

[illegible]

15 RETURN OF LEASED PREMISES

[illegible]

[illegible]

STANDARD TERMS AND CONDITIONS OF LEASE

[illegible]

[illegible]

[illegible]

[illegible]

16. SALE of PROPERTY

RIGHT of FIRST REFUSAL [illegible]

SALE or TRANSFER [illegible]

REGISTRATION [illegible]

18. WARRANTY

Common Representations and Warranties

[illegible]

[illegible]

Additional Representations and Warranties of the LESSOR

[illegible]

LESSOR

LESSEE

STANDARD TERMS AND CONDITIONS OF LEASE

[illegible]

VENUE. [illegible]

NOTICE. [illegible]

NON-MODIFICATION OF TERMS AND CONDITIONS. [illegible]

PROHIBITED GIFTS. [illegible]

CONFIDENTIALITY.

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

d. [illegible]

DISCLOSURE. [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

EXECUTION IN COUNTERPARTS. [illegible]

[illegible]

OFFICE OF THE CITY TREASURER

November 4, 2022

CERTIFICATION

This is to certify that based on records on file with this office, Smart Communications Inc. paid their rental fee for the period July 2017 to July 2020 under OR# 2396395 dated 9/14/2022 in the amount of One Million Nine Hundred Thirty One Thousand Two Hundred Sixty Nine Pesos & 12/100 (P 1,931,269.12).

Issued this 4th day of November, 2022 for whatever legal purpose this may serve.

ATTY. EDITH C. NAPALAN
City Treasurer

CONTRACT OF LEASE

KNOWN ALL MEN BY THESE PRESENTS

This Contract of Lease (the "Contract") is made and entered into this _ day of _ _ _ 20 _ by and between

THE CITY GOVERNMENT OF BACOOR, a local government unit, with office address at Bacoor City Hall, Bacoor Government Center, Bacoor Boulevard, Barangay Bayanan, City of Bacoor, Cavite, represented herein by its City Mayor, **HON. STRIKE B. REVILLA**, acting pursuant to the authority granted to him under City Resolution No. _ _ _ Series of 20 _, hereinafter referred to as the "**LESSOR**"

and

SMART COMMUNICATIONS, INC., a domestic corporation duly organized and existing under the laws of the Republic of the Philippines with principal office address at SMART Tower, 6799 Ayala Avenue, Makati City, represented herein by its Department Head/VP-Office of Network Operations Head, **MS. DEBBIE M. HU**, hereinafter referred to as the "**SMART**"

The term "party" shall mean either LESSOR or SMART, as applicable, while the term "parties" shall mean LESSOR and SMART, collectively.

WITNESSETH, That –

WHEREAS, the LESSOR is the owner of a parcel of land with an aggregate area of Seven Hundred Four square meters (798 sqm) located at Gen. Evangelista, Tabing Dagat, City of Bacoor, Cavite ("the Property") including all improvements thereon as evidence by Original Certificate of Title No. 2019000002, a copy of which is attached as Annex "A"

WHEREAS, SMART, in the furtherance of its business, desires and offers to extend continue leasing a portion of the Property in the City of Bacoor Hall of Justice with an area of fifty (50) square meters for its telecommunications facilities, hereinafter referred to as the "Leased Premises"

WHEREAS, a prior Contract of Lease was entered into by the Parties dated 08 July 2010, a copy of which is attached as Annex "B", and both Parties agree to execute a new Contract of Lease.

WHEREAS, the said Contract of Lease expired last 07 July 2020, but the global pandemic brought about by COVID-19 delayed the execution of a new Contract between the parties.

WHEREAS, the LESSOR agrees that monthly rental fee to be paid by SMART during the period gap from 07 July 2021 until the 30 June 2021, prior the effective date of this Agreement, shall be the prevailing monthly rate amounting to fifty-three thousand seven hundred thirty-eight pesos and 17/100 (**PHP 53,738.17**)

WHEREAS, the LESSOR agrees to extend and continue to lease out the Leased Premises to SMART for the sole purpose of utilizing the same as a

telecommunication facility in accordance with the City Ordinance No. CO 33-2018 or the "Bacoor Lease Ordinance", Series of 2018;

NOW, THEREFORE, for and in consideration of the above which are essential conditions and integral provisions of this Contract and the mutual covenants and stipulations contained here, the LESSOR leases unto SMART and the latter accepts from the former, the Leased Premises. The parties agree to the following

1. **LEASE PERIOD** This Contract shall be deemed to have commenced from the 1st day of July 2021 and shall expire at midnight of the 30th day of June 2031 (the "Lease Period") unless earlier terminated pursuant to Section 13 of this Contract. This Contract may be renewed at instance of either party by sending the other party a written notice to such effect within six (6) months prior to the expiration hereof such terms and conditions as may be mutually acceptable to the LESSOR and the LESSEE

2. **RENT.** For and in consideration of the use and occupancy of the Leased Premises SMART shall pay the LESSOR a monthly rental of **FIFTY-THREE THOUSAND SEVEN HUNDRED THIRTY-EIGHT PESOS AND 17/100 (PHP 53,738.17)** Philippine currency payable quarterly in advance within the first fifteen (15) days of every applicable period of the rental year.

   a. The rental payments shall be inclusive of all taxes fees and assessments and other charges, except value-added tax (VAT). The withholding tax shall be withheld by SMART at the rate prescribed by law currently at five (5%), and shall be for the account of the LESSOR. SMART shall, however, provide LESSOR the corresponding Certificate/s of Creditable Tax Withheld, at intervals mandated by the Bureau of Internal Revenue. The Documentary Stamp Tax (DST) arising from this Contract of Lease shall be for the account of the LESSOR

   b. The VAT, if applicable, shall be for the account of SMART provided LESSOR is a VAT-registered entity and presents a copy of its VAT Registration Certificate upon the start of the lease period and issues duly registered VAT Official Receipts (ORs) upon receipt of rental fee. Failure of the LESSOR to issue the applicable Official Receipt will be sufficient ground for SMART to withhold future payments. In case of failure on the part of LESSOR to provide said VAT Registration Certificate, SMART may refuse to pay the value-added tax (VAT) from the time of the start of the lease period until such time LESSOR provides a copy of the VAT Registration Certificate

3. **ESCALATION RATE** The monthly rental indicated herein shall be subject to an increase of five percent (5%) annually to commence on the sixth (6th) year (i.e. 01 July 2027) of this Contract based on the rentals of the previous year

4. **SECURITY DEPOSIT** SMART authorizes the LESSOR to retain the initially paid security deposit for the sum of **EIGHTY-FOUR THOUSAND TWO HUNDRED TEN PESOS AND 52/100 ONLY (PHP 84,210.52)** Philippine Currency to answer for any unpaid obligations of SMART including unpaid rentals utility bills, damage to Leased Premises, if any to be mutually agreed upon by the parties. Said security deposit shall be returned to SMART within thirty (30) days from the physical turn-over of the Leased Premises to the LESSOR

5. **PAYMENT TERMS**

a Upon the mutual signing of this Contract, SMART agreed for the LESSOR to retain the previously remitted amount equivalent of three (3) months advance rental or the sum of **ONE HUNDRED TWENTY-SIX THOUSAND THREE HUNDRED FIFTEEN PESOS AND 78/100 ONLY (PHP 126,315.78)**, Philippine currency less the withholding tax and other necessary fees and charges provided for in Section 2.

b. Succeeding quarterly payments shall be issued by a crossed check collectible at Union Bank, Madrigal Branch. Upon presentation of LESSOR's Bank Certification, SMART may opt to credit LESSOR's current/savings account no _____ at the _____ Bank, Branch

6 **TAXES ON IMPROVEMENT**. During the Lease Period SMART shall pay for the real estate taxes on the improvements introduced or to be introduced by it on the Leased Premises, should there be any

7 **UTILITY CHARGES**.

a The electricity, water and other utility charges due to the use by SMART of the said utility during the Lease Period shall be for the exclusive account of SMART. For this purpose, SMART shall install or cause to be installed a separate meter to measure and register its electric and water consumption. The utility charges shall be paid as they become due based on the kilowatt hours (kwh) used with respect to electricity, and the cubic meters (cu. m.) consumed with respect to water as registered on SMART's meter.

b If the electricity, water and or other utilities are provided for or connected through the LESSOR, the undue disruption or interference with such utility services shall exempt SMART form the payment of such utility charges except when the curtailment or interference is due to the willful misconduct or gross negligence of SMART. The LESSOR shall take the necessary steps to immediately restore such utility services and the actual and reasonable cost thereof shall be deducted from the rentals due from SMART

8 **ACCESS**

a Where applicable and during the Lease Period the LESSOR shall allow SMART access to the site with a four (4) meter wide right-of-way from the nearest main road/street leading to the Leased Premises free from any charges whatsoever. If SMART shall need to traverse the property of any third party to gain access to the Leased Premises, the LESSOR shall arrange for the same and this is included in the monthly rental rate indicated here

b SMART shall have free ingress and egress to and from the Leased Premises at any hour of the day and night for the operation, maintenance introduction and removal of SMART's equipment and device.

c The LESSOR or its duly authorized representatives shall have the right to inspect the Leased Premises upon at least three (3) days prior written notice to SMART and at such time convenient to SMART

9 **USE OF LEASED PREMISES**.

a SMART shall use the Leased Premises solely for business purposes and not for any other use without the written consent of the LESSOR, which consent shall not be unreasonably withheld

b. SMART shall have the sole use of the Leased Premises and shall have the right among others to install its antennae tower and other telecommunications, electronics and computer equipment or device together with other necessary or useful equipment fixtures and appurtenances at suitable places within the Leased Premises as well as install any additional antenna and/or equipment within the duration of the lease period

c SMART shall have the right to install and operate a suitable power generator at the Leased Premises provided that adequate safety anti-pollution and noise reduction measures are observed

d SMART shall have the right to install electric and telephone poles/lines from the nearest public utility terminal to link with its equipment in the Leased Premises provided that SMART shall pay for the costs and expenses incurred

e The LESSOR hereby recognizes that the primary consideration of SMART in agreeing to enter into this Contract is the commitment of the LESSOR that SMART shall have the right to install and maintain its antennae and other telecommunication, electronic, and computer equipment or device for the duration of the Lease Period and any renewal or extension period. Any disturbance of this right shall allow SMART to terminate this Contract without any damage on the part of SMART.

f All expenses about the installation and maintenance of any and all installations of SMART shall be for SMART's exclusive account

10. **RESTRICTIONS ON THE LESSOR**

a. The LESSOR shall not store hazardous materials or any air-conditioning unit or emergency power generator adjacent to or near the Leased Premises that would adversely affect the normal use and operations of SMART's telecommunications, computers and other electronic equipment due to noise, smoke, vibration, electromagnetic field, heat and other such negative forces generated or emitted by such materials or equipment

b The LESSOR shall not allow the entry of any other telecommunication facility that may interfere with SMART's equipment without securing the consent of SMART and clearance that this shall not interfere with SMART's equipment

11. **SUBLEASE** SMART shall be allowed to sublease the Leased Premises or any part thereof. Moreover, SMART is allowed to co-locate with any of its subsidiaries and affiliates at no additional cost and in which case SMART shall continue to be liable to the LESSOR, and in which case to the same extent as long as such sublease or co-location exists

12. **DEGREE OF DILIGENCE, DAMAGES AND WARRANTIES**

a. SMART shall exercise the diligence of a good father of the family in the use of the Leased Premises in the construction, installation and maintenance of its antennae, communication tower and other equipment and in the conduct of its operation on the premises

b. For any damage or injury to the LESSOR or its properties arising from or about SMART's use of the said equipment or the wrongful or negligent conduct of SMART's employees, SMART shall immediately correct the defect and indemnify the LESSOR for any damage that it may sustain without any delay. If the damage or injury is sustained by a third party, SMART shall indemnify the party concerned and shall hold the LESSOR free and harmless from any claim or liability, except those damages or injuries arising from fortuitous events

c. SMART warrants and represents that its antennae, communication tower, equipment and other electronic devices shall not damage, hinder, hamper or adversely affect nor interfere with the reception capacity of the telecommunication or television facilities of the residents near the Leased Premises and is this occurs, it shall immediately correct the interference and repair and pay for any damage that may have been caused after an investigation has been made clearly showing SMART's liability

13. **TERMINATION**

a. Either party may terminate this Contract upon thirty (30) days prior written notice should the other party commit any breach of the terms and conditions of this Contract and fails to remedy the same within thirty (30) days from receipt of written demand by the aggrieved party to remedy such breach.

b. If the termination is initiated by SMART under the above Section a., the LESSOR shall refund to SMART the unused portion of any and all payments made within thirty (30) days from date of termination without prejudice to the right of SMART to claim damages against the LESSOR and without further prejudice to whatever legal remedies SMART may institute to protect its interests

c. Should SMART be constrained to pre-terminate this Contract due to any reason whatsoever, SMART shall give a written notice to the LESSOR at least thirty (30) days before the effective date of pre-termination, and pay the LESSOR an amount equal to two (2) months' rent prevailing at the time of pre-termination or forfeiture of the unused portion of any advance rental already paid by SMART to the LESSOR, whichever is lower

d If SMART could not use the Leased Premises due to force majeure this Contract may be terminated anytime by either party and the unused portion of the advance rentals already paid shall be refunded by the LESSOR to SMART provided that SMART shall give the LESSOR a reasonable period of thirty (3) days to refund the same. For purposes of this provision force majeure shall include fire, earthquake floods typhoons, war actions, orders or rulings by the national government whether national or local, or any of its agencies or instrumentalities which may adversely affect the performance of the obligations or exercise of the rights of the parties, and which could not be attributed to the fault negligence or participation of SMART of its agents and employees.

14 **RETURN OF LEASED PREMISES**

a Upon the end or termination of this Contract, SMART agrees to return the physical possession of the Leased Premises in the condition in which it was delivered at the start of this Contract, reasonable wear and tear excepted and excepting further such improvements introduced by SMART

b All trade and professional fixtures equipment and improvements introduced by SMART during the Lease Period shall exclusively belong to SMART and SMART shall have the right to remove all of its trade or professional fixtures, equipment, device and any and all improvements introduced within the Leased Premises at the end or termination of this Contract provided that SMART shall, at its own expense repair any damage which may result from the removal of said fixtures equipment or device or improvements All movables, apparatus, fixtures and equipment which are not otherwise permanently attached to the subject property or which may be removed without causing damage or destruction to the subject property shall remain the property of SMART and shall be removed by SMART, at its own cost

c Upon turn-over by SMART to the LESSOR, all permanent improvements introduced or made on the leased premises shall pertain and belong to the LESSOR, without any compensation The concrete structures permanently attached to the Leased Premises and which cannot be removed without destroying them shall become property of the LESSOR at the end of the term or upon its termination.

15 **SALE OF PROPERTY**

a. RIGHT OF FIRST REFUSAL If during the Lease Period the LESSOR desires to sell the Property covered by the Leased Premises or any portion where the Leased Premises is situated the LESSOR shall first offer the same to SMART by giving written notice of its intention to sell together with the price and terms for the sale SMART may exercise its right of first refusal by giving written notice to the LESSOR of its decision to buy the Leased Premises within thirty (30) days from receipt of the written notice If SMART fails to notify the LESSOR of its decision to exercise its right of first refusal within the thirty (30) day period the LESSOR shall be free to sell

the Leased Premises to any third party under at least the same terms and conditions that it was offered for sale to SMART

b. SALE OR TRANSFER If the property or the Leased Premises shall be sold, transferred, assigned, conveyed, mortgaged or encumbered to any third party during the Lease Period, the LESSOR shall ensure that the buyer, transferee, assignee, mortgagee, or encumbrancer shall respect the terms of this Contract. The LESSOR shall not be released from its obligation under this Contract notwithstanding such sale, transfer, assignment, conveyance, mortgage or encumbrance of the property unless the buyer, transferee, assignee, mortgagee or encumbrancer agrees in writing to be bound by the terms of this Contract and to assume all obligations of the LESSOR.

16 **REGISTRATION**. This Contract may be registered with the Registry of Deeds where the title to this property was registered and annotated at the back of the applicable Transfer Certificate of Title. All expenses necessary for the registration shall be for the account of SMART.

17 **WARRANTY**. The parties warrant the following:

a. Each of the parties hereto represents that it has full power and authority to enter into and perform its obligations under this Contract. All necessary actions, consents, and approvals for the execution of this Contract have been taken and/or obtained. This Contract constitutes the legal, valid, and binding obligations of each of the parties enforceable under its terms.

b. It is duly incorporated, validly existing and in good standing under Philippine laws and has its principal office at the address written above.

c. That the LESSOR is the lawful owner and/or has the full legal right, power and authority to let the Leased Premises at the time this Contract is executed.

d. That there is no litigation, claim or dispute pending, or to its knowledge threatened against of affecting it or its properties, the adverse determination of which may materially adversely affect its ability to let the Leased Premises.

e. That SMART shall have peaceful and continuous possession and enjoyment of the Leased Premises.

f. That the LESSOR shall defend its title or rights to the Leased Premises so that SMART may enjoy quiet and peaceable possession of the premises.

g. That the LESSOR shall indemnify and hold SMART free and harmless from claims, suits, proceedings, actions and other demand of third parties claiming title, possession or any other interest about the Leased Premises or any portion thereof and from any damages, including suits to declare the Lease illegal or unauthorized and any order, ruling or judgment rendered against SMART shall likewise be shouldered by the LESSOR.

h. In the event that any of the abovementioned claims, suits, proceedings, actions, and other demands, whether against SMART and/or LESSOR, individually and/or collectively, SMART, at its option, and at any time, may suspend payment of the rental until such time that the claims, suits, proceedings, actions and other demands are resolved or settled to the satisfaction of SMART.

18. **VENUE**. The venue of all suits and actions arising out of or about this Contract shall be in the proper courts where the property is located or Makati City, the parties hereby waiving other applicable venues.

19. **NOTICE**. Any inquiry or information relative to this Contract shall always be relayed in writing to:

LESSOR	LESSEE
STRIKE B. REVILLA	**DEBBIE M. HU**
City Mayor	Department Head/VP-Office of
City Government of Bacoor	Network Operations Head
Bacoor City, Cavite	Smart Communications Inc.

20. **NON-MODIFICATION OF TERMS AND CONDITIONS**. This Contract constitutes the entire Contract between the parties and cannot be changed except in writing and signed by both parties. This Contract shall be binding upon and inure to the benefit of the parties, their heirs, successors and permitted assigns. This Contract supersedes all previous Contracts, promises or representations regarding the subject matter.

21. **PROHIBITED GIFTS**. The LESSOR nor any of its representatives will not directly or indirectly pay, offer or authorize payment of any monies or anything of value (either in the form of compensation, gift, contribution or otherwise) to any person or firm employed by or acting for or on behalf of SMART to induce or reward such person's or firm's action or decision about this Contract (any such payment being a "Prohibited Payment"). Any violation of this provision shall grant SMART the right to require the return of any and all monies paid by SMART to the LESSOR with interest thereon at the rate of two percent (2%) per month computed from the start of this Contract and/or to declare this Contract rescinded or terminated.

22. **DISCLOSURE**. In the interest of transparency and in compliance with SMART's Corporate Governance Policies especially the Conflict of Interest Policy, LESSOR hereby discloses the following:

a. LESSOR has no existing or previous close personal or business affiliation or relationship with SMART Director, Employee or Consultant.

b. LESSOR has no relative of up to 3rd degree in SMART, whether by consanguinity, affinity or legal adoption.

c. In the event that LESSOR would become aware of such a relationship or affiliation, LESSOR would immediately disclose it to

SMART and take further steps actions or measure to comply with other requirements as may be prescribed by SMART:

c LESSOR acknowledges the authority of SMART to determine and impose the appropriate sanction in the event of LESSOR's violation or non-compliance with its Conflict of Interest Policy including declaring this a breach of Contract

IN WITNESS WHEREOF, the parties have hereunto signed these presents on the date and at the place above written

CITY GOVERNMENT OF BACOOR INC.
Lessor

By

HON. STRIKE B. REVILLA
City Mayor

SMART COMMUNICATIONS,

Smart

By

DEBBI M. HU
Department Head
VP-Office of Network Operations Head

SIGNED IN THE PRESENCE OF

REPUBLIC OF THE PHILIPPINES)
CITY OF BACOOR) S.S.

ACKNOWLEDGMENT

BEFORE ME, a Notary Public in and for the _____ _____ _____ personally appeared.

Name	Competent Proof of Identity / ID Number	Validate Date / Place Issued
STRIKE B. REVILLA	Passport ID P8991785B	16 February 2032 / DFA Manila
DEBBI M. HU	Philippine Passport P7343910A	26 May 2028 / DFA NCR East

Affiants who have been identified by me through the foregoing competent evidence of their identities personally appeared before me and attested to me that their signatures appearing on each page of the foregoing instrument consisting of _____ (_____) pages were voluntarily affixed by them and that the instrument is their free and voluntary act and deed.

WITNESS MY HAND AND SEAL on this _____ day of _____ _____, 20__ at the place above-mentioned.

Doc. No. ___
Page No. ___
Book No. ___
Series of 202_