



OFFICE OF THE SAGGUNIANG PANLUNGSOD

Office of the Sangguniang Panlungsod  
Received by: Janet P. Piling  
JPH 03/14/2024

COMMITTEE ON RULES AND PRIVILEGES, LAWS AND  
ORDINANCES

COMMITTEE HEARING REPORT  
CRPLO-PCR- 536-2024

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Subject: *A resolution authorizing the City Mayor, Hon. Strike B. Revilla, to sign the renewal of the contract of lease with the Manila Electric Company (MERALCO) Bacoor Sales Service Center located at the ground floor of the Bacoor Government Center.*

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The above-mentioned subject matter underwent first reading on March 11, 2024 during the 82<sup>nd</sup> Regular Session of the Sangguniang Panlungsod. The said subject matter was referred by the Presiding Officer Hon. Rowena Bautista Mendiola to the Committee on Rules and Privileges, Laws and Ordinances.

The Committee Rules on Rules and Privileges, Laws and Ordinances sent out invitations to the resource persons and conducted a committee hearing on March 14, 2024 at the MSBR Conference Room at 2:20 p.m.

**FINDINGS:**

During the committee hearing held last March 14, 2024, it was found out that the above-mentioned subject matter is just a renewal of the existing lease agreement between Manila Electric Company (MERALCO) Bacoor Sales Services Center and the City Government of Bacoor. Further found that no changes stipulated in the previous lease agreement will be included in the renewal of the said lease contract agreement.

**RECOMMENDATION:**

After a thorough review of all the circumstances and statements from the resource persons, the Committee respectfully recommends that the Sangguniang Panlungsod approve the above subject matter.

By the motion of Hon. Reynaldo C. Palabrica duly seconded by all the members of the Sangguniang Panlungsod, the above subject matter was **APPROVED** during its 83<sup>rd</sup> Regular Session.




**OFFICE OF THE SAGGUNIANG PANLUNGSOD**

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

Signed this 18th day of March 2024 at the City of Bacoor, Cavite.

**Committee on Rules and Privileges, Laws and Ordinances**

  
\_\_\_\_\_  
**COUN. REYNALDO C. PALABRICA**  
Chairman

  
\_\_\_\_\_  
**COUN. LEVY TELA**  
Vice Chairman

  
\_\_\_\_\_  
**COUN. ALEJANDRO GUTIERREZ**  
Member

  
\_\_\_\_\_  
**COUN. ADRIELITO GAWARAN**  
Member



**OFFICE OF THE SANGGUNIANG PANLUNGSOD**

**COMMITTEE ON RULES AND PRIVILEGES, LAWS AND  
ORDINANCES**

**MINUTES OF THE COMMITTEE HEARING  
CRPLO-PCR-536-2024**

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*Subject: A resolution authorizing the City Mayor, Hon. Strike B. Revilla, to sign the renewal of the contract of lease with the Manila Electric Company (MERALCO) Bacoor Sales Service Center located at the ground floor of the Bacoor Government Center.*

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A committee hearing on the above-subject matter was conducted last March 14, 2024, 2:20 p.m. at the Sangguniang Panlungsod presided by Committee Chairman Hon. Reynaldo C. Palabrica.

**MEMBERS OF THE COMMITTEE AND CITY COUNCILORS PRESENT:**

HON. LEVY TELA  
HON. ALEJANDRO GUTIERREZ  
HON. ADRIELITO GAWARAN  
HON. SIMPLICIO DOMINGUEZ  
HON. ROGELIO NOLASCO

**RESOURCE PERSONS PRESENT:**

ATTY. REY MARCO MENDOZA - OFFICE OF THE CITY LEGAL SERVICES  
MS. CRISTINA O. QUILINGAN - MERALCO REPRESENTATIVE

- The Presiding Officer, City Councilor Hon. Reynaldo Palabrica read the above-subject matter and the committee hearing was called to order.
- The Presiding Officer then proceeded with the introduction of the members of the Honorable Committee and City Councilors present in the committee hearing.





**OFFICE OF THE SANGGUNIANG PANLUNGSOD**

- The Presiding Officer asked the resource persons to introduce themselves before the Honorable Committee.
- The Presiding Officer asked the MERALCO representative, Ms. Quilingan to explain before the Honorable Committee regarding the above-subject matter.
- Ms. Quilingan narrated that MERALCO Sales Services requested for the renewal of the lease of contract agreement between the City Government of Bacoor.
- The Presiding Officer asked the comment of Atty. Rey Marco Mendoza, City Legal Services representative regarding the proposed resolution.
- Atty. Mendoza said that the proposed contract of lease has no changes compared from the previous agreement. Only signatories of the new lease of contract agreement will be changed.
- The Presiding Officer asked the comments/suggestions from the members of the Honorable Committee.
- City Councilor Hon. Adrielito Gawaran had seen no problems with the proposed resolution and further moved for the adjournment of the committee hearing, duly seconded by all the members of the Honorable Committee.
- The committee hearing ended at 2:30 p.m.

Prepared by:

  
RONALDO M. VERONA  
Clerk

Attested by:

  
\_\_\_\_\_  
**COUNCILOR REYNALDO C. PALABRICA**  
Chairman  
Committee on Rules and Privileges, Laws and Ordinances



Republic of the Philippines  
**PROVINCE OF CAVITE**  
City of Bacoor

**OFFICE OF THE SAGGUNIANG PANLUNGSOD**

*Committee on Rules and Privileges, Laws and Ordinances*

**NOTICE OF COMMITTEE HEARING**

(PROOF OF RECEIPT)

(March 14, 2024 2:30 PM)

(SBR Conference Room)

**Subject:** A RESOLUTION AUTHORIZING THE CITY MAYOR, HON. STRIKE B. REVILLA TO SIGN THE RENEWAL OF THE CONTRACT OF LEASE WITH THE MANILA ELECTRIC COMPANY (MERALCO) BACOR SALES SERVICE CENTER LOCATED AT THE GROUND FLOOR OF THE BACOR GOVERNMENT CENTER ( PCR No. 536-2024) dated (March 12, 2024)

NAME	OFFICE AFFILIATION	CONTACT NUMBER	SIGNATURE/DATE
HON. ALDE PAGULAYAN			<i>[Signature]</i> 3-13-24
HON. ALEJANDRO GUTIERREZ	SP		<i>[Signature]</i> 3/13/24
HON. LEVY TELA	SP		<i>[Signature]</i> 03/13/2024 11:32 AM
HON. ADRIELITO GAWARAN			<i>[Signature]</i> / 3/13/24
MERALCO			<i>[Signature]</i> 3/13/24
Atty. KIM NYCA LOFRANCO City Legal			





**PCO 536 -2024 - A RESOLUTION AUTHORIZING THE CITY MAYOR, HON. STRIKE B. REVILLA TO SIGN THE RENEWAL OF THE CONTRACT OF LEASE WITH THE MANILA ELECTRIC COMPANY (MERALCO) BACoor SALES SERVICE CENTER LOCATED AT THE GROUND FLOOR OF THE BACoor GOVERNMENT CENTER.**





Republic of the Philippines  
Province of Cavite  
**CITY OF BACOR**

*Office of the Mayor*

CGBCR-MD 012-103 00  
19 20 2023

March 6, 2024

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

OFFICE OF THE  
SANGGUNIANG PANLUNGSOD  
RECEIVED  
BY: RUTH  
DATE: March 11, 2024 3:51 PM  
BACOR CITY, CAVITE

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

**SUBJECT: Endorsement Letter**

Dear Hon. Bautista-Mendiola

I hereby endorse to the esteemed members of the Sangguniang Panlungsod for appropriate action Endorsement No. 349, series of 2024, issued by the Office of the City Legal Service, relative to the renewal of the Contract of Lease between the City Government of Bacoor and Manila Electric Company (MERALCO) – Bacoor Sales Service Center located at the Ground Floor of the Bacoor Government Center

Attached herewith is the aforementioned endorsement, including its attachments, for your immediate reference

I trust that you give this matter your utmost consideration.

Sincerely yours,

**STRIKE B. REVILLA**  
City Mayor

Office of the Mayor *STRIKE*  
Strike B. Revilla



SBR20241281







Republic of the Philippines  
Province of Cavite  
**CITY OF BACCOOR**

COB-CCLS-02-F1-  
10202322

## OFFICE OF THE CITY LEGAL SERVICE

INDORSEMENT NO. 349, SERIES 2024

TO : Hon. **STRIKE B. REVILLA**  
*City Mayor*  
Office of the Mayor

Thru : **Atty. PAUL MICHAEL G. SANGALANG**  
*Executive Assistant IV*  
Office of the City Mayor

*Atty. Sangalang*  
5-071  
alsp4

RE: **FOR ENDORSEMENT TO SANGGUNIANG PANLUNGSOD**  
Contract of Lease - Renewal with Manila Electric Company  
**MERALCO Bacoor Sales Service Center** located in the Ground Floor of  
the Bacoor Government Center

DATE: 05 March 2024

We are respectfully endorsing to your good office a copy of the proposed **CONTRACT of LEASE** draft between the City Government of Bacoor and the Manila Electric Company regarding the renewal of their lease agreement for the **MERALCO Bacoor Sales Service Center** located in the ground floor of the Bacoor Government Center

All things having been found to be in order, we hereby endorsed to your good office the above-enumerated Contract of Lease **for your approval, and subsequent endorsement to the Sangguniang Panlungsod.**

Thank you for your usual support and Godspeed!

RESPECTFULLY

**Atty. REY MARCO B. MENDOZA**  
*Office of the City Legal Services*

APPROVED BY:

*Kim Nya R. Lofranco*  
**Atty. KIM NYRA R. LOFRANCO**  
*City Legal Officer*  
Office of the City Legal Services

**STRIKE**  
**AS1**



SCAN ME

## CONTRACT OF LEASE

### KNOWN ALL MEN BY THESE PRESENTS:

This Contract of Lease (hereinafter referred to as the "Contract") is made and entered into this \_\_\_ day of \_\_\_\_\_ 202\_\_ (the "Effective Date"), by and between:

**THE CITY GOVERNMENT OF BACCOOR**, a local government unit with office address at Bacoor City Hall, Bacoor Government Center, Molino Boulevard, Barangay Bayanan, City of Bacoor, Cavite, represented herein by its City Mayor, **Hon. STRIKE B. REVILLA**, acting pursuant to his authority duly conferred and embodied under City Resolution No. \_\_\_\_\_, Series of 202\_\_, approved by the City Council of Bacoor dated \_\_\_\_\_, and hereinafter referred to as the "**LESSOR**";

and

**MANILA ELECTRIC COMPANY**, a corporation duly organized and existing under and by virtue of the laws of the Philippines, with principal office address at Lopez Building, Ortigas Avenue, Barangay Ugong, Pasig City, represented herein by **Ms. CHARINA P. PADUA**, First Vice-President and Head, Customer Retail Services and **Mr. JUAN PAOLO P. CRUZ**, Assistant Vice-President and Deputy Head, South Business Area, hereinafter referred to as the "**LESSEE**".

The **LESSOR** and the **LESSEE** shall hereinafter be singly referred to as a "Party" and collectively as the "**PARTIES**".

### WITNESSETH That:

**WHEREAS**, the **LESSOR** is the owner of that property known as the City Hall Bldg., Bacoor Government Center, located at Bacoor Boulevard, Brgy. Bayanan, City of Bacoor, Cavite (the "Property");

**WHEREAS**, the **LESSEE**, in the furtherance of its business, desires to lease a portion of the Property with an area of fifty (50) square meters identified as a portion of Unit LG01 of the Lower Ground Floor of the Property, for its office space, hereinafter referred to as the "Leased Premises";

**WHEREAS**, the **LESSOR** agrees to lease out the Leased Premises to the **LESSEE** for the sole purpose of utilizing the same as an office and/or commercial space;

**NOW, THEREFORE**, for and in consideration of the foregoing premises and the mutual covenants and stipulations provided for herein, the Parties hereby agree as follows:

### ARTICLE ONE TERM

**SECTION 1.** The lease shall be for a period of **THREE (3) YEARS** commencing from **01 JANUARY 2023** and shall expire at midnight of **31 DECEMBER 2026** (the "Term") unless earlier terminated pursuant to Sections 15 and 16 of this Contract. This Contract may be renewed at the instance of either Party by sending the other Party a written notice to such effect within six (6) months prior to the expiration hereof, subject to the execution by both Parties of a written agreement extending this lease.

## **ARTICLE TWO RENTAL PAYMENTS**

**SECTION 2.** For and in consideration of the use and occupancy of the Leased Premises, the LESSEE shall pay the LESSOR a monthly rental of **THIRTY-NINE THOUSAND AND THREE HUNDRED FORTY-SEVEN PESOS AND FIFTEEN CENTAVOS (PHP 39,347.00)** every sixteenth (16<sup>th</sup>) day of each month for the duration of the Term, subject to the provisions of paragraphs III and IV hereof.

Succeeding rental payments received more than fifteen (15) working days after its due date shall be considered late payment and shall bear a penalty interest of five percent (5%) per month, to be computed on a daily basis and compounded monthly from the date of default until fully paid, without prejudice to the right of the LESSOR to terminate this Contract.

Any other amount required to be paid by the LESSEE to the LESSOR hereunder shall, if unpaid on its due date, similarly earn interest at the same rate and conditions.

This section on Rent shall be subject to Article IV hereof.

## **ARTICLE THREE ADVANCE RENTAL AND SECURITY DEPOSIT**

**SECTION 3.** Upon the execution of this Contract, the LESSEE shall pay the LESSOR:

1. The sum of **One Hundred Eighteen Thousand Forty-One Pesos and Forty-Five Centavos (PHP 118,041.45)**, representing three (3) months advanced rental, applicable on the first three (3) months of the Contract. Succeeding monthly rentals, after the advanced rentals shall have already been utilized, shall be due and payable within the first five (5) days after the 15<sup>th</sup> day of the month and every 15<sup>th</sup> day of the succeeding months thereafter up to and until the expiration of the Term, or the termination of this Contract of Lease, as provided for under Article One hereof; and

2. A Security Deposit in the amount of **One Hundred Eighteen Thousand Forty-One Pesos and Forty-Five Centavos (PHP 118,041.45)**, which is equivalent to three (3) months' rentals. It is hereby expressly agreed herein that the Security Deposit cannot be utilized for the payment of the monthly rentals. The Security Deposit provided for herein shall be refundable to the LESSEE within thirty (30) days from the expiration of the Term or the termination of this Contract as provided for under the provisions of Article One hereof, provided that no deduction therefrom or forfeiture thereof is proper except as provided for in this Contract.

#### **ARTICLE FOUR RENTAL ESCALATIONS**

- SECTION 4.** It is agreed that the monthly rental under this Contract shall be adjusted every year for the duration of the Term beginning on the second year thereof. The Parties so agree that the increase in rent for the third year on the monthly rental due shall be seven and one-half percent (7.5%) per annum on a cumulative basis to commence on the 2<sup>nd</sup> year of the Contract applicable for the last remaining two years thereof. The rental as computed annually, shall be as follows:

<b>Period</b>	<b>INCREASE</b>	<b>ESCALATED RENTAL RATES/MO.</b>
<b>January-December 2024</b>	<b>0%</b>	<b>PHP 39,347.15</b>
<b>January 01, 2025-December 31, 2026</b>	<b>7.5% OF 39,347.15</b>	<b>PHP 45,249.22</b>

#### **ARTICLE FIVE USE OF THE LEASED PREMISES**

- SECTION 5.** The LESSEE shall use the Leased Premises exclusively for office/commercial purposes. The LESSEE further agrees that the Leased Premises shall not be utilized for any other purposes without first obtaining written consent from the LESSOR on the LESSEE's intention to use the Leased Premises for purposes other than operating a business office.

Should the LESSEE, at any time during the term of this Contract, use the Leased Premises for any other purpose without the prior written consent of the LESSOR, the LESSOR shall have the option to either terminate this Contract or compel the LESSEE to discontinue the non-commercial activities, at the sole and exclusive option of the LESSOR.



## ARTICLE SIX IMPROVEMENTS AND EFFECTS

- SECTION 6.** At its expense, the LESSEE may be allowed to construct, install, set up, and/or introduce improvements in the Leased Premises as may be required or reasonably necessary for carrying out its business operations, subject to the approval of the LESSOR. No such improvements shall be introduced by the LESSEE on the Leased Premises without first showing the plans thereof to the LESSOR for its approval. Said improvements and effects shall remain the LESSEE's property during the term of this Lease Contract.
- SECTION 7.** At the sole and exclusive option of the LESSOR, all permanent constructions, additions, alterations, and improvements made or introduced by the LESSEE in the Leased Premises shall become the property of the LESSOR upon the expiration of the Term or termination of this Contract, or any renewal or extension thereof, without obligation on the part of the LESSOR to pay or reimburse the LESSEE for the value thereof or to require the LESSEE to remove the same and restore the Leased Premises in its original state/ condition prior to the introduction of the subject permanent constructions, additions, alterations, and improvements at the cost of the LESSEE. For this purpose, permanent constructions, additions, alterations, or improvements are those improvements that were introduced by the LESSEE that cannot be removed without damaging or defacing the original structure of the Leased Premises.
- SECTION 8.** The ownership of constructions, improvements, furnishings, equipment, and fixtures constructed or installed by the LESSEE, which may be removed without causing damage to the Leased Premises, shall remain with the LESSEE. All non-permanent improvements must be removed by the LESSEE upon the expiration of the term or termination of this Contract unless there is a just and valid cause for the LESSOR to prevent the same. The LESSEE shall repair or restore at its own expense any damage to the Leased Premises arising from, relating to, or in connection with the removal of the movable improvements, subject to the acceptance, which shall not be unreasonably withheld by the LESSOR of the repair or restoration made by the LESSEE. The Security Deposit shall only be released and refunded to the LESSEE after the Leased Premises have been accepted by the LESSOR. In the event that necessary repairs or restoration to the Leased Premises, which the LESSEE is bound to perform as provided herein, has not been undertaken, the LESSOR may undertake the same using the Security Deposit. The remainder, should there be any, shall be returned to the LESSEE. If the Security Deposit is not enough for the necessary repairs or restorations, the deficiency shall be chargeable and recoverable from the LESSEE, which the latter undertakes to pay within thirty (30) days from receipt of a validated statement of account of such expenses.

**ARTICLE SEVEN  
MAINTENANCE AND REPAIRS**

**SECTION 9.** The maintenance, cleanliness, and upkeep of the Leased Premises, including ordinary repairs, shall be undertaken by the LESSEE for its own account and expense. Major repairs due to normal wear and tear of the Leased Premises in its original condition, not including improvements made by LESSEE, shall be for the exclusive account of the LESSOR. The LESSEE may, however, undertake the major repairs for reimbursement of the LESSOR subject to inspection by and approval of the LESSOR. The LESSEE shall also be responsible for acquiring an insurance policy that will cover any damages caused by fortuitous events and for repairs that are caused by them. For purposes of determining what a major or minor repair is, any repair amounting to P10,000.00 and above shall be considered a "major repair." Any repair below said amount shall be considered as "minor repair" and for the account of the LESSEE.

**ARTICLE EIGHT  
ELECTRIC, TELEPHONE, WATER AND OTHER UTILITY**

**SECTION 10.** The LESSEE shall have the right to arrange directly with the utility providers and operators for service connection in the Leased Premises of electric, telephone, water, and other utilities, for which it shall be entitled to a separate meter, therefore, and shall be obliged to defray to the service provider.

**ARTICLE NINE  
INSURANCE**

**SECTION 11.** The LESSEE shall have the right for its account to obtain insurance coverage over the improvements, furniture, equipment, and other property of the LESSEE on the entire Leased Premises.

**ARTICLE TEN  
SUB-LEASE AND TRANSFER OF RIGHTS**

**SECTION 12.** The LESSEE could not sub-let or transfer its right to all or any part of the Leased Premises unless, with the written consent of the LESSOR, the LESSOR shall be considered to have given its consent to such requests by the LESSEE if no written opposition was made by the LESSOR within a period of thirty (30) calendar days from receipt of a written request from the LESSEE.

## **ARTICLE ELEVEN EVENTS OF DEFAULT**

**SECTION 13.** The LESSEE shall be considered in default within the meaning of this Contract in any of the following instances:

1. The LESSEE fails to fully pay any monthly rental, water, electricity, telecommunication, or other utility bills on or before their stipulated respective due dates or any other financial obligation of the LESSEE stipulated herein, and the LESSEE fails to remedy the situation within fifteen (15) days from the lapse of the relevant period for payment as provided herein;
2. The LESSEE violates any other terms and conditions of this Contract, and such violation remains unresolved within thirty (30) days after the receipt of written notice of such violation from the LESSOR;
3. The LESSEE fails or refuses to vacate the Leased Premises upon the expiration of the Term or upon its pre-termination or termination, as the case may be, or
4. The LESSEE abandons the Leased Premises for a period of thirty (30) days without written notice to the LESSOR.

The LESSEE may also terminate this Contract upon breach by the LESSOR of any of its obligations herein.

## **ARTICLE TWELVE CONSEQUENCES OF DEFAULT**

**SECTION 14.** Upon the occurrence of any of the events of default set forth in Article Six hereof and in addition to the cure periods therein provided, the LESSEE shall have a period of NINETY (90) days from receipt of written notice of such default from the LESSOR to remedy the default. If the LESSEE fails to do so, the LESSOR shall have the following rights, in addition to other rights and remedies allowed by law, without incurring any civil or criminal liability as a consequence of the exercise of such rights.

1. To terminate this Contract without the need of prior notice, demand, or judicial declaration;
2. To immediately take possession of the Leased Premises and take inventory and possession of whatever equipment, furniture, articles, merchandise, appliances, etc., that may be found in the Leased Premises without the necessity of instituting any court or judicial action. In this connection, the LESSEE hereby grants unto the LESSOR full power and authority to undertake any and all necessary actions, including but not limited to entering the Leased Premises or padlocking the Leased Premises, to enable the LESSOR to effectively take possession of the Leased Premises

and to sell at public auction the contents of the Leased Premises to answer for whatever receivables the LESSOR has against the LESSEE;

3. To demand and receive from the LESSEE the payment for any and all unpaid rentals, dues, fees and bills, and other financial obligations stipulated herein, or arising out of this Contract, or any renewal or extension thereof; and/or
4. To automatically forfeit in its favor, the advance rental and security deposit referred to in Article Three hereof.

### **ARTICLE THIRTEEN REPRESENTATIONS AND WARRANTIES**

**SECTION 15.** The LESSOR hereby represents and warrants that:

1. It is the true, registered, and absolute owner of the Leased Premises and has the right and power to enter into this Contract;
2. It has complied and shall comply with all laws, decrees, orders, ordinances, and/or regulations pertaining to this Contract;
3. The LESSEE shall have peaceful and continued possession and enjoyment of the Leased Premises during the Term and
4. The LESSOR holds the LESSEE, its directors, officers, and representatives free and harmless from any and all claims whatsoever that may affect the LESSEE's rights over the Leased Premises.

### **ARTICLE FOURTEEN REAL PROPERTY TAXES, FEES AND ASSESSMENTS**

**SECTION 16.** All real property taxes, including documentary stamp tax, related taxes, charges, and assessments that may be imposed on the Leased Premises, inclusive of increases thereto, shall be for the sole account of and be borne by the LESSOR.

### **ARTICLE FIFTEEN MUTUAL RIGHT TO TERMINATE THE CONTRACT**

**SECTION 17.** The Parties hereby agree that all the covenants, representations, and warranties herein contained are essential conditions and considerations hereof and that if default or breach or any such covenants, representations, or warranties be committed by either Party, then the other Party shall have the right to terminate this Contract by giving



written notice thereof, at least ninety (90) days prior to the effective date of termination.

**SECTION 18.** Upon such termination, the Parties shall be entitled to their reciprocal rights and remedies. The LESSEE shall peacefully surrender the Leased Premises, and the Party at fault shall indemnify the other for such damages, losses, and expenses that the latter may have sustained or incurred by reason thereof. In the event that the LESSEE fails to occupy its Leased Premises due to the fault or negligence of the LESSOR, the LESSEE shall be entitled to the refund of whatever amount it has paid to the LESSOR under this Contract plus interest on such amounts at the prevailing bank savings interest rate from default until full payment is made thereon.

#### **ARTICLE SIXTEEN LESSEE'S RIGHT TO PRETERMINATE THE LEASE**

**SECTION 19.** The LESSEE shall have the right to pre-terminate this Contract upon giving the LESSOR ninety (90) days written notice of the intention to terminate, based on grounds as the imperative needs of LESSEE's business and/or financial considerations require. Upon such pre-termination, the Security Deposit stipulated in Article Three hereof shall be forfeited in favor of the LESSOR without prejudice to the collection of whatever other receivables the LESSOR may have against the LESSEE.

#### **ARTICLE SEVENTEEN PRIVACY AND DATA PROTECTION**

**SECTION 20. Processing of Personal Data**

1. Save for the disclosure of needed personal data for the purposes of coordination, negotiation, contract execution, security, and/or audit ("Disclosed Personal Data"), a Party shall not process the personal data of any of the other Party's employee, officer, representative, agent, service provider, or customer unless upon the documented instructions and at the direction of the latter, or when necessary to fulfill the obligations under this Contract.
2. A Party shall not use, alter, modify, share, or transfer the Disclosed Personal Data for whatever purpose absent the documented instructions of the other Party.
3. A Party shall not further share or engage another entity or person to process the Disclosed Personal Data for any purpose absent prior instructions from the other Party. If such prior instructions had been given, the sharing or engaging Party shall ensure that the Disclosed Personal Data are fully protected and secured and that the

obligations on data privacy and protection under this Contract and under Philippine Privacy Laws are observed and implemented.

**SECTION 21. Standard of Protection**

1. The Parties shall exercise the same degree of care and protection they use with their confidential information to protect the Disclosed Personal Data from misuse, unauthorized access, or disclosure. In no event shall they exercise a degree of care and protection that is less than what is required under the Philippine Privacy Laws and the data privacy policy and principles governing them.
2. The Parties shall use appropriate technical, organizational, and physical safeguards to protect personal data from, *inter alia*, loss, usage, access, disclosure, alteration, or destruction, whether unauthorized or accidental, including the following:
  - a. Maintaining adequate physical controls and password protection for any server or system in which personal data are stored or through which personal data are transferred;
  - b. Ensuring that Disclosed Personal Data, whether in transit or at rest, are encrypted using appropriate technology following industry standards;
  - c. Ensuring that personal data are only used, accessed, or disclosed, to the extent necessary, to their respective employees, representatives, or agents who have a need to know the personal data; and
  - d. Implementing other measures reasonably necessary to prevent any use or disclosure of personal data other than as allowed under this Contract.
3. The Parties shall take all reasonable steps to ensure that all their employees, officers, agents, and representatives comply at all times with Philippine privacy laws. They shall ensure that their employees, representatives, agents, contractors, or consultants, to whom the Disclosed Personal Data are disclosed, shall be covered by an obligation to keep these confidential and agree to the same restrictions and conditions as listed in this Contract. The confidentiality obligation shall survive the term of this Contract.
4. The Parties may require each other to deliver a certification under oath confirming such compliance within thirty (30) days from demand.
5. Upon written request, termination, or expiration of this Contract, or when the retention of the Disclosed Personal Data is no longer necessary, the Parties shall promptly:
  - a. Cease all further use of the Disclosed Personal Data, whether in tangible or intangible form;

- b. Return the Disclosed Personal Data and any other property, information, and documents, including confidential information, provided to it;
  - c. Destroy all copies made of the Disclosed Personal Data and any other property, information, and documents, including confidential information, by shredding the hard copies and removing and deleting the soft copies and
  - d. Upon request, deliver a certification under oath confirming compliance with this section's return or destruction obligation.
6. The Parties shall comply with the applicable guidelines on retaining and disposing of the Disclosed Personal Data unless otherwise required by law.
7. The Parties further agree to execute the relevant data processing or data sharing agreement should there be any further disclosure or transfer of personal data between them.

#### **ARTICLE EIGHTEEN VENUE**

- SECTION 22.** The venue of all suits and actions arising out of or in connection with this Contract shall only be in the proper courts of the City of Bacoor, the Parties hereby waiving any other venue.

#### **ARTICLE NINETEEN MISCELLANEOUS PROVISION**

- SECTION 23.** This Contract contains the full and complete agreement between the Parties on the subject matter, and the same shall supersede any and all representations, understandings, or agreements, verbal or written, implied or express, previously made or entered into by them. This Contract may only be amended upon the written mutual agreement of the Parties. It is understood that all terms and conditions herein provided are subject to and subordinate to the existing laws, rules, and regulations of the LESSOR. In case of conflict, the pertinent provisions of the law, rules, and regulations shall prevail.
- SECTION 24.** This Contract may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute the same instrument.
- SECTION 25.** This Contract shall not be altered, changed, supplanted, or amended except by a written instrument signed by the duly authorized

representatives of the Parties. All amendments to this Contract shall be deemed valid and binding upon contracted Parties only if made by the mutual consent in writing of the Party and signed by the original signatories of both Parties to this Contract. This Contract shall be legally acceptable after being signed and stamped with the corporate seals by the authorized representatives of the contracted Parties with full corporate power vested to them by their respective Parties. After signing this Contract, all previous verbal and/or written arrangements about the subject of this Contract shall be considered null and void.

**SECTION 26.** The relationship of the Parties under and in relation to this Contract shall be limited to the matters herein contained. Nothing herein provided shall be considered or interpreted as constituting the relationship of the Parties or any of them as a partnership in which any one or more of the Parties may be liable for the acts or omissions of any other Party or Parties, nor shall anything herein contained be considered or interpreted as constituting any Party as the general agent of any other Party.

**SECTION 27.** The failure of a Party to insist upon strict performance of any of the terms, conditions, and covenants under this Contract shall not be deemed a relinquishment or waiver of any right/remedy that the aforesaid Party may have, nor shall it be construed as a waiver of any subsequent breach of the same or other terms, conditions, and covenants. Any waiver, extension, or forbearance of any of the terms, conditions, and covenants of this Contract by any Party shall be in writing and limited to the particular instance only and shall not in any manner whatsoever be construed as a waiver, extension, or forbearance of any other term, condition, and/or covenant of this Contract.

**SECTION 28.** No Party shall be liable for any failure or delay in performing its respective obligations as herein provided if any force majeure event shall be the proximate cause of the same. For purposes of this Contract, a "Force Majeure Event" shall include, but not be limited to (i) declared or undeclared war, armed hostilities, revolution, rebellion, insurrection, riot, public disorder, and the like; (ii) unforeseen rock formations in the geodetic layers of the identified deep well sites; and (iii) extreme and unforeseen weather conditions, fire, unusual flood, earthquake, and similar calamities or acts of God, and Government's, local or national, declaration of community quarantines and other restrictions; and (iv) expropriation on any part of the site on which the Project will be located. The Party invoking the existence of a Force Majeure Event shall immediately notify the other Party, specifying the nature and details of the Force Majeure Event, how it affects the Party's ability to comply with its obligations hereunder, and a proposed mitigating action to address the same. Upon the cessation of such Force Majeure Event, the Parties shall immediately resume the performance of their obligations hereunder. However, if the Force Majeure Event extends for a period in excess of 180 continuous days,



the Parties hereto shall meet to discuss the basis and terms upon which this Contract be continued or mutually terminated.

- SECTION 29.** The Parties also agree that both shall exert utmost effort in settling any dispute amicably and peacefully. Any conflict or dispute arising out of this Contract on the interpretation or implementation of any provision hereof shall be settled amicably within thirty (30) days through the Parties' authorized representatives. Either Party may initiate amicable discussions by sending written notice to the other Party, specifying the alleged dispute, and proposing a schedule for the amicable settlement thereof. In the event that the parties are unable to settle the dispute amicably and resort to any judicial relief be made to enforce any of the Parties' rights and/or the terms and conditions of the Contract, the Aggrieved Party shall be entitled to recover ATTORNEY'S FEES from the Defaulting Party in the amount equivalent to TWENTY-FIVE PERCENT (25%) of the amount claimed in addition to the Cost of Suit and other litigation expenses, which the law and the court may deem reasonable to award.
- SECTION 30.** If any part of this Contract of Lease shall for any reason be declared invalid and unenforceable, the remaining portions not affected thereby shall remain in full force and effect as if this Contract of Lease was executed with such invalid portion eliminated or as if the parties would not have executed this Contract of Lease had they known the invalidity or unenforceability thereof.
- SECTION 31.** This Contract shall be governed by and interpreted in accordance with the laws of the Republic of the Philippines. Execution, delivery, and performance of this Contract shall not violate any provision of applicable laws or constitute a breach of any contracts it has entered into.
- SECTION 32.** Except as may be otherwise specifically provided in this Contract, all notices required or permitted shall be in writing and shall be deemed to be delivered when deposited in the postal office mail postage prepaid, certified or registered mail, return receipt requested, addressed to the Parties at their respective address outlined in this Contract, or at such other addresses as may be subsequently specified by written notice.

**IN WITNESS WHEREOF,** the Parties have hereunto signed these presents on the date and at the place first above written;

**CITY GOVERNMENT OF BACOOD**

By:

**Hon. STRIKE B. REVILLA**  
*City Mayor*  
*City Resolution No. \_\_\_\_*  
*Series of \_\_\_\_*

**MANILA ELECTRIC COMPANY**

By:

**Ms. CHARINA P. PADUA**  
First Vice-President  
Head, Customer Retail Services

**Mr. JUAN PAOLO P. CRUZ**  
Assistant Vice-President  
Deputy Head, South Business Area

**SIGNED IN THE PRESENCE OF:**

**Atty. AIMEE TORREFRANCA-NERI**  
*Bacoor City Administrator*  
*Office of the City Administrator*

**ENGR. NOEL F. DIZON**  
Business Manager

**ACKNOWLEDGEMENT**

Republic of the Philippines)  
City of Bacoor, Cavite) S.S.

**BEFORE ME**, this \_\_\_ day of \_\_\_, 20\_\_\_ at the City of Bacoor, Province of Cavite, personally appeared:

FULL NAME	GOVT-ISSUED ID / Nos.	PLACE AND DATE ISSUED
STRIKE B. REVILLA		
CHARINA P. PADUA		
JUAN PAOLO P. CRUZ		

Known to be the same persons who executed the foregoing Contract of Lease, and they acknowledged to me the same is true in their free and voluntary act and deed.

The instrument consisting of \_\_\_ (\_\_\_) pages on which this acknowledgment is written and signed by both Parties and their Instrumental Witnesses.

**IN WITNESS WHEREOF**, I hereunto set my hand, the day, year, and place above written.

Doc. No. \_\_\_;  
Page No. \_\_\_;  
Book No. \_\_\_;  
Series of 20\_\_.