



Republic of the Philippines

Province of Cavite

City of Bacoor

OFFICE OF THE SANGGUNIANG PANLUNGSOD



DISTRICT I

HON. MIGUEL N. BAUTISTA
City Councillor

HON. MICHAEL E. SOLIS
City Councillor

HON. ROWENA BAUTISTA-MENDIOLA
City Councillor /Acting Presiding Officer

HON. ADRIELITO G. GAWARAN
City Councillor

HON. VICTORIO L. GUERRERO, JR.
City Councillor

HON. ALEJANDRO F. GUTIERREZ
City Councillor

DISTRICT II

HON. ROBERTO L. ADVINCULA
City Councillor

HON. HERNANDO C. GUTIERREZ
City Councillor

ABSENT
HON. GAUDENCIO P. NOLASCO
City Councillor

HON. LEANDRO A. DE LEON
City Councillor

HON. ALDE JOSELITO F. PAGULAYAN
City Councillor

HON. ROBERTO R. JAVIER
City Councillor

HON. REYNALDO D. PALABRICA
City Councillor - Liga ng Brgy. President

HON. MAC RAVEN ESPIRITU
City Councillor - SK FEDERATION PRESIDENT

Attested by:

ATTY. KHALID A. ATEGA, JR.
Sangguniang Panlungsod Secretary

Certified by:

ABSENT
HON. CATHERINE SARINO-EVARISTO
City Vice Mayor / Presiding Officer

Approved by:

HON. LANI MERCADO - REVILLA
City Mayor

CITY ORDINANCE NO. CO 165-2021
Series of 2021

AN ORDINANCE AUTHORIZING THE PROPOSED BORROWING OF THE CITY OF BACOOR, PROVINCE OF CAVITE IN THE TOTAL AMOUNT OF FIVE HUNDRED THIRTY MILLION PESOS (PHP530,000,000.00) FOR THE PURPOSE OF FINANCING THE CONSTRUCTION OF THE BACOOR DISASTER RESILIENCE BUILDING AND THE PURCHASE OF VARIOUS FURNITURE, FIXTURES, AND EQUIPMENT FOR THE SAID BUILDING INCLUDED IN THE APPROVED 2021 LOCAL DEVELOPMENT PLAN AND/OR APPROVED ANNUAL INVESTMENT PROGRAM DETERMINED BY THE CITY GOVERNMENT OF BACOOR, CAVITE.

Sponsored by:

Hon. Reynaldo D. Palabrica

Co-Sponsored by:

Hon. Roberto L. Advincula, Hon. Miguel N. Bautista, Hon. Leandro A. De Leon, Hon. Mac Raven Espiritu, Hon. Adrielito G. Gawan, Hon. Victorio L. Guerrero, Jr., Hon. Alejandro F. Gutierrez, Hon. Hernando C. Gutierrez, Hon. Roberto R. Javier, Hon. Alde Joselito F. Pagulayan, and Hon. Michael E. Solis.

BE IT ENACTED, as it is hereby ENACTED by the 4th Sangguniang Panlungsod of the City of Bacoor, Cavite in special session assembled:

Section 1. Authority To Borrow And To Enter Into Loan Agreements. The City Mayor, in representation of the City Government of the City of Bacoor, Cavite (herein referred to as the "City of Bacoor") is hereby authorized to enter into two (2) **Loan Agreements** and an **Amendment to Loan Agreement** (to be referred to collectively as the "Loan Agreements") with the Land Bank of the Philippines (LBP) pursuant to Section 297 of Republic Act No. 7160 (the "Local Government Code of 1991"), in the total amount of **Five Hundred Thirty Million Pesos (Ph530,000,000.00)** under the terms and conditions set forth and such other terms and conditions as may be agreed upon by the City of Bacoor and LBP subject to the requirements under Section 123 of Republic Act No. 7653 as implemented by the Bangko Sentral ng Pilipinas Circular No. 402. In this connection, the City Mayor shall have full power and authority to represent



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ESPIRITU
HON. MAC RAVEN ESPIRITU
City Councillor - SK FEDERATION PRESIDENT

Attested by:

ATTY. KHALID A. ATEGA, JR.
Sangguniang Panlungsod Secretary

Certified by:

ABSENT
HON. CATHERINE SARINO-EVARISTO
City Vice Mayor / Presiding Officer

Approved by:

HON. LANI MERCADO - REVILLA
City Mayor

the City of Bacoor in negotiating the terms and conditions for the said borrowing and in signing, executing, and delivering such agreements, contracts, deeds, papers, and documents as may be necessary and proper for the full and total implementation of the authority herein granted.

Section 2. Priority Project Certification. The priority projects known as the (a)construction of the **Bacoor Disaster Resilience Building** (the "BDR Building") and (b) the acquisition of various furniture, fixtures, and equipment to be installed and/or used in the said building are hereby certified to be a local infrastructure project in accordance with the approved local development plan and public investment program for the current year 2021 of the City of Bacoor, Cavite.

Section 3. Approval and Ratification of Terms and Conditions of the Loan Agreements. Consistent with the **Loan Agreement** for the construction of the BDR Building amounting to **Four Hundred Sixty Million Pesos (Php 460,000,000.00)** and the **Loan Agreement** for the acquisition of furniture, fixtures, and equipment (as amended by the **Amendment to Loan Agreement**) to be used and/or installed in the BDR Building amounting to **Seventy Million Pesos (Php 70,000,000.00)**, copies of which are attached hereto and made integral parts hereof as **Annexes "A", "B", and "C"** respectively which were presented and submitted by the Office of the City Mayor to the Sangguniang Panlungsod, the features, terms and conditions of the said Loan Agreements shall be as follows and are hereby **APPROVED AND RATIFIED**:

§ 3.1. Terms and Conditions of Loan Agreement for the Construction of the Bacoor Disaster Resilience Building and for the Acquisition of Furniture, Fixtures, and Equipment to be Installed/Used in the said Public Edifice. The following are the terms and conditions of the Loan Agreements for the construction of the Bacoor Disaster Resilience (BDR) Building and for the acquisition of furniture, fixtures, and equipment to be used/installed in the said public edifice:

§3.1.1. Loan Amount: Five Hundred Thirty Million Pesos (Php 530,000,000.00) only or contract price whichever is lower.

§3.1.2. Availability Period: Within one (1) year from date of loan signing.



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HON. MACRAVEN ESPIRITU
City Councilor - SK FEDERATION PRESIDENT

Attested by:

ATTY. KHELDI A. ATEGA, JR.
Sangguniang Panlungsod Secretary

Certified by:

ABSENT
HON. CATHERINE SARINO-EVARISTO
City Vice Mayor / Presiding Officer

Approved by:

HON. LAJ MERCADO - REVILLA
City Mayor

§3.1.3. Project to be Financed: Construction of the Bacoor Disaster Resilience Building and for the acquisition of furniture, fixtures, and equipment to be used in the said public edifice.

§3.1.4. Repayment: The principal loan amount shall be payable in 96 equal monthly principal amortizations to start at the end of the 25th month after initial loan release. The interest on the principal loan amount is payable monthly in arrears to start at the end of the first month from date of initial loan release.

§3.1.5. Interest: a) The interest shall be fixed at 4.00% per annum until December 31, 2022 inclusive of the 2.00% interest rate subsidy (but not more than P10.00 Million interest subsidy and subject to availability of subsidy funds) under the Bayanihan Act 2. If the subsidy fund is no longer available, the interest rate shall be 3.50% per annum fixed until December 31, 2022.

b) After 31 December 2022, the interest rate shall be 3.50% per annum fixed for the next three (3) years, from January 1, 2023 up to December 31, 2025 subject to the condition that LBP shall be the majority depository bank of the City of Bacoor.

c) On the remaining term of the loan, from January 1, 2026 up to maturity, interest rate shall be fixed at 4.00% per annum subject to the condition that LBP shall be the major depository bank of the City of Bacoor and the cost of the latter's deposit shall not be more than 0.20%.

d) The City of Bacoor's deposit balance shall be reviewed annually to check if LBP is the majority depository bank of the City of Bacoor and if the cost of the latter's deposit is not more than 0.20%. **If not met, the interest rate shall be repriced based on the LBP prevailing interest rate at the time of review.**

§3.1.6. Tenor: Ten (10) years inclusive of two (2) years grace period on the principal.

§3.1.7. Mode of Release: Loan release/s to be credited to the LGU's account maintained with LBP.



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HON. REYNALDO D. PALABRICA
City Councillor - Liga ng Brgy. President

HON. MAC RAVEN ESPIRITU
City Councillor - SK FEDERATION PRESIDENT

Attested by:

ATTY. KATHLIDA ATEGA, JR.
Sangguniang Panlungsod Secretary

Certified by:

ABSENT
HON. CATHERINE SARINO-EVARISTO
City Vice Mayor / Presiding Officer

Approved by:

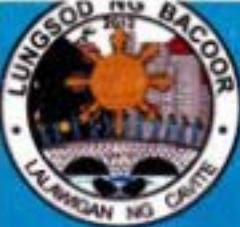
HON. LANI MERCADO - REVILLA
City Mayor *pe*

Each release shall be based on the completion/progress billing based on the cost estimates of the Bids and Awards Committee (BAC) duly certified by the contractor and concurred in by the authorized representative of the City of Bacoor to be validated by LBP's representative/s, subject further to the following:

Tranches	Conditions
1 st Tranche	15% of the bid price of the project duly approved by the BAC subject to compliance with the prerelease documentary requirements.
Succeeding Tranches	Subsequent releases of up to eight (8) tranches shall be via progress billing based on project completion duly supported by the City of Bacoor's accomplishment report approved by the City Mayor.
Final Tranche	10% of the loan amount subject to submission of the following: <ol style="list-style-type: none"> Certificate of Acceptance by the City of Bacoor's authorized signatory/ies representative/s signifying acceptance of the fully completed project; and Appraisal Report issued by the Landbank representative/s showing 100% project completion.

§3.1.8. Prepayment Penalty: Two percent (2%) shall be waived except if taken-out by other banks.

§3.1.9. Fees and Charges: The payment of the following fees and charges shall be waived by the LBP in favor of the City of Bacoor:



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City Councillor - SK FEDERATION PRESIDENT

Attested by:

ATTY. KIRALIDA A. ATEGA, JR.
Sangguniang Panlungsod Secretary

Certified by:

ABSENT
HON. CATHERINE SARINO-EVARISTO
City Vice Mayor / Presiding Officer

Approved by:

HON. LANI MERCADO - REVILLA
City Mayor

- Commitment Fee equivalent to one-half (%) of 1% of the unavailed loan balance; and
- Handling Fee equivalent to 1% of the approved loan.

The following fees and charges shall be imposed by the LBP against the City of Bacoor:

- Inspection Fee amounting to Php3,000 payable on the Second Release of Loan;
- Application Fee amounting to Php2,000.00 (one time only) and;
- Documentary stamp taxes, Ph3,975,000.00;

§3.1.10. Pre-release Requirements: The following conditions must be complied with by the City of Bacoor before any tranche of the loan amount can be released:

- Sangguniang Panlungsod Resolution authorizing the City Mayor to negotiate/borrow, request amount of loan, approving the projects to be financed and assign the corresponding security to be financed under this facility and to sign/endorse loan documents, mortgages, deeds of assignment, agreements, notes, and other documents pertaining to the loan obtained from the LBP.
- Sangguniang Panlungsod Borrowing Ordinance issued by the City Government of Bacoor approving the projects to be financed; ratifying the approved terms and conditions of the loan, authorizing the assignment of the Internal Revenue Allotment (IRA) and other income, revenues and collection as collateral/security to the loan obtained and declaring them to be available and not restricted by law or its obligations; and appropriating sufficient funds for the repayment on principal, interest, and other charges during the term of the loan.
- Joint Certification by the BAC Chair and the City Mayor that the City Government has complied with R.A. 9184 as well as with Commission on Audit



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Attested by:

ATTY. KAMILID R. ATEGA, JR.
Sangguniang Panlungsod Secretary

Certified by:

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City Mayor

(COA) rules and regulations pertaining to the implementation of the proposed project.

- 4) Certified true copies of BAC Resolution as to the winning bidder/supplier, Notice of Award, the Notice to Proceed and the duly signed and notarized contract with the winning bidders.
- 5) Joint Certification by the BAC Chair and the City Mayor that the City Government of Bacoor has complied with RA 9184 as well as the COA rules and regulations pertaining to the implementation of the proposed project.
- 6) Certified true copies of BAC Resolution as to the winning bidder/supplier, Notice of Award, the Notice to Proceed and the duly signed and notarized contract with the winning bidders.
- 7) Copy of purchase order/s or contract as agreed upon by the City of Bacoor and the supplier/winning bidder.
- 8) Annual Investment Plan which includes the acquisition of furniture, fixtures, and equipment of the BRDR Building.
- 9) Duly approved Annual Budget with provisions for payment of amortizations and other related expenses for the construction of the BRD Building and for the acquisition of furniture, equipment, and fixtures for the said public edifice.
- 10) Seal of Good Housekeeping.
- 11) Bureau of Local Government Finance (BLGF) Certification on the City of Bacoor's Net Borrowing Capacity.
- 12) Bangko Sentral ng Pilipinas (BSP) Monetary Board Opinion on the City of Bacoor's borrowings.
- 13) Submission of the following certifications:
 - 13.1. Certification by the City Budget Officer, City Accountant, and City Treasurer noted by the City Mayor that:



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City Councilor - SK FEDERATION PRESIDENT

Attested by:

ATTY. MAHALID A. ATEGA, JR.
Sangguniang Panlungsod Secretary

Certified by:

ABSENT
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City Vice Mayor / Presiding Officer

Approved by:

HON. LANI MERCADO - REVILLA
City Mayor

i. The amount for equity, repairs and maintenance of the project, insurance premium, and the repayment on principal, interest, and other charges on the loan have been fully appropriated and that full provisions therefor have been made.

ii. The sources of repayment are available and not restricted by law or other obligations.

iii. The contractual obligations shall be or has been entered into appropriate books of accounts by the City of Bacoor.

iv. The loan shall be exclusively used to finance the construction of the BRDR Building and for the acquisition of furniture, fixtures, and equipment to be installed and used inside the said building.

13.2. Validation of this Ordinance by the Sangguniang Panlalawigan.

13.3. Copy of Environmental Compliance Certificate (ECC) or Certificate of Non-Compliance (CNC) from the Department of Environment and Natural Resources, if applicable.

§3.1.11. Post Release Requirements: The City Government of Bacoor shall annually appropriate in its budget such amounts sufficient to pay loans and other indebtedness or contractual obligations. For this purpose, the City of Bacoor shall annually submit to LBP a certification of appropriation that: (a) the proposed sources of repayment are available and not restricted by law; and (b) the said contractual obligations/loans are duly appropriated and entered in the books of account of the City of Bacoor.

§3.1.12. Ratification of Other Terms and Conditions. All other terms and conditions provided in the afore-mentioned Loan Agreements not specified above that are not contrary to law or to any applicable rules and regulations of the COA or the BSP are hereby ratified.

Section 4. Exclusive Appropriation of Borrowing. The City of Bacoor hereby appropriates the entire proceeds of the borrowing mentioned above exclusively to finance the



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construction of the BRDR Building and for the acquisition of the various furniture, fixtures, and equipment to be used and/or installed in the said public building included in the Approved 2021 Local Development Plan/Annual Investment **and other financial obligations relative thereto.**

Section 5. Repeal Clause. Any Ordinance or parts thereof, inconsistent with this enactment is hereby repealed or amended accordingly.

Section 6. Effectivity. This Ordinance shall take effect upon its publication and compliance with all procedures required under Republic Act No. 7160 of an ordinance for its validity including the affixation of signatures of the Sangguniang Panlungsod Members, in concurrence thereto, composing at least a majority thereof, out of the total of 14 members, on all pages of this Ordinance.

Section 7. Dissemination. The City Mayor, City Accountant, City Auditor, and the Bangko Sentral ng Pilipinas shall be furnished with copies of this Ordinance for their information and appropriate action.

SO ORDAINED.

ADOPTED this 8th day of July 2021.

CERTIFIED TRUE AND CORRECT:

Rowena Bautista
HON. ROWENA BAUTISTA-MENDIOLA
Acting Presiding Officer/City Councillor

ATTESTED:

Khalid A. Atega
ATTY. KHALID A. ATEGA, JR.
Sangguniang Panlungsod Secretary



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City Councilor - Liga ng Brgy. President

HON. MARIA RENEE ESPiritu
City Councilor - SK Federation President

Attested by:

ATTY. KHALIDA A. ATEGA, JR.
Sangguniang Panlungsod Secretary

Certified by:

ABSENT
HON. CATHERINE SARINO-EVARISTO
City Vice Mayor / Presiding Officer

Approved by:

HON. LANI MERCADO - REVILLA
City Mayor

APPROVED:

HON. LANI MERCADO-REVILLA
City Mayor

Date Approved: 19 JUL 2021

VALIDATED AS CONSISTENT WITH LAW

Sangguniang Panlalawigan Secretary

Provincial Governor

Date Validated: _____

ANNEX "A"

LBA-A-LG2 (2012 ver.)

LOAN AGREEMENT

This Loan Agreement is made and executed by and between **LAND BANK OF THE PHILIPPINES**, a government financial corporation created and existing under and by virtue of the provisions of Republic Act No. 3844, as amended, with principal office at Landbank Plaza (598, M.H. del Pilar corner Quirino Streets, Malate, Manila (the "Lender") and the Borrower as specified in the General Conditions.

PART I - GENERAL CONDITIONS

Article 1. DEFINITIONS

1.1. Defined Terms

"Agreement" means this Loan Agreement, inclusive of the General Conditions and Special Conditions, respectively.

"Assignment" means the assignment by the Borrower of its IRA as may be delivered pursuant to Section 5.1.

"Availability Period" means the period when the Loan may be availed by the Borrower as specified in the Agreement, which begins on the date of approval of the Loan by the Lender and ending on the earliest of (i) the date the loan is initially drawn by the Borrower, or (ii) the date the Loan is cancelled or terminated in accordance with the provisions of this Agreement.

"Banking Day" means a day, other a Saturday, Sunday or non-working legal holiday, on which banks and other financial institutions are open for business in Metro Manila.

"BIR" means the Bureau of Internal Revenue.

"CRA" means the Commission on Audit.

"Event of Default" means an event specified in such in Section 6.1.

"FILRA" means the Internal Revenue Allotment of a local government unit.

"Loan" means the aggregate principal amount of the drawdowns granted by the Lender to the Borrower hereunder, or as the context may require, the amount thereof outstanding.

"Loan Documents" means collectively this Agreement, the Notes, the Assignment and all other agreements or documents required or contemplated hereunder, as the same may be amended from time to time.

"Note" means the promissory note of the Borrower evidencing the borrowing.

"Project" means the project or object of financing to which the loan proceeds shall be used as indicated in the General Conditions.

"Special Conditions" means the Special Conditions of Contract constituting Part II of this Agreement.

"Taxes" means any and all present and future taxes (including, but not limited to documentary stamp or value added taxes), fees or charges, of any kind and nature imposed by the Republic of the Philippines or any political subdivision or taxing authority thereof.

1.2. Construction

Unless the context otherwise requires, the capitalized terms in this Agreement shall have the meanings ascribed to them in the General Conditions or in the Special Conditions. The headings in this Agreement are inserted for convenience of reference only and shall not limit or affect the interpretation of the provisions hereof. Unless the context otherwise requires, words denoting the singular shall include the plural and vice versa; words denoting the masculine gender shall include the feminine gender and words denoting persons shall include individuals and/or entities. Unless otherwise provided herein, all terms of accounting used

which shall be construed in accordance with generally accepted accounting principles in the Republic of the Philippines on the date applied. Any reference to "days" shall mean calendar days, unless the term "Banking Days" is used.

ARTICLE 2. LOAN AMOUNT AND TERMS

2.1 Loan Amount

The Lender agrees to grant the Loan to the Borrower in the aggregate principal amount as specified in the Special Conditions.

2.2 Availability

The loan shall be available for drawdown by the Borrower within the Availability Period. The obligation of the Lender to allow drawdown of a term note upon expiration of the Availability Period without any drawdown being made.

2.3 Use of Proceeds

The Borrower agrees that the proceeds of the loan shall be used exclusively for the purpose of financing the Project as specified in the Special Conditions.

2.4 Release of Proceeds

The Loan shall be released in the manner prescribed in the Special Conditions.

2.5 Notes

Each drawdown shall be evidenced by a Note which, once executed, shall be complemented by the terms and conditions of this Agreement.

2.6 Term of Repayment

(a) The Borrower shall repay the loan over a term and under such number and frequency of installments as specified in the Special Conditions.

(b) If any payment hereunder or under the notes would otherwise be due on a day that is not a Banking Day, such payment shall be made on the next immediately succeeding day that is a Banking Day.

2.7 Voluntary Prepayment

The Borrower may, at its option, prepay, in whole or in part the loan, together with accrued interest thereon to the date of prepayment, provided, that:

(a) Prepayment shall be made via a date required for the payment of the interest;

(b) In case of partial prepayments, the amount prepaid shall be applied in the inverse order of maturity;

(c) Any amount prepaid may not be reborrowed hereunder;

(d) Where the prepayment is a result of the loan being taken out by another bank, the Borrower shall pay to the Lender a prepayment penalty of two percent (2.0%) based on the amount of the principal prepaid.

2.8 Interest

(a) The Borrower shall pay interest on the outstanding principal amount of the loan in arrears on the last day of each interest Period at the rate as specified in the Special Conditions.

~~ARTICLE 2. LOAN~~

(b) The determination by the Lender of the amount of interest due and payable hereunder shall be conclusive and binding on the Borrower in the absence of manifest error and bad faith in the computation thereof.

(c) The interest shall be subject to upward or downward adjustment if, during the term of the Loan, any law rule or regulation is issued which has the effect of increasing or decreasing the Lender's cost of funds or intermediation cost, including reserve requirements, taxes, salaries or wages. Such adjustment in interest rate shall be effective upon a thirty (30) day written notice to the Borrower and each advice shall form part of its Agreement by reference.

~~2.9 Automatic Debit Authorization~~

The Borrower authorizes the Lender to debit, without need of notice, from any deposit account being maintained with it for all such amounts that may be due the Lender under this Agreement, including those that may result from overdrawn.

~~2.10 Application of Payments~~

Any payment made to the Lender shall be applied first against any advances made by the Lender, then against penalty, then against fees and other charges, then against interest due on the Loan, then against the Loan due and payable.

~~2.11 No Counterclaim Taxes~~

All payments due to the Lender shall be made by the Borrower without any deduction including those for self-off, Counterclaim Tax.

~~ARTICLE 3. FEES AND CHARGES~~

~~3.1 Payment of Fees~~

The Borrower shall pay to the Lender the following fees and charges:

- (a) A commitment fee computed at the rate of one-half (1/2) of one percent (1.0%) per annum of the undrawn amount of the Loan. The commitment fee shall be applicable from the approval of the Loan by the Lender until the expiration of the Availability Period, in each case calculated on the daily undrawn balance of the Loan on the basis of the actual number of days elapsed.
- (b) Attorneys fees and charges as may be provided in the Special Conditions.

~~3.2 Expenses~~

Within thirty (30) Banking Days from date of receipt by the Borrower of the statement of account submitted by the Lender, in connection with the preparation, negotiation, execution, delivery and administration of the Loan Documents, as well as costs and expenses, if any, in connection with the notarization thereof, or its amendment, and the issuance of any consents or waivers in connection therewith, and any and all fees, stamps and other costs. The Borrower shall hold the Lender free from any liability with respect to or resulting from any delay or omission to pay any such cost, expenses, fees or Taxes which may be payable or determined to be payable in connection with the preparation and delivery of the Loan Documents.

~~3.3 Non-Reimbursable Nature~~

The obligation of the Borrower to pay fees and charges is absolute and unconditional. The fees, expenses and other amounts payable by the Borrower under this Section shall be payable and, if already paid, shall not be reimbursable by the Lender, notwithstanding the failure by the Borrower to make any drawdown under this Agreement or any other failure of the transactions contemplated herein. However, if the Lender fails to allow drawdown after the conditions borrowing under Article 4 have been complied with, the Borrower shall no longer be liable to the Lender for the fees, expenses and other amounts payable under Section 3.1, and only such fees, expenses and other amounts already paid by the Borrower to such Lender shall be reimbursable by the Lender.

ARTICLE 4. CONDITIONS FOR BORROWING

4.1 Conditions for First Drawdown

The obligation of the Lender to allow the release of the initial drawdown shall be subject to the prior fulfillment of the following conditions in addition to those that may be provided in the Special Conditions.

- (a) Unless otherwise already existing as of this Agreement, the Borrower shall have established a deposit account with a branch office of the Lender through which the proceeds of drawdown shall be credited.
- (b) The Lender shall have received the following documents each in form and substance satisfactory to the Lender at least three (3) Banking Days (or such shorter period as may be acceptable to the Lender) prior to the intended date of initial drawdown:
 - (i) Certificate of the Secretary to the Sanggutan admitting to the ordinance of the Borrower's Sanggutan approving the terms and conditions of the loan and specifically providing for the following:
 1. Authorizing the local chief executive to negotiate and enter into the Agreement with the Lender, and to execute and deliver any and all promissory notes, deed of assignment and other necessary documents;
 2. Directing the Borrower's Treasurer and Accountant to enter the Loan in the appropriate books of the Borrower;
 3. Authorizing the assignment by the Borrower of its TIA, or any other specified collateral, as security for the Loan;
 4. Appropriating the amounts for the repayment of the loan, interests and other charges in the annual budget of the Borrower, until full payment thereof; and
 5. Authorizing the Lender to set off or deduct amounts from any deposits or funds of the Borrower with the Lender and apply the same to the payment of the Loan Interests and other amounts due thereon;
 - (ii) Certification by the Budget Officer, Accountant and Treasurer, as the case may be, of the Borrower, noted by its local chief executive, that:
 1. The Borrower's equity, amount for repairs and maintenance of the Project, insurance premium and the principal and interest payments on the loan have been fully appropriated and that full provision has been made by the Borrower's for all its obligations;
 2. The amount required by the Borrower's equity, the repair and maintenance of the Project, insurance premium, the repayment of the principal, interest and other charges will be fully appropriated;
 3. That the proposed sources of repayment are available and not restricted by law or its other obligations; and
 4. That the loan shall be entered or has been entered, as the case may be, in the Borrower's books of account;
 - (iii) Certificate of the Bureau of Local Government Finance showing favorable borrowing and debt servicing capacities for the Borrower;
 - (iv) Decision of the Monetary Board of the Bangko Sentral issued pursuant to Section 123 of Republic Act 7653, otherwise known as the Bangko Sentral Act.

4.2 Conditions for All Drawdowns

The obligation of the Lender to allow the release of the proceeds of all drawdowns shall be subject to the prior fulfillment of the following conditions in addition to those that may be provided in the Special Conditions:

- (a) The Borrower shall be in compliance with all terms and conditions set forth herein or its part to be observed or performed, and no Event of Default or any event which, with the lapse of time or both, would become an Event of Default shall have occurred and be continuing;

- (b) The representations and warranties contained in Section 6.1 shall be true and correct on the date of drawdown as it made on the basis of such date;
- (c) The Lender shall have received the Note and the Disclosure Statement duly executed and signed by the Borrower at least three (3) banking days (or such shorter period as may be acceptable to the Lender) prior to the intended date of initial drawdown; and
- (d) The Borrower shall have paid the fees and charges specified in Article 3 hereof.

4.3 Right of Lender to refuse drawdown

Without prejudice to the Lender's remedies as provided in Section 8.2 in case of an Event of Default, the Lender reserves the right to refuse drawdowns, and for which the Lender is held free and harmless from any and all consequences as a result of its inability to make funds available, in any of the following cases:

- (a) A case is filed against the Borrower or any of its officials involving the Project;
- (b) Any adverse finding on the Project; and
- (c) Withdrawal by the Borrower's Sanggunian of the authority given to its local chief executive to contract the Loan.

ARTICLE 5. ASSESSMENT OF INTERNAL REVENUE ALLOTMENT

5.1 Assignment

As a source of repayment and by way of security, the payment of the Loan, interest, advances, fees, penalties and other charges thereon, including those may be due to the amendment, extension or restructuring of the Loan, shall be secured by the Borrower's assignment of its internal revenue allotment.

ARTICLE 6. REPRESENTATIONS AND WARRANTIES

6.1 Representations and Warranties

Except as otherwise disclosed to the Lender, the Borrower represents and warrants to the Lender that:

- (a) This Agreement will constitute its legal, valid and binding obligation, enforceable in accordance with their respective terms, there is no judgment, decree or order of any court or agency applicable to it which would be contravened by the execution and/or entry of this Agreement, or by the performance of any provision of this Agreement;
- (b) The Project is within a duly approved local development plan or public investment program of the Borrower;
- (c) All procurements relevant to the Project have been made in accordance with applicable laws;
- (d) The audited financial statements of the Borrower as of its immediately preceding fiscal year covering and all other data furnished by it to the Lender are complete and correct, in all material respects, and such financial statements have been prepared in accordance with government accounting and auditing standards. Since such date, there has been no change in its financial condition or results of operations sufficient to impair its ability to perform its obligations under this Agreement in accordance with the terms hereof. Except as disclosed to the Lender in writing, the Borrower has no contingent obligations, liabilities for Taxes, or other outstanding financial obligations which are material in the aggregate;
- (e) There is no litigation, arbitration proceeding or dispute pending, or to its knowledge threatened against or affecting it or its properties, the adverse determination of which might have a material and adverse effect on its capacity to perform its obligations in this Agreement.

- (f) No event has occurred and is continuing, or would result from the making of this Agreement, which constitutes an Event of Default or which, upon the lapse of time or notice or both, would become such an Event of Default.

6.2 Survival of Representations and Warranties

The representations and warranties contained herein are true and correct as of the date of the Agreement and shall remain true and correct as long as the Loan is outstanding.

ARTICLE 7. COVENANTS

7.1 Affirmative Covenants

The Borrower covenants and agrees that during the term of the Loan and until payment in full of all amounts due hereunder, unless the Lender shall otherwise consent in writing, which consent shall not be unreasonably withheld, the Borrower shall:

- (a) Use the proceeds from the Loan exclusively for the purpose as specified in the Special Conditions;
- (b) Keep its properties and business in good working condition, insured at their full insurable value with the Government Service Insurance System or such insurer as may be allowed by law against loss or damage in such manner and to the same extent as are required under existing rules and regulations applicable to local government units;
- (c) Within forty (40) days after the DDA's issuance of its report, furnish the Lender with a copy of its audited financial statements duly certified by the treasurer or equivalent officer of the Borrower as having been prepared in accordance with generally accepted accounting principles in the Philippines and the relevant regulations of the DDA, including thereon a balance sheet of the Borrower as of the end of such fiscal year and statements of income and retained earnings and cash flows of the Borrower for such fiscal year;
- (d) Regularly appropriate in its annual budget full provision for the payment of the Loan or any portion thereof as they become due and all other statutory and contractual obligations of the Borrower and for its required equity, including the cost for overruns that may arise on the Project; duly pay and recharge all taxes, assessments and governmental charges or levies imposed upon it or against it against its properties and business prior to the date on which penalties are assessed thereon, unless and to the extent only that the same shall be contested in good faith and by proper proceedings diligently conducted, and take such steps as may be necessary in order to prevent its present or any part thereof from being subjected to the possibilities of loss, forfeiture or sale;
- (e) Promptly, and in no case more than five (5) Banking Days after the occurrence of an Event of Default, give written notice to the Lender of any Event of Default or other event, which, upon a lapse of time or giving of notice or both, would become an Event of Default, specifying the details thereof and the steps which the Borrower is taking or proposes to take for the purpose of curing the occurrence or preventing the occurrence of such an Event of Default; and
- (f) Execute and deliver such instruments, documents and reports as the Lender may reasonably request in full form and effect to its Agreement.

7.2 Negative Covenant

The Borrower covenants and agrees that during the term of the Loan and until payment in full of all amounts due hereunder, unless the Lender shall otherwise consent in writing, which consent shall not be unreasonably withheld, the Borrower shall not permit its aggregate assets for disbursement to exceed twenty percent (20%) of its annual regular income.

ARTICLE 8. EVENTS OF DEFAULT

8.1 Events of Default

Each of the following events shall constitute an Event of Default under this Agreement:

- (a) Any representation or warranty in this Agreement, the Loan Application or in any other principal, interest or attorney loan payment under this Agreement, as the same becomes due and payable, whether by acceleration or otherwise;
- (b) Any representation or warranty in this Agreement, the Loan Application or in any other principal, interest or attorney loan payment under this Agreement, as the same becomes due and payable, whether by acceleration or otherwise;
- (c) The Borrower fails to perform or observe any covenant or other provision of this Agreement, or if any other document delivered to the Lender in connection with its Agreement, or if any such document, fails to minister to Lender's honor or interests under or contrary to the terms of the same;
- (d) The Borrower defaults in the payment of any of the principal, interest or other amount due when required to do so under this Agreement with the Lender; or if a third party, whether entitled prior to or after this Agreement;
- (e) The Lender grants or any portion thereof shall become incapable or ceases to be in full force and effect;
- (f) An insolvency petition is filed under any bankruptcy law against the Borrower, or a receiver, trustee, administrator or conservator shall be appointed to take possession of the properties of the Borrower;
- (g) A material change in the financial circumstances, or condition, or the Borrower occurs which, in the reasonable opinion of the Lender, would materially and adversely affect the ability of the Borrower to perform its obligations, either as aforesaid;
- (h) A judgment is entered against the Borrower or any obligor on execution against the Borrower in any litigation, or accrued liability of which would materially and adversely affect the Borrower's financial conditions or the Borrower's ability to perform its obligations under this Agreement, issued by the Borrower;
- (i) An event of default has occurred and is continuing pursuant to its Agreement, the Lender may, by written notice to the Borrower, declare all or part of the Loan, together with interest accrued and unpaid thereon, and all other unpaid sums to become due and payable, whereupon the same shall become immediately due and payable, without notice or demand which a attorney催告書を交付するに備へ。
- (j) A declaration of default under this Section shall further result into the following consequences:

 - (i) As to any unexpired portion of the Loan, the Lender's obligation to make drawings shall forthwith terminate;
 - (ii) The Lender shall have the right to exercise and enforce all rights and remedies now or hereafter given able to it under the Loan Documents.

8.2 Default Interest

- (a) Without prejudice to the provisions of Section 4.2, if the Borrower fails to make payment when due of any sum payable hereunder (whether at stated maturity, by acceleration or otherwise), the Borrower shall pay penalty fees equivalent to five per cent per annum (5%) per annum computed from the date up to full payment, based on the total amount due.
- (b) The Borrower shall likewise indemnify one Lender against any actual, reasonable and documented loss or expense which a "non's claim" in respect to a default or non-payment of the Loan made in connection with the original documents of the Loan held by one Lender or against the Lender.

ARTICLE 9. MISCELLANEOUS PROVISIONS**9.1 Waivers; Cumulative Rights**

No failure or delay on the part of any party in exercising any right, or remedy under this Agreement, shall constitute a waiver of any rights, remedy or exercise of any other right under this Agreement. The rights and remedies of the parties under this Agreement are cumulative.

9.2 Governing Law; Submission to Jurisdiction

This Agreement shall be governed by, and construed in accordance with, the laws of the Republic of the Philippines.

- (a) The Borrower irrevocably agrees that any legal action, suit or proceeding arising out of or relating to the Loan Document shall be instituted in any competent court of the City of Manila where the principal office of the Company is located, as the state party in the case, as provided in the Special Conditions, is located, or the equivalent of all other causes.
- (b) If any legal action or other proceeding is brought in connection with any provision of the said Document, the prevailing party shall be entitled to recover reasonable attorney's fees and other costs incurred in such action or proceeding.

9.3 Severability of Provisions

If any provision of the provisions contained in this Loan Document, or any document executed in connection therewith, shall be declared by any court of competent jurisdiction as invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions contained therein or such document, excepted in such provision, shall not in any way be affected or impaired.

9.4 Entire Agreement

This Agreement and the documents referred to herein constitute the entire agreement of the parties with respect to the subject matter in this Agreement and shall supersede any prior expressions of intent or understanding with respect to it in whole or in part.

9.5 Amendments and Waivers

The written consent of the parties shall be required for an amendment or any waiver of any of the provisions of this Agreement.

9.6 Successors and Assigns

- (a) This Agreement shall be binding upon and in the benefit of the parties hereto and their respective successors and permitted assigns.
- (b) The Borrower may not assign its rights or obligations hereunder without the prior written consent of the Lender.

9.7 Notices

- (a) All communications and notices provided for herein shall be in writing and shall be personally delivered or by a carrier, telephonically transmitted, or registered mail or facsimile transmission addressed to the other party at the addresses set forth below in the Special Conditions (or such other address, notwithstanding any change of address as shall be designated by a party, or a notice to the other party in accordance therewith).
- (b) Except as otherwise specified herein, all notices shall be deemed duly given (i) on the date of receipt, if sent personally or telephonically; (ii) upon delivery, if by registered mail, or (iii) when transmitted by

The written confirmation of the facsimile, by facsimile transmission, any party hereto may change
any address for notices hereof by another notice to the other party.

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The Borrower agrees to pay any fees imposed on or with regard to the execution and regularization, or as a consequence of any other document, agreement or instrument in connection therewith, to the Lender or to the Borrower, and the Lender is requested by law to pay any such taxes, the Borrower shall, upon demand, contribute to the Lender for such taxes paid, including penalty and other charges, incurred thereby, if any.

9.9 541-DM

The Lender shall have the right to set off and apply any deposit account of the Borrower held by the Lender or any of the Lender's branches. Subsidiaries of BNP ABX, and any other indebtedness due from BNP ABX by one or more to the Borrower against the sum due under this Agreement.

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- (a) Pursuant to Bangko Sentral Circular No. 472, Series of 1985, and BIR Revenue Regulation No. 4, 2002, as the same may be amended from time to time, to verify with the BIR, in order to establish the authenticity of the tax returns and the accompanying financial statement and documents or information submitted by the Borrower:

 - To request from the deposit account or properties in accordance to the Section of Circular Orders under the purpose of implementing the automatic debt authorisation or the Section of Circular Orders under the Circular Orders.

(b) To obtain from or submit to the Credit Information Corporation, pursuant to Republic Act No. 9514, otherwise known as the Credit Information System Act, credit bureau and other data processors, credit data pertaining to the Borrower at the time of the application.

ב-1990 נסגרה מתקנת ה-ATM.

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PART III - SPECIAL CONDITIONS OF CONTRACT

Name of Borrower	: CITY GOVERNMENT OF BACOOR, CAVITE								
Municipal Office Address:	Mallino Boulevard, Bacoor, Cavite								
Section 2.1 (Amount)	FOUR HUNDRED SIXTY MILLION PESOS ONLY (P460,000,000.00) or contract price whichever is lower.								
Section 2.2 (Availability Period)	, Within one (1) year from date of loan signing.								
Section 2.3 (Project to be Financed)	Construction of Bacoor Disaster Resilience Building in Bacoor, Bacoor, Cavite								
Section 2.6 (Repayment)	Principal payable in 36 equal monthly principal amortizations to start at the end of the 25 th month after initial loan release. Interest payable monthly, as it accrues to month 12 at end of the first month from date of initial loan release.								
Section 2.8 (Interest)	<ul style="list-style-type: none"> > Fixed at 4.00% per annum until December 31, 2022 inclusive of the 2.00% interest rate subsidy (but not more than P10.00Million interest). Subsidy and subject to availability of subsidy funds) under the Bayanihan Act 2. If the subsidy fund is no longer available, the interest rate shall be 3.50% per annum fixed until December 31, 2022; and > After 31 December 2022, the interest rate shall be 3.50% per annum fixed for the next three (3) years, from January 1, 2023 up to December 31, 2026 subject to the condition that LBP shall be the major depository Bank of the LGU; > On the remaining term of the loan from January 1, 2026 up to maturity, interest rate shall be fixed at 4.00% per annum subject to the condition that LBP shall be the major depository Bank of the LGU and the cost of the LGU deposit shall not be more than 0.20%; > LGU's deposit bearing shall be reviewed annually to check if LBP is the majority depository Bank of the LGU and the cost of deposit is not more than 0.20%; if not met, the interest rate shall be repriced based on the ANDBANK prevailing interest rate at the time of review. 								
Other Terms and Conditions	<ol style="list-style-type: none"> 1. Tenor: Ten (10) years inclusive of two (2) years grace period on the principal. 2. Mode of Release: Loan releases to be credited to the LGU's account maintained with ANDBANK. Each release shall be based on the completion/progress of the project on the approved cost estimates of BAC and Awards Committee (BAC) duly certified by the contractor and concurred by the authorized representative of the LGU to be validated by Landbank Representative/s, subject further to the following: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Tranches</th> <th style="text-align: center;">Conditions</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1st Tranche</td> <td>15% of the bid price of the project duly approved by the BAC subject to compliance with the pre-release documentary requirements</td> </tr> <tr> <td style="text-align: center;">Succeeding Tranches</td> <td>Subsequent releases of up to eight (8) tranches shall be via address filing based on project completion duly supported by the LGU's accomplishment report approved by the Local Chief Executive.</td> </tr> <tr> <td style="text-align: center;">Final Tranche</td> <td>15% of the loan amount subject to submission of the following: <ol style="list-style-type: none"> a. Certificate of Acceptance by the LGU's authorized signatory/s/ representative/s signifying acceptance of the fully completed project; and b. Appraisal Report issued by Landbank Representative/s showing 100% project completion </td> </tr> </tbody> </table>	Tranches	Conditions	1 st Tranche	15% of the bid price of the project duly approved by the BAC subject to compliance with the pre-release documentary requirements	Succeeding Tranches	Subsequent releases of up to eight (8) tranches shall be via address filing based on project completion duly supported by the LGU's accomplishment report approved by the Local Chief Executive.	Final Tranche	15% of the loan amount subject to submission of the following: <ol style="list-style-type: none"> a. Certificate of Acceptance by the LGU's authorized signatory/s/ representative/s signifying acceptance of the fully completed project; and b. Appraisal Report issued by Landbank Representative/s showing 100% project completion
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3. Prepayment Penalty: Two percent (2%) shall be waived except if taken out by other banks.

4. Fees And Charges:

The following shall be waived:

- Commitment fee of 1/8 of 1% b of the unavailed loan balance
- Handling fee of 1% of approved loan

The following shall be imposed:

- Inspection fee
- Application fee
- Appraisal fee
- Documentary stamp taxes

5. Pre-release requirements:

5.1. Sangguniang Pangasiad Resolution authorizing the City Mayor to negotiate/borrow, request amount of loan, approving the projects to be financed and assign the corresponding security to be financed under this facility and to sign, endorse loan documents, mortgages, deed of assignments, agreements, notes, and other documents pertaining to the loan obtained from LSP.

5.2. Sangguniang Pangasiad Borrowing Ordinance issued by City Government of Bacoor approving the projects to be financed; modifying the approved terms and conditions of the loan, authorizing the assignment of the Internal Revenue Allocation (IRA) and other income, revenues and collections as collateral/security to the loan obtained and declaring them to be available and not restricted by law or its obligations; and appropriating sufficient funds for the repayment of principal, interest and other charges during the term of the loan;

5.3. Joint Certificate by the BAC Chair and the City Mayor that the City Government of Bacoor (COB) has complied with R.A. 9184 as well as the Commission on Audit (COA) rules and regulations pertaining to the implementation of the proposed project/s.

5.4. Certified true copies of BAC Resolution as to the winning bidder/supplier, Notice of Award, the Notice to Proceed and the duly signed and notarized contract with the winning bidder;

5.5. Joint Certificate by the BAC Chair and the City Mayor that the City Government of Bacoor (COB) has complied with R.A. 9184 as well as the Commission on Audit (COA) rules and regulations pertaining to the implementation of the proposed project/s.

5.6. Certified true copies of BAC Resolution as to the winning bidder/supplier, Notice of Award, the Notice to Proceed and the duly signed and notarized contract with the winning bidder;

5.7. Copy of purchase orders or contract agreement as agreed upon by the COB and the supplier/winning bidder;

5.8. Annual Investment Plan which includes the acquisition of furniture and fixtures and construction of the BDR building.

5.9. City approved Annual Budget with provisions for payment of amortizations and other related expenses for the BDR building and furniture and fixture purchases;

5.10. Seal of Good Housekeeping;

- 5.11 BLGF Certification on the LGU's Net Borrowing Capacity;
- 5.12 BSP Monetary Board Opinion on the LGU's borrowings;
- 5.13 Submission of the following certifications:
- 5.13.1. Certification by the Budget Officer, Accountant, and Treasurer noted by the City Mayor that:
- i. The amount for equity, reserves and maintenance of the project/s, insurance premium and the repayment on principal, interest, and other charges on the loan have been fully appropriated and that no provisions have been made;
 - ii. The sources of repayment are available and not restricted by law or other obligations;
 - iii. The contractual obligations shall be or has been entered into appropriate books of accounts of the City of Bacoor;
 - iv. The loan shall be used exclusively to finance the acquisition of furniture and fixtures to be used in the OGB building.
- 5.13.2. Provincial validation of the City Ordinance if applicable;
- 5.13.3. Copy of Environmental Compliance Certificate (ECC) or Certificate of Non-Coverage (CNC) from the DENR, if applicable
16. Post Release requirements: The City Government of Bacoor shall annually appropriate in its budget such amounts sufficient to pay loan and other indebtedness or contractual obligations. For this purpose, the OGB shall annually submit to LANDBANK a certification of the appropriation that:
- 6.1. The proposed sources of repayment are available and not restricted by law; and
 - 6.2. The contractual obligations/loans are duly appropriated and entered in the OGB's books of account.
17. LANDBANK reserves the right to withhold loan releases should there be:
- 7.1. A case filed against the OGB or its officials involving the projects to be financed;
 - 7.2. An adverse finding on the projects or object of financing, or;
 - 7.3. Withdrawal of the Sangguniang Panlungsod on the authority of the City Mayor to contract this loan.
18. Cost overrun of the project shall be for the account of the OGB.
19. The object of financing shall not form part of the collateral risk but the LGU shall not sell, convey, dispose or mortgage the object of financing as long as the loan is outstanding.
20. Payments to government agencies such as, but not limited to GSIS, PhilHealth, and BIR shall be sourced through LANDBANK, if applicable.
21. LANDBANK shall be authorized to debit from the OGB's deposit account with the Bank the amount of amortization due, insurance premiums and other loan charges.
22. LANDBANK shall be the LGU's major depository bank.
23. The BORROWER hereby waives his/her/its rights under conceivable laws or bank secrecy and information security existing or may, hereafter be enacted, such as Republic Act (R.A.) No. 1405 (The Law on Secrecy of Bank Deposits); R.A. 8426 (Foreign Currency Deposit Act); R.A. 8791 (The General Banking Law); R.A. 10173 (Data Privacy Act), and any other law(s) or regulation(s) pursuant to BSP Circular No. 472 Series of 2018.

2005, as amended, and as implemented by BIR Revenue Regulation RR 4-2005, to verify with the Bureau of Internal Revenue (BIR) (or such other taxing authority that may substitute it) in order to establish authenticity of the annual income tax returns and corresponding financial statements and documents or information submitted by the BORROWER; (b) to inquire into any of the deposit accounts or properties maintained by the BORROWER with the LENDER, its parent, subsidiaries or affiliates for the purpose of implementing the automatic debt authorization or self-set provisions; and (c), obtain from or disclose to its parent, subsidiaries, affiliates, or credit bureaus any information regarding the BORROWER. The Lender, in its Agreement, or the LENDER may deem necessary to exercise its rights under this Agreement as may be allowed or required by applicable laws, rules and regulations. The BORROWER also hereby authorizes the LENDER to request information on the status of any case to which he/she/it is a party. Pursuant to R.R. 9519 (Credit Information System Act), the BORROWER hereby authorizes the submission of basic credit data in connection with any credit evaluation from the LENDER to the Credit Information Corporation (or its successor entity) and authorizes the latter to provide the same information to the BSP.

(d). Subject to other terms and conditions that may be required by the bank's legal officer for documentation purposes.

Address For Noticing:

To the Borrower
Address: **CITY GOVERNMENT OF BACOOR, CAVITE**
Email: **agustin@bacoor.gov.ph**
Facsimile: **(632) 471-00**

To the Lender
Address: **LANDBANK OF THE PHILIPPINES - CAVITE LENDING CENTER**
2nd Floor ACDBANK Building, San Agustin I,
Gen. E. Aquinaldo Hwy, Dasmarinas City, Cavite
Email: **bc_cavite_lcb@lpbp.org.ph**
Facsimile: **(046) 476-1146**

IN WITNESS WHEREOF, the Agreement is signed at _____, Philippines, on the _____

LAND BANK OF THE PHILIPPINES
Lender

By: *[Signature]*
SVP LUCILLE E. TESORERO
Head, Southern Luzon Lending Group

CITY GOVERNMENT OF BACOOR
Borrower

By: *[Signature]*
HON. LAKE MERCADO-REVILLA
2nd Mayor

Signed in the presence of:

[Signature]
VM CATHERINE SURENO-EVARISTO
Witness

[Signature]
JESSE CALIMUSO
Witness

[Signature]
APP. DESSON G. LASAO
Witness

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES

S.S.

BEFORE ME, a Notary Public for and in the above jurisdiction, on this day personally appeared:

Name Competent Evidence of Identity

JOEL M. TESONERO JAN MERCADO-TESTERA	I.D. No. 4291 71-137-008-221	I.B.P. Manila BB
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personally known to or identified by me to be the same persons who executed the foregoing instrument and he/she/they acknowledged to me that it/his/her/their signature(s) bear the same to be his/her/their own free and voluntary act and deed.

The instrument, which consists of **FOURTEEN (14)** pages, refers to a Loan Agreement signed by the parties and the instrumental witnesses on such and every page.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on this _____ day of _____, in the above jurisdiction.

Doc. No. _____
Page No. _____
Book No. _____
Series of _____

ANNEX "B"

LBA-LG-U202001

LOAN AGREEMENT

This Loan Agreement is made and executed by and between **LAND BANK OF THE PHILIPPINES**, a Government financial institution created and existing under and by virtue of the Proclamation of Separation Act No. 3844, as amended, with principal office at LandBank Plaza 1598, M.H. del Pilar corner Quirino Streets, Manila, Manila (the "Lender") and the Borrower as specified in the Special Conditions.

PART I - GENERAL CONDITIONS

Article 1. DEFINITIONS

1.1 Defined Terms

"Agreement" means this Loan Agreement, inclusive of the General Conditions and Special Conditions respectively.

"Assignment" means the assignment by the Borrower of its TIA as may be delivered pursuant to Section 5.1.

"Availability Period" means the period when the Loan may be availed by the Borrower as specified in the Agreement, which begins on the date of approval of the Loan by the Lender and ending on the earliest of (i) the date the Loan is finally drawn by the Borrower, or (ii) the date the Loan is cancelled or terminated in accordance with the provisions of this Agreement.

"Banking Day" means a day, other a Saturday, Sunday or non-working legal holiday, on which banks and other financial institutions are open for business in Metro Manila.

"BIR" means the Bureau of Internal Revenue.

"COA" means the Commission on Audit.

"Event of Default" means an event specified as such in Section 8.

"TIA" means the internal revenue allotment of a local government unit.

"Loan" means the aggregate principal amount of the drawdowns granted by the Lender to the Borrower hereunder, or as the context may require, the amount thereof then outstanding.

"Loan Documents" means collectively this Agreement, the Notes, the Assignment and all other agreements & documents required or consented placed hereunder; as the same may be amended from time to time.

"Note" means the promissory note of the Borrower evidencing the borrowing.

"Project" means the project or object of financing to which the loan proceeds shall be used as indicated in the Special Conditions.

"Special Conditions" means the Special Conditions of Contract constituting Part II of this Agreement.

"Taxes" means any and all present and future taxes (including, but not limited to documentary stamp or value added taxes), fees or charges, of any kind and nature, imposed by the Republic of the Philippines or any political subdivision or agency authority thereof.

1.2 Construction

Unless the context otherwise requires, the capitalized terms in this Agreement shall have the meaning assigned to them in the General Conditions or in the Special Conditions. The headings in this Agreement are inserted for convenience of reference only and shall not limit or affect the interpretation of the provisions hereof. Unless the context otherwise requires, words denoting the singular shall include the plural and vice versa, words denoting the masculine gender shall include the feminine gender and words denoting persons shall include individuals and juridical entities. Unless otherwise provided therein, all terms of accounting used

ARTICLE 1. LEGAL BASIS

herein shall be construed in accordance with generally accepted accounting principles in the Republic of the Philippines on the date applied. Any reference to "days" shall mean calendar days, unless the term "Banking Days" is used.

ARTICLE 2. LOAN AMOUNT AND TERMS

2.1 Loan Amount

The Lender agrees to grant the Loan to the Borrower in the aggregate principal amount as specified in the Special Conditions.

2.2 Availability

The Loan shall be available for drawdown by the Borrower within the Availability Period. The obligation of the Lender to allow drawdown shall terminate upon expiration of the Availability Period without any drawdown being made.

2.3 Use of Proceeds

The Borrower agrees that the proceeds of the Loan shall be used exclusively for the purpose of financing the Project as specified in the Special Conditions.

2.4 Release of Proceeds

The Loan shall be released in the manner prescribed in the Special Conditions.

2.5 Notes

Each drawdown shall be evidenced by a Note which, once executed, shall be complemented by the terms and conditions of this Agreement.

2.6 Term, Repayment

(a) The Borrower shall repay the Loan over a term and under such number and frequency of payments as specified in the Special Conditions.

(b) If any payment hereunder or under the Notes would otherwise be due on a day that is not a Banking Day, such payment shall be made on the next immediately succeeding day that is a Banking Day.

2.7 Voluntary Prepayment

The Borrower may, at its option, prepay, in whole or in part the Loan, together with accrued interest thereon to the date of prepayment, provided, that:

(a) Repayment shall be made on a date required for the payment of the interest;

(b) In case of partial prepayments, the amount prepaid shall be applied in the inverse order of maturity;

(c) Any amount prepaid may not be reborrowed hereunder;

(d) Where the prepayment is a result of the loan being taken out by another bank, the Borrower shall pay to the Lender a prepayment penalty of two percent (2.00%) based on the amount of the principal prepaid.

2.8 Interest

(a) The Borrower shall pay interest on the outstanding principal amount of the Loan in arrears on the last day of each interest period at the rate as specified in the Special Conditions.

(b) The determination by the Lender of the amounts of interest due and payable hereunder shall be conclusive and binding on the Borrower in the absence of manifest error and bad faith in the computation thereof.

(c) The interest shall be subject to upward or downward adjustment if, during the term of the Loan, any law, rule or regulation is issued which has the effect of increasing or decreasing the Lender's cost of funds or intermediation cost, including reserve requirements, taxes, salaries or wages. Such adjustment in interest rate shall be effective upon a thirty (30)-day written notice to the Borrower and each adviser shall form part of its Agreement by reference.

2.9 AUTOMATIC DEBT AUTHORIZATION

The Borrower authorizes the Lender to debit, without need of notice, from any deposit account being maintained with it for all such amounts that may be due the Lender under this Agreement, including those that may result from acceleration.

2.10 Application of Payments

Any payment made to the Lender shall be applied first against any advances made by the Lender, then against penalty, then against fees and other charges, then against principal due on the Loan, then against the loan due and payable.

2.11 No Counterclaims Taxes

All payments due to the Lender shall be made by the Borrower without any deduction, including those for set-off, counterclaim or Tax.

ARTICLE 3. FEES AND CHARGES

3.1 Payment of Fees

The Borrower shall pay to the Lender the following fees and charges:

(a) A commitment fee computed at the rate of one-half (1/2) of one percent (1.0%) per annum of the undrawn amount of the Loan. The commitment fee shall be payable from the approval of the Loan by the Lender until the expiration of the Availability Period, in each case calculated on the daily undrawn balance of the Loan on the basis of the actual number of days elapsed.

(b) All other fees and charges as may be provided in the Special Conditions.

3.2 Expenses

Within thirty (30) Banking Days from date of receipt by the Borrower of the statement of account submitted by the Lender, in connection with the preparation, negotiation, execution, delivery and administration of the Loan Documents, as well as costs and expenses, if any, in connection with the termination thereof, or its amendment, and the issuance of any consents or waivers in connection therewith, and any and all fees, stamps and other taxes. The Borrower shall hold the Lender free from any liability with respect to or resulting from any delay or omission to pay any such costs, expenses, fees or Taxes which may be payable or determined to be payable in connection with the execution and delivery of the Loan Documents.

3.3 Non-Reimbursable Nature

The obligation of the Borrower to pay fees and charges is absolute and unconditional. The fees, expenses and other amounts payable by the Borrower under this Section shall be payable, and, if already paid, shall not be reimbursable by the Lender, notwithstanding the failure by the Borrower to make any drawdown under this Agreement or any other failure of the transactions contemplated herein; however, if the Lender fails to allow drawdown after the conditions borrowing under Article 4 have been complied with, the Borrower shall no longer be liable to the Lender for the fees, expenses and other amounts payable under Section 3.1, and any such fees, expenses and other amounts already paid by the Borrower to such Lender shall be reimbursable by the latter.

ARTICLE 4. CONDITIONS FOR BORROWING

4.1 Conditions for First Drawdown

The obligation of the Lender to allow the release of the initial drawdown shall be subject to the prior fulfillment of the following conditions in addition to those that may be provided in the Special Conditions:

- (a) Unless otherwise already existing as of this Agreement, the Borrower shall have established a deposit account with a branch office of the Lender through which the proceeds of drawdown shall be received;
- (b) The Lender shall have received the following documents each in form and substance satisfactory to the Lender at least three (3) Banking Days (or such shorter period as may be acceptable to the Lender) prior to the intended date of initial drawdown:
 - (i) Certificate of the Secretary or the Sanggwan certifying to the ordinance of the Borrower's Sanggwan approving the terms and conditions of the loan and specifically providing for the following:
 - 1. Authorizing the local chief executive to negotiate and enter into this Agreement with the Lender, and to execute and deliver any and all promissory notes, deed of assignment and other necessary documents;
 - 2. Directing the Borrower's Treasurer and Accountant to enter the loan in the appropriate books of the Borrower;
 - 3. Authorizing the assignment by the Borrower of its TIA, or any other specified collateral, as security for the loan;
 - 4. Appropriating the amounts for the repayment of the loan, interests and other charges in the annual budget of the Borrower, until full payment thereof; and
 - 5. Authorizing the Lender to set off or deduct amounts from any deposits or funds of the Borrower with the Lender and apply the same to the payment of the loan, interests and other amounts due thereon;
 - (ii) Certification by the Budget Officer, Accountant and Treasurer, at the case may be, of the Borrower, noted by its local chief executive, that:
 - 1. The Borrower's equity, amounts for repair and maintenance of the Project, insurance premium and the principal and interest payments on the loan have been fully appropriated and that no provision has been made by the Borrower's for all its obligations;
 - 2. The amount required for the Borrower's equity, the repair and maintenance of the Project, insurance premium, the repayment of the principal, interest and other charges will be fully appropriated;
 - 3. That the proposed sources of repayment are available and not restricted by law or its other obligations; and
 - 4. That the loan shall be entered or has been entered, at the case may be, in the Borrower's books of account;
 - (iii) Certificate of the Bureau of Local Government Finance showing favorable borrowing and debt servicing capacities for the Borrower;
 - (iv) Opinion of the Monetary Board of the Bangko Sentral issued pursuant to Section 123 of Republic Act 7653, otherwise known as the Bangko Sentral Act;

4.2 Conditions for All Drawdowns

The obligation of the Lender to allow the release of the proceeds of all drawdowns shall be subject to the prior fulfillment of the following conditions in addition to those that may be provided in the Special Conditions:

- (a) The Borrower shall be in compliance with all terms and conditions set forth herein on its part to be observed or performed, and no Event of Default or any event which, with due notice or lapse of time or both, would become an Event of Default shall have occurred and be continuing;

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- (c) The representations and warranties contained in Section 6.1 shall be true and correct on the date of drawdown as if made on that as of such date;
- (d) The Lender shall have received the Note and the Schedule and Supplement duly executed and signed by the Borrower at least three (3) Banking Days (or such shorter period as may be acceptable to the Lender) prior to the intended date of initial drawdown; and
- (e) The Borrower shall have paid the fees and charges specified in Article 3 hereof.

4.3 Right of Lender to Refuse Drawdowns

Without prejudice to the Lender's remedies as provided in Section 8.2 in case of an Event of Default, the Lender reserves the right to refuse drawdowns, and for which the Lender is held free and harmless from any and all consequences as a result of its inability to make funds available, in any of the following cases:

- (a) A case is filed against the Borrower or any of its officials involving the Project;
- (b) Any adverse finding on the Project; and
- (c) Withdrawal by the Borrower's Sanggunian of the authority given to its local chief executive to contract the Loan.

ARTICLE 5. ASSIGNMENT OF INTERNAL REVENUE ALLOTMENT

5.1 Assignment

As a source of repayment and by way of security, the payment of the Loan, interest, advances, fees, penalties and other charges thereon, including those may be due to the amendment, extension or restructuring of the Loan, shall be secured by the Borrower's assignment of its internal revenue allotment.

ARTICLE 6. REPRESENTATIONS AND WARRANTIES

6.1 Representations and Warranties

Except as otherwise disclosed to the Lender, the Borrower represents and warrants to the Lender that:

- (a) This Agreement will constitute a legal, valid and binding obligation, enforceable in accordance with their respective terms; there is no judgment, decree or order of any court or agency applicable to it which would be congruent by the execution and delivery of this Agreement, or by the performance of any provision of this Agreement.
- (b) The Project is within a duly approved local development plan or public investment program of the Borrower.
- (c) All procurements relevant to the Project have been made in accordance with applicable laws.
- (d) The audited financial statements of the Borrower as of its immediately preceding fiscal year covering and all other data furnished by it to the Lender are complete and correct, and in material respects, and such financial statements, have been prepared in accordance with government accounting and auditing standards. Since such date, there has been no change in its financial condition or results of operations sufficient to impair its ability to perform its obligations under this Agreement in accordance with the terms thereof. Except as disclosed to the Lender in writing, the Borrower has no ongoing liabilities, liabilities for taxes, or other outstanding financial obligations which are material in the aggregate.
- (e) There is no litigation, arbitration proceeding or dispute pending, or to its knowledge threatened against or affecting it or its predecessor, the adverse determination of which might have a material and adverse effect on its capacity to perform its obligations in this Agreement.

(b) (4) U.S.C. (202(a)(1))

- (f) No event has occurred and is continuing, or would result from the making of this Agreement, which constitutes an Event of Default or which, upon the lapse of time or notice or both, would become such an Event of Default.

6.2 Survival of Representations and Warranties.

The representations and warranties contained herein are true and correct as of the date of this Agreement and shall remain true and correct as long as the Loan is outstanding.

ARTICLE 7. COVENANTS

7.1 Affirmative Covenants

The Borrower covenants and agrees that during the term of the Loan and until payment in full of all amounts due hereunder, unless the Lender shall otherwise consent in writing, which consent shall not be unreasonably withheld, the Borrower shall:

- (a) Use the proceeds from the Loan exclusively for the purpose as specified in the Special Conditions;
- (b) Keep its properties and business in good working condition, insured to their full insurable value with the Government Service Insurance System, but such insurer as may be allowed by law against loss or damage in such manner and to the same extent as are required under existing rules and regulations applicable to local government units;
- (c) Within thirty (30) days after the CGA's issuance of its report, furnish the Lender with a copy of audited financial statements duly certified by the treasurer or equivalent officer of the Borrower as having been prepared in accordance with generally accepted accounting principles in the Philippines and the relevant regulations of the CGA, including therein a balance sheet of the Borrower as of the end of such fiscal year and statements of income and retained earnings and cash flows of the Borrower for such fiscal year;
- (d) Regularly appropriate in its annual budget full provision for the payment of the loan or any portion thereof as they become due and all other statutory and contractual obligations of the Borrower and for its required equity, including the cost for overruns that may arise on the Project; duly pay and discharge all Taxes, assessments and governmental charges or levies imposed upon it or against it against its properties and business prior to the date on which penalties are assessed thereon, unless and to the extent only that the same shall be contested in good faith and by proper proceedings diligently conducted, and take such steps as may be necessary in order to prevent its properties or any part thereof from being subjected to the possibilities of loss, forfeiture or sale; etc.
- (e) Promptly, and in no case more than five (5) Banking Days after the occurrence of an Event of Default, give written notice to the Lender of any Event of Default or other event which, upon a lapse of time or giving of notice or both, would become an Event of Default, specifying the details thereof and the steps which the Borrower is taking or proposes to take for the purpose of curing the occurrence or preventing the occurrence of such an Event of Default; and
- (f) Execute and deliver such instruments, documents and reports as the Lender may reasonably request to give full force and effect to its Agreement.

7.2 Negative Covenant

The Borrower covenants and agrees that during the term of the Loan and until payment in full of all amounts due hereunder, unless the Lender shall otherwise consent in writing, which consent shall not be unreasonably withheld, the Borrower shall not permit its appropriations for debt servicing to exceed twenty percent (20%) of its annual regular income.

ARTICLE 8. EVENTS OF DEFAULT

8.1 Events of Default

Each of the following events shall constitute an Event of Default under this Agreement:

- (a) The Borrower defaults in the payment of any of the principal, interest or any other sum payable under this Agreement, as the same becomes due and payable, whether at maturity, by acceleration or otherwise;
- (b) Any representation made in connection with this Agreement becomes false or misleading in any material respect;

The Borrower fails to perform or observe any covenant or other provision of its Agreement or in any other document delivered to the Lender in connection with its Agreement, or if any such document, shall term, year or condition fail or become void or unenforceable without the written consent of the Lender.

The Borrower's defaults in the payment of any of the principal, interest or other amount due and respect to any other indebtedness, or for taxes, rents or a third party, which are due and payable under this Agreement;

The Assignment or any portion thereof shall become ineffective or ceases to be in full force and effect;

An individual person, a firm, estate, any partnership, corporation, or association, trustee, liquidator or conservator shall be appointed to take possession of the properties of the Borrower;

A material change in the financial circumstances or condition of the Borrower occurs which, in the reasonable opinion of the Lender, would materially and adversely affect the ability of the Borrower to perform its obligations under this Agreement;

A judgment against the Borrower or any attachment or garnishee appears on the Borrower's incorporation, the commencement of suit, legal liability of which would reasonably involve jointly and severally the Borrower's financial conditions or the Borrower's ability to perform its obligations under this Agreement is issued;

8.2 Consequence of Default

- (a) If an Event of Default occurs and continues pursuant to this Agreement, the Lender may, by written notice to the Borrower, declare all or part of the Loan, together with interest accrued and unpaid thereon, and all other amounts owing to the Lender, whether or not payable, become immediately due and payable without notice or demand which is heretofore customarily required by the Borrower;

(b) A declaration of default under subsection (a) hereof shall have the following consequence:

- (i) As to any undrawn portion of the Loan, the Lender's obligation to allow drawdowns shall forthwith terminate;
- (ii) The Lender shall have the right to exercise and enforce all rights and remedies now or hereafter available to it under the Loan Documents;

8.3 Default Interest

Without prejudice to the provisions of Section 4.2, if the Borrower fails to make payment when due of any sum payable hereunder (whether at stated maturity, by acceleration, or otherwise), or otherwise to pay interest, interest or otherwise, the Borrower shall pay penalty fees equivalent to twenty-four percent (24%) per annum computed from the date up to full payment, based on the total amount due.

The Borrower shall indemnify the Lender against, any actual, reasonable and documented loss, cost or expense which it may sustain or incur as a result of nonpayment of the debt due by the Borrower in payment of the principal amount of the loan held by the Lender or interest thereon.

ARTICLE 9. MISCELLANEOUS PROVISIONS

9.1 Waiver; Cumulative Rights

No failure or delay on the part of any party in exercising any right or remedy under this Agreement and no course of dealing between them shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy preclude the exercise of any other right under this Agreement. The rights and remedies expressly provided hereunder are cumulative.

9.2 Governing Law; Submission to Jurisdiction

- (a) This Agreement shall be governed by, and construed in accordance with, the laws of the Republic of the Philippines.
- (b) The Borrower irrevocably agrees that any legal action, suit or proceeding arising out of or relating to the Loan Documents shall be instituted in any competent court in any competent court of the city or municipality where the concerned lending bank or department, as the case may be, of the Lender as provided in the Special Conditions is located, to the exclusion of all other courts.
- (c) If any legal action or other proceeding is brought in connection with any provision of the Loan Documents, the prevailing party shall be entitled to recover reasonable attorney's fees and other costs incurred in such action or proceeding.

9.3 Severability of Provisions

If any one or more of the provisions contained in the Loan Documents or any documents executed in connection therewith shall be declared by any court of competent jurisdiction as invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions contained therein or such document executed in connection therewith shall not in any way be affected or impaired.

9.4 Entire Agreement

This Agreement and the documents referred to herein constitute the entire agreement of the parties with respect to the subject matter in this Agreement and shall supersede any prior expressions of intent or understanding with respect to its transaction.

9.5 Amendments and Waivers

The written consent of the parties shall be required for an amendment or any waiver of any of the provisions of this Agreement.

9.6 Successors and Assigns

- (a) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.
- (b) The Borrower may not assign its rights or obligations hereunder without the prior written consent of the Lender.

9.7 Notices

- (a) All communications and notices provided for herein shall be in writing and shall be personally delivered or transmitted by postage prepaid, airmail or fax, telecommunication addressed to the other party at the addresses set forth below in the Special Conditions (or such other address, contact person or contact persons as shall be designated by a party in a notice to the other party in accordance herewith).
- (b) Except as otherwise specified herein, all notices shall be deemed duly given (i) on the date of receipt if personally delivered; (ii) seven (7) days after posting, A by registered mail, or (iii) upon receipt of e-

19A (1) (G)(1)(B)(c)

the written confirmation of the facsimile, if by facsimile transmission. Any party hereto may change its address for purposes hereof by written notice to the other party.

9.8 Liability for Taxes

The Borrower agrees to pay any Taxes imposed prior with regard to the execution and notarization, of its Agreement or any other document delivered pursuant to its Agreement. In the event that the Borrower fails to pay, and the Lender is required by law to pay any such Taxes, the Borrower shall, upon demand, reimburse the Lender for such Taxes paid, including penalty and other charges imposed thereon, if any.

9.9 Set-Off

The Lender shall have the right to set off and apply any credit balance on any account at the Borrower with the Lender or any of the Lender's branches, subsidiaries or affiliates, and any other indebtedness due and owing by the Lender to the Borrower, against the indebtedness of the Borrower due and owing under the Loan Documents, in reduction of amounts outstanding thereunder.

9.10 Waiver of Confidentiality

The Borrower hereby waives its rights under applicable laws on bank secrecy and information security and grants to the Lender the following authorizations:

- (a) Pursuant to Bangko Sentral Circular No. 472, Series of 2005, and BSR Revenue Regulation No. 4-2006, as the same may be amended from time to time, to verify with the BSR in order to establish the authenticity of the tax returns and any accompanying financial statements and documents of information submitted by the Borrower;
- (b) To require into any of the deposit account or properties maintained by the Borrower with the Lender for the purpose of implementing the automatic debit authorization or the set-off provisions under the Agreement;
- (c) Obtain from or submit to the Credit Information Corporation, pursuant to Republic Act No. 9510 otherwise known as the Credit Information System Act, credit bureaus and other data processors credit data pertaining to the Borrower and the loan in the regular course of business.

(This space intentionally left blank)

19A (1) (G)(1)(B)(c)
SPP (LPRM) 10/2010
Version 1.0

PART II - SPECIAL CONDITIONS OF CONTRACT

Name of Borrower	CITY GOVERNMENT OF BACOOR
Principal Office Address	Melino Boulevard, Bacoor, Cavite
Section 2.1 (Amount)	SEVENTY MILLION PESOS ONLY (P70,000,000.00) or approved contract/added price whichever is lower.
Section 2.2 (Availability Period)	Within one (1) year from date of loan signing
Section 2.3 (Project to be Financed)	Acquisition of furniture and fixtures to be installed in the Bacoor Risk Disaster Resilience Building
Section 2.4 (Repayment)	Principal. Payable in 96 equal monthly principal amortizations to start at the end of the 25 th month after initial loan release. Interest. Payable monthly in arrears or at the end of the last month from date of initial loan release.
Section 2.5 (Interest)	2. The interest rate shall be 3.50% per annum fixed for five (5) years. On the remaining term of the loan, interest rate shall be fixed at 4.00% per annum, subject to the condition that LBP shall be the major depositary bank of the LGU until full payment of the loan.
Other Terms and Conditions	<ol style="list-style-type: none"> 1. Tenor: Ten (10) years inclusive of two (2) years grace period on the principal. 2. Mode of Release: LGU releases/s to be received to the LGU's account maintained with LANDBANK. Each release shall be based on the purchase order/ contract agreement as agreed upon by the LGU and vendor/supplier/s subject to the following: <ul style="list-style-type: none"> a. Submission of letter request for loan release duly signed by the LGU; b. Validator of Purchase Orders (POs), contract by LBP authorized representative; and c. Notice of acceptance by the LGU's authorized representatives. 3. Pre-payment Penalty: Two percent (2%) shall be waived except if released by other terms. 4. Fees and Charges: The following shall be waived:<ul style="list-style-type: none"> • Commitment fee of 1% of 1% of the unavailed loan balance • Handling fee of 1% of approved loan The following shall be imposed:<ul style="list-style-type: none"> • Inspection fee • Application fee • Notarial fee • Documentary stamp taxes 5. Pre-release requirements: <ol style="list-style-type: none"> 5.1. Sangguniang Pangasiwaan Resolution authorizing the City Mayor to negotiate/borrow, request amount of loan, approving the projects to be financed and assign the corresponding security to be financed under the facility and to sign endorse loan documents, mortgages, deed of assignments, agreements, notes, and other documents pertaining to the loan obtained from LBP. 5.2. Sangguniang Pangasiwaan Borrowing Ordinance issued by City Government of Bacoor approving the projects to be financed, ratifying the approved terms and conditions of the loan, authorizing the assignment of the Internal Revenue Allotment (IRA) and other income, revenues and collection as collateral/Security to the loan.

obtained and ensuring them to be available and not restricted by law or its obligations, and incorporating sufficient funds for the repayment of principal, interest and other charges during the term of the loan.

- 5.3. Joint Certification by the BAC Chair and the City Mayor that the City Government of Bacoor (COG) has complied with R.A. 4164 as well as the Commission on Audit (COA) rules and regulations pertaining to the implementation of the proposed project/s;
- 5.4. Certified true copies of BAC Resolution as to the winning bidder/supplier, Notice of Award, the Notice to Proceed and the duly signed and notarized contract with the winning bidder/s;
- 5.5. Joint Certification by the BAC Chair and the City Mayor that the City Government of Bacoor (COG) has complied with R.A. 4164 as well as the Commission on Audit (COA) rules and regulations pertaining to the implementation of the proposed project/s;
- 5.6. Certified true copies of BAC resolution as to the winning bidder/supplier, Notice of Award, the Notice to Proceed and the duly signed and notarized contract with the winning bidder;
- 5.7. Copy of purchase order/s or contract agreement as agreed upon by the LGU and the supplier/winning bidder;
- 5.8. An LGU Investment Plan which includes the acquisition of furniture and fixtures and construction of the BDR building;
- 5.9. Fully approved Annual Budget with provisions for payment of amortizations and other related expenses for the BDR building and furniture and fixture projects;
- 5.10. Seal of Good Housekeeping;
- 5.11. BISF Certificate on the LGU's Net Borrowing Capacity;
- 5.12. BISF Monitoring Board Opinion on the LGU's borrowings;
- 5.13. Submission of the following certifications:
 - i. The amount for equity, repays and maintenance of the project/s, insurance premium and the repayment on principal, interest and other charges on the loan have been fully appropriated and full evaluations have been made.
 - ii. The sources of repayment are available and not restricted by law or other obligations.
 - iii. The contractual obligations shall be or has been entered into appropriate books of accounts of the City of Bacoor.
 - iv. The loan shall be used exclusively to finance the acquisition of furniture and fixtures to be used in the BDR building.
- 5.13.1. Provisional validation of the City Ordinance, if applicable;
- 5.13.2. Copy of Environmental Compliance Certificate (ECC) or Certificate of Non-Coverage (CNC) from the DENR, if applicable.

Please Note: Requirements: The City Government of Boerne shall include appropriate in its budget such amounts sufficient to pay for its and other independent or contractual obligations for the purpose, the City shall annually submit to Lender & certification of the Appropriation Act.

5.1. The proposed sources of repayment areangible and not restricted to level 2nd

5.2. The government obligations are to be appropriated and entered in the City's books of account.

5.3. Lender reserves the right to withdraw loan requests should there be:
5.3.1. A case filed against the City of Boerne involving the projects to be financed;

5.3.2. An adverse finding or the proposal or object of financing; or

5.3.3. Withdrawal of the San Antonio Banking Corporation on the authority of the City Mayor to conduct this loan.

5.4. Cost overrun of the project shall be for the account of the City
5.5. The object of financing shall not lend him or the collateral such
5.6. If the City shall not sell, redeem, dispose or mortgage the
5.7. Except of financing or money as the law requires;

5.8. Payment to government agencies such as, but not limited to
5.9. Available, and it shall be disbursed through Lender;

5.10. Lender shall be authorized to debit from the City's account
5.11. Account with the Bank the amount of administration cost,
5.12. Insurance premium and other loan charges.

5.13. Lender shall be the City's major depositary bank.

5.14. The Borrower hereby waives his/her rights under
5.15. applicable law on bank security and information security
5.16. obligating or may hereafter be enacted, such as Proprietary Act
5.17. (P.A.) No. 1405 (The Law on Security of Bank Deposits), R.A.
5.18. 8616 (Personal Currency Deposit Act), R.A. 8151 (The General
5.19. Banking Law), R.A. 10173 (Data Privacy Act), and authorizes
5.20. the Lender, in pursuant to E.O. Circular No. 477 Series of
5.21. 2005, as amended, and as implemented by BIR Regulation
5.22. Regulation RR 1-2005, to verify with the Bureau of Internal
5.23. Revenue (BIR) or to other taxing authority unit (or
5.24. substitute it) in order to establish authenticity of the annual
5.25. income tax returns and accounting financial statements and
5.26. documents or information submitted by the Borrower (S) to
5.27. inquire into any of the deposit accounts or properties
5.28. maintained by the Borrower with the Lender as parent,
5.29. subsidiaries or affiliates for the purpose of implementing the
5.30. Authority, Dent Autoridad or network branches and
5.31. action may be taken to no patient substantial, appears, or
5.32. credit bureau any information regarding the Borrower, the
5.33. signature or this Agreement. As the Lender may deem
5.34. necessary to exercise its rights under this Agreement or as may
5.35. be allowed or required by applicable laws, rules and regulations.
5.36. The Borrower also hereby authorizes the Lender to request
5.37. information on the status of any court case to which he/she is
5.38. a party. Pursuant to E.A. 5773 (Credit Information System Act),
5.39. the Borrower hereby authorizes the submission of basic credit
5.40. data in connection with any credit application from the Lender
5.41. to the Credit Information Commission (for no disclosure with
5.42. due to the latter to provide the same information to the
5.43. BIR).

5.44. Subject to other terms and conditions that may be imposed by
5.45. the Bank 1 year after for non-completion of project.

Address For Motions:

To the Borrower: CITY GOVERNMENT OF BAGGOT
Address: 1015 Baggot Street, Suite
Email: gatson@citytv.com
Fax/Faxline: (614) 20

To the Lender: **LANDBANK OF THE PHILIPPINES - CAVITE LENDING CENTER**
Address: 2nd Floor LANDBANK Building, San Agustin 1,
Gen. S. Aguirre Highway, Dagami, Batangas City, Cavite
Email: 100_cavite_lcb@landbank.com.ph
Facsimile: (046) 616-1046

In witness whereof, this Agreement is signed at _____, Philippines, on the

LAND BANK OF THE PHILIPPINES

**CITY GOVERNMENT OF GUJARAT
GOMBOJER**

By *[Signature]* By *[Signature]*
SVP LUCILA E. TESORERO **MOM. LALI MERCADU-PREVILLA**
Head, Southern Union Lending Group City Mayor

Signed in the presence of

VM CATHERINE SÁRIO-EVARISTO

ESSAYS

ATTY/SESSIONS LABOR

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES

J.S.S.

BEFORE ME, a Notary Public for and in the above jurisdiction on its 9th day of April, 2008,
personally appeared:

Name Competent Evidence of Identity

LUCILLE TESCARDO
LANTIGADO-PICLUA

LBPN No. 4280

BP Manila
84

personally known to or identified by me to be the same persons who executed the foregoing instrument and he, she/they acknowledged to me that as her/his signatures, that the same is (are) their own free and voluntary act and deed.

The instrument, which consists of EIGHTEEN (18) pages, refers to a Loan Agreement signed by the parties and the instrumental witnesses on each and every page.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on _____ in the above jurisdiction.

Doc. No. _____
Page No. _____
Book No. _____
Series of _____

ANNEX "C"

AMENDMENT TO LOAN AGREEMENT

This AMENDMENT made and executed on this _____ day of _____ 2001 in the Philippines by and between

THE CITY GOVERNMENT OF BACOOR, a local government unit existing within the territory and jurisdiction of the Republic of the Philippines with principal office at the Molino Boulevard, Bacoor Cavite represented herein by its City Mayor HON. LANI MARIANO REVILLA hereinafter referred to as the "BORROWER".

and

LAND BANK OF THE PHILIPPINES, a state owned Government instrumentality wholly created and existing under and by virtue of the provision of Republic Act 3844 as amended, with principal office of business at Land Bank Plaza, 1506 M. L. Quezon Street, Manila, Philippines and with Philippine unit with lending center Office at the 2nd Floor Landbank Building, Bgy. San Agustin, M. Aquino Highway, Bacoor, Cavite, 4120, represented by its President MS. CECILIA C. BORROMEO, and the First Vice President VP JESSE A. CALUBUSO, hereinafter called the "LENDER".

WITNESSETH THAT

WHEREAS, on June 16, 2000, the parties hereto entered into an AGREEMENT wherein the LENDER granted the BORROWER a loan of principal amount of PHSOS. SEVENTY MILLION ONLY (P70,000,000.00) and interest rate of 11% monthly plus 1% Margin interest to the Honorable City of Bacoor City, on such date, in Bacoor, Cavite, Philippines, Book No. 10 Series of 2001;

WHEREAS, the BORROWER demanded and the LENDER agreed to amend the terms and conditions by reason of circumstances.

NOW, THEREFORE, for and in consideration of the foregoing premises and in furtherance thereof, the parties hereto do hereby make the following agreements, as they hereby agree to enter into this AMENDMENT TO LOAN AGREEMENT ("the AGREEMENT"), subject to the following specific terms and conditions:

Section I. Amendment of terms and conditions of previously agreed upon terms and conditions.

IN WITNESS WHEREOF,

Amendment on terms and conditions: On Loan Purpose

From To
* To finance the acquisition of * the initial share acquisition of
the land area covered by the * the initial share acquisition of
acquired in the Brgy. Risk Disaster * the initial share acquisition of
Brgy. San Pedro
* the initial share acquisition of
the land area covered by the
acquired in the Brgy. Risk Disaster
Brgy. San Pedro

Parties hereto, whose names and addresses are set forth below, do hereby amend the
12-2003 agreement amended and which are consistent herewith shall commence to be in full
force and effect:

IN WITNESS WHEREOF, the parties have affixed their signatures at the place and on
the date first above written:

LANDBANK OF THE PHILIPPINES
LENDER

Jesualdo Calibuso
President

CITY GOVERNMENT OF SAN PEDRO
BORROWER

Non Lani Mercado-Burilla
Mayor

Signature of INC President or
Authorized Representative

ASIC
NON LANI MERCADO-BURILLA
Signature

Non Lani Mercado-Burilla
Signature

Attala
Signature