

Republic of the Philippines  
PROVINCE OF CAGAYAN  
City of Tuguegarao

**SIXTH CITY COUNCIL**

EXCERPTS FROM THE MINUTES OF THE REGULAR SESSION  
OF THE SANGGUNIANG PANLUNGSOD OF TUGUEGARAO CITY, CAGAYAN  
HELD ON OCTOBER 21, 2014, 9:00 A.M., TUESDAY,  
AT THE SANGGUNIANG PANLUNGSOD SESSION HALL

PRESENT:

Hon. Bienvenido C. De Guzman II	City Vice Mayor, Presiding Officer
Hon. Rosauro G. Resuello	Sangguniang Panlungsod Member
Hon. Ronald S. Ortiz	-do-
Hon. Perla C. Tumaliuan	-do-
Hon. Jude T. Bayona	-do-
Hon. Loreto B. Valdepeñas	-do-
Hon. Kendrick S. Calubaquib	-do-
Hon. Estelita U. Dayag	-do-
Hon. Aurora A. Ave	-do-
Hon. Anthony C. Tuddao	-do-

ABSENT:

Hon. Maila Rosario T. Que	Sangguniang Panlungsod Member (On Sick Leave)
Hon. Noel A. Mora	-do-
Hon. Hilario Larry S. Ting	-do-

**CITY RESOLUTION NO. 139-2014**

**A RESOLUTION AUTHORIZING THE CITY MAYOR, HON. ATTY. ENGELBERT C. CARONAN, JR., TO NEGOTIATE, ENTER INTO AND SIGN THE CONTRACT OF LEASE BETWEEN THE CITY GOVERNMENT OF TUGUEGARAO AND GLOBE TELECOM, INCORPORATED ON THE USE OF THE UPGRADED PUBLIC MARKET BUILDING PREMISES AS SITE OF GLOBE'S TELECOMMUNICATION FACILITIES, SUBJECT TO ALL LAWS AND EXISTING LEGAL RULES AND REGULATIONS**

**WHEREAS**, Globe Telecom, Incorporated, continuously strengthens its commitment to develop and improve service to its subscribers;

**WHEREAS**, the company has chosen the Upgraded Public Market Building located at Bonifacio Street, Centro 07, Tuguegarao City, Cagayan, as priority site for its telecommunications facilities;

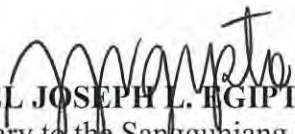
**WHEREAS**, Globe Telecom Incorporated has formally informed the Tuguegarao City Government of its intention and willingness to enter into a Contract of Lease on the use of the subject premises under the terms and conditions as maybe agreed upon.

**NOW THEREFORE, RESOLVE**, as it is hereby **RESOLVED**, by the Sangguniang Panlungsod of Tuguegarao to authorize the City Mayor, Hon. Atty. Engelbert C. Caronan, Jr., to negotiate, enter into and sign the Contract of Lease between the City Government of Tuguegarao and Globe Telecom, Incorporated on the use of the Upgraded Public Market Building premises as site of Globe Telecommunication Facilities, subject to all laws and existing legal rules and regulations.

On motion of all members present, **CITY RESOLUTION NO. 139-2014** was **UNANIMOUSLY APPROVED**.

X-X-X

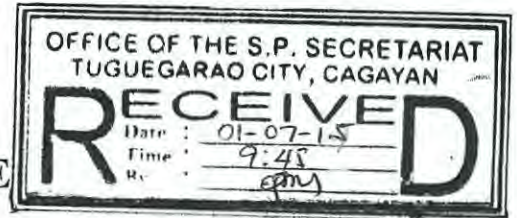
I HEREBY CERTIFY TO THE CORRECTNESS OF THE FOREGOING:

  
**JOEL JOSEPH L. EGIPTO, Ph.D.** 102314  
Secretary to the Sangguniang Panlungsod

ATTESTED:

  
**HON. BIENVENIDO C. DE GUZMAN II**  
City Vice Mayor  
Presiding Officer

al



**CONTRACT OF LEASE**

**KNOW ALL MEN BY THESE PRESENTS:**

This Agreement entered into this day of JAN 0 6 2015 at \_\_\_\_\_, Philippines, by and between:

TUGUEGARAO CITY

The **CITY GOVERNMENT OF TUGUEGARAO**, entered under Republic Act No. 8755, with principal office at Carig, Tuguegarao City, represented herein by its City Mayor, **HON. ENGELBERT C. CARONAN**, hereinafter referred to as the **LESSOR**;

-and-

**GLOBE TELECOM, INC.**, a corporation duly organized and existing under the laws of the Republic of the Philippines, with principal office at The Globe Tower, 32nd Street corner 7th Avenue, Bonifacio Global City, Taguig City, Metro Manila, represented herein by its Head-Wireless and Access Implementation, **JONATHAN F. MANUEL**, hereinafter referred to as the **LESSEE**;

WHEREAS, the **LESSOR** is the absolute and registered owner of a building located at Bonifacio Street, Tuguegarao City known as **TUGUEGARAO CITY PUBLIC MARKET** ("Building" for brevity);

WHEREAS, **LESSEE** desires to provide optimum mobile coverage for Globe Mobile Phone users in the Building through the installation of an indoor/outdoor antenna distribution system;

WHEREAS, **LESSEE** agrees to provide Indoor/Outdoor cellular coverage to **LESSOR** with respect to the Building by installing 98 indoor antennas, microwave and outdoor sector telecommunication facilities for equipment room;

NOW THEREFORE, in view of the foregoing premises, the **LESSOR** hereby allows the **LESSEE** the installation of its Indoor/Outdoor antenna distributed system and the necessary telecommunication facilities thereto based on the following terms and conditions, subject to **LESSOR**'s building rules and regulations, now existing and those that it may hereafter deem necessary:

- 1. **LEASED PREMISES** – The **LESSOR** shall allow the **LESSEE** to install the facilities listed below in appropriate areas of the Building:

**DISTRIBUTED ANTENNA SYSTEM:**

As per approved Installation / Layout Plans in Annex "A", series



**MICROWAVE ANTENNA:**

As per approved Installation / Layout Plans in Annex "A", series

**OUTDOOR ANTENNA:**

As per approved Installation / Layout Plans in Annex "A", series

**LESSOR shall allow the LESSEE an EQUIPMENT ROOM:**

As per approved Installation / Layout Plans in Annex "A", series

All layout or location plans shall have **LESSOR's** prior approval, the implementation of which shall likewise be monitored and inspected by the **LESSOR**.

2. **TERM** – This Agreement shall be for a period of ten (10) years which shall commence on December 7, 2012 and shall expire on December 6, 2022 renewable for another ten (10) years, subject to mutual agreement of both parties with written notice given at least Sixty (60) days before the expiration of this Agreement. **LESSEE** may however, pre-terminate this Agreement within (60) days prior written notice to the **LESSOR**. In the event of pre-termination by the **LESSEE** without just cause, **LESSEE** shall pay to the **LESSOR** the amount equivalent to one (1) month rental as liquidated damages.
3. **CONSIDERATION** – As consideration for the lease and use of the Leased Premises, including all upgrading and installations of telecommunication equipment and appurtenances thereto, the **LESSEE** shall pay the **LESSOR** a monthly rental of Twenty Thousand Pesos (Php 20,000), Philippine Currency, net of Withholding Tax and Value Added Tax, if applicable. The said monthly rental shall be subject to an escalation rate of four and a half percent (4.5%) per annum beginning on the second year of the lease. In addition, **LESSEE** agrees to pay advance rental in an amount equivalent to three (3) months rent upon execution of this Agreement. The advance payment shall be applied against the first Three (3) months of the lease term. The monthly rent shall payable within the first Ten (10) days of the month to which the rental corresponds without the need of demand. **LESSOR** shall issue the corresponding Official Receipt therefore.
4. **USE OF THE LEASED PREMISES** – The **LESSEE** shall use the Leased Premises as a telecommunication site and/or other telecommunication services. To render the Leased Premises suitable for **LESSEE's** use a telecommunication site, **LESSEE** shall construct a Tower and an Equipment Room to house the necessary facilities. The **LESSOR** shall allow the **LESSEE** to install telecommunication antennas, facilities and/or related equipment including the necessary upgrading thereof without any additional cost to the **LESSEE** at such suitable place/s within the Leased Premises; install cables to interconnect the telecommunication equipment; to install a power/feeder line; and to operate a dry cell or other alternative back-up power source to assure continuous power supply to the antennas and other requisite telecommunication appurtenances, facilities and/or related equipment. Rental charges thereto are already included as part of the consideration under Paragraph 3 hereof.
5. **LESSEE'S INSTALLATIONS** – **LESSEE's** installations shall be for its account and expense and shall be done in accordance with the Layout/Installation Plans approved by the **LESSOR**. Installations shall be done in such a way that the strength and general structure of the Building are not thereby or otherwise be adversely affected, and **LESSEE**



shall observe and comply with the Building's rules and regulations. Moreover, in the installation, **LESSEE** shall further comply with the requirements of the local or national government authorities. Likewise, in the installation of its telecommunication equipment requiring electrical expertise, **LESSEE** shall employ only the services of a Licensed Electrician so that any resulting additional load or electrical current required shall be within the electrical load capacity of the Building, thereby minimizing fire hazards.

**LESSOR** shall allow **LESSEE** to upgrade its antennas and other facilities/equipment at such suitable places within the Leased Premises subject to prior written consent and approval of both parties.

6. **LESSEE'S ACCESS TO THE LEASED PREMISES** –The **LESSOR** shall allow only authorized employees/agents of the **LESSEE** access to and from the Leased Premises Twenty-four (24) hours a day, seven (7) days a week, as well as access to other telecommunication equipment/facilities, in connection with the installation, operation and maintenance thereof by the **LESSEE**.
7. **CARE OF THE LEASED PREMISES** – During the term of this Agreement, the **LESSEE** shall keep the Leased Premises clean and in sanitary and tenantable condition. The **LESSEE** shall not undertake any illegal activities within the Leased Premises.
9. **LEASE TO OTHER TELECOMMUNICATION OPERATORS**– The **LESSOR** warrants that he shall not allow telecommunication operators other than the **LESSEE** to install or lease any portion of the Leased Premises for its telecommunication facilities. **LESSOR** hereby allows **LESSEE** to co-locate the Leased Premises with its sister companies, affiliates and subsidiaries including Innove Communications, Inc.
10. **INJURY OR DAMAGE TO THIRD PARTIES** – **LESSEE** hereby assumes full responsibility for any and all damages which may be caused by reason of the installation or operation of the telecommunication facilities of the **LESSEE** to the person or property of third persons while remaining casually or on business in any part of the Leased Premises, and **LESSEE** further binds itself to hold the **LESSOR** free and harmless from any such claims for damage, injury or loss of equipment/antennas unless such injury, damage or loss is due to the negligence or fault of the **LESSOR** or third party affected.
11. **CHANGE OF OWNERSHIP** – The **LESSOR** undertakes that the term of this Agreement shall not be affected by any change in the ownership of the Leased Premises. In the event that the **LESSOR** decides to sell the Leased Premises subject of this Agreement, the **LESSOR** shall first offer the sale of the Leased Premises to the **LESSEE**. **LESSEE** shall then have thirty (30) days from receipt of the offer within which to purchase the Leased Premises. Failure of the **LESSEE** to purchase the Leased Premises shall not affect its rights under this Agreement. The **LESSOR** hereby guarantees and undertakes that in cases of sale, assignment, mortgage or any encumbrance of the Leased Premises, the buyer, assignee, mortgagee or encumbrance holder shall honor and respect the existence of this Agreement and the terms and conditions hereof.
12. **LESSOR'S WARRANTIES** – The **LESSOR** warrants that there are no legal impediments or other obstacles to the **LESSEE's** use of the Leased Premises as a telecommunication site. **LESSOR** further warrants that he shall hold **LESSEE** free and harmless from any claims and suits related to **LESSOR's** ownership and possession of



the Leased Premises. Should there be disturbance in the possession of the Leased Premises which may be caused by the **LESSOR** or third parties, the **LESSEE** shall have the right to rescind this Agreement without prejudice to any legal action that **LESSEE** may initiate to protect its interest.

13. **UTILITIES** –The **LESSEE** shall pay for its actual consumption of electricity and other public services or utilities consumed in the Leased Premises. For this purpose, **LESSEE** shall, at its expense, install a meter for monitoring its electrical consumption or other utility charges. **LESSOR** shall allow **LESSEE** to install and maintain the necessary fixtures, equipment and accessories for the supply of utility services to the Leased Premises.
14. **SIGNS AND ADVERTISEMENTS**– No notice, sign, or other advertising media shall be inscribed, painted, affixed or displayed on any of the windows or doors, or any part of the outside thereof, except with the prior written consent of the **LESSOR**, and even then, it shall be only of such size and style as the **LESSOR** may determine.
14. **TAXES** – The **LESSEE** shall pay for any taxes, assessments, levies or other charges that may be imposed by the national or local government authorities relative to improvements introduced by the **LESSEE** in the Leased Premises as well as taxes, assessments or levies on the **LESSEE**'s conduct of its operation in the Leased Premises.
15. **EXPIRATION/TERMINATION**– Upon the expiration or early termination of this Agreement, all permanent improvements made which cannot be removed without defacing the Leased Premises shall become the property of the **LESSOR** and shall not be removed, except for the telecommunication equipment, Tower, antennas and accessories which shall remain the property of the **LESSEE**, and shall be removed by the **LESSEE** at its expense. All damages or costs incurred in the removal of the telecommunication equipment, tower, antennas and accessories shall be for the account of the **LESSEE**. Within thirty (30) days from the expiration or termination of this Agreement, **LESSOR** shall return **LESSEE**'s security deposit less allowable deductions and any unused advance rental.
17. **ENTIRE AGREEMENT** – This contract embodies the entire Agreement of the parties hereto. There are no terms, conditions or obligations other than those contained herein. This contract shall supersede all previous communications, representations or agreements, either oral or written, between the parties hereto. No amendments to this contract shall be valid unless the same are reduced to writing and signed by the parties hereto.
18. **VENUE OF ACTION**– In the most remote and unlikely event of any suit or action from this Lease Agreement, the action shall be filed with the proper courts of Tuguegarao City, Cagayan, Philippines, to the exclusion of all other courts and venues.



Globe

IN WITNESS WHEREOF, the parties have hereunto set their hands at TUGUEGARAO CITY this JAN 05 2015.

**TUGUEGARAO CITY PUBLIC MARKET**  
LESSOR

**GLOBE TELECOM, INC.**  
LESSEE

By:

**HON. ENGELBERT C. CARONAN**  
City Mayor

**JONATHAN F. MANUEL**  
Head-Wireless Access and Implementation  
*mt*

**SIGNED IN THE PRESENCE OF**

**ACKNOWLEDGMENT**  
(FOR THE LESSOR)

REPUBLIC OF THE PHILIPPINES )  
) S.S.

I certify that on JAN 05 2015, before me, a notary public duly authorized in the city named above to take acknowledgements, personally appeared:

<u>Name</u>	<u>Competent Evidence of Identity</u>	<u>Date/Place Issued</u>
CITY GOVERNMENT OF TUGUEGARAO Hon. Engelbert C. Caronan		

who was identified with his competent evidence of identity to be the same person described in the foregoing instrument, who acknowledged before me that his respective signature on the instrument was voluntarily affixed by him for the purpose stated therein, and who declared to me that he has executed the instrument as his free and voluntary act and deed and the voluntary act and deed of the Corporation he represents.

This instrument refers to a Lease Agreement, consisting of six (6) pages, including this Acknowledgment page signed by the parties and their witnesses.

IN WITNESS WHEREOF, I hereunto set my hand and affix my notarial seal on the date and at the place above written.

Doc. No. 214 ;  
Page No. 44 ;  
Book No. 53 ;  
Series of 2015

**ATTY. RAYMUND P. EVENAN**  
NOTARY PUBLIC  
UNTIL FEBRUARY 28, 2015  
PTR # 123456789  
JAN. 05, 2015 TUGUEGARAO CITY





Globe

**ACKNOWLEDGMENT  
(FOR THE LESSEE)**

REPUBLIC OF THE PHILIPPINES )  
) S.S. **MAKATI CITY**

I certify that on JAN 05 2015, before me, a notary public duly authorized in the city named above to take acknowledgements, personally appeared:

<u>Name</u>	<u>Competent Evidence of Identity</u>	<u>Date/Place Issued</u>
GLOBE TELECOM, INC. Jonathan F. Manuel	Driver License # C11-86-017588	03/28/12/Quezon City

who was identified with her competent evidence of identity to be the same person described in the foregoing instrument, who acknowledged before me that his respective signature on the instrument was voluntarily affixed by him for the purpose stated therein, and who declared to me that he has executed the instrument as his free and voluntary act and deed and the voluntary act and deed of the Corporation he represents.

This instrument refers to a Lease Agreement, consisting of six (6) pages, including this Acknowledgment page signed by the parties and their witnesses.

IN WITNESS WHEREOF, I hereunto set my hand and affix my notarial seal on the date and at the place above written.

Doc. No. 299 ;  
Page No. 69 ;  
Book No. 299 ;  
Series of 2015.

**ATTY. VIGILIO R. BATALLA**  
 NOTARY PUBLIC FOR THE PHILIPPINES  
 APPOINTMENT FILE NO. 10000000000000000000  
 WHERE REGISTERED BY RA 10000000000000000000  
 MCLE COM. BOARD NO. 10000000000000000000  
 10000000000000000000 REGISTERED  
 PTR. NO. 10000000000000000000  
 EXECUTIVE DIR. OF THE  
 MAKATI AVE., COR., JUPITER







**MAYOR ENGLBERT C. CARONAN**  
**TUGUEGARAO CITY PUBLIC MARKET**  
 Bonifacio Street, Tuguegarao City

ATTENTION : **MAYOR ENGELBERT C. CARONAN**  
 Subject : **NOTICE TO PROCEED**

Dear Mayor Caronan:

This is to request your approval to allow Globe Telecom Inc., its employees, agents, or representative to commence with the installation of Globe Telecommunications Facilities and its appurtenances at TUGUEGARAO CITY PUBLIC MARKET at Bonifacio Street, Tuguegarao City.

As agreed, the following conditions shall be refelected upon execution of the Memorandum of Agreement:

1	Period of Use	10 years renewable, subject to mutual agreement of both parties
2	Rental	Php20,000.00 per month with three (3) months advance rent
3	Escalation Rate	4.5% on the second (2 <sup>nd</sup> ) year
4	Commencement date	December 7, 2012
5	Solution – Indoor and Outdoor enhancement coverage	Tuguegarao City Public Market to allow Globe to install 98 indoor antennas for the indoor coverage of the 2 buildings, as outdoor BTS equipment located at the basement floor, microwave antenna and 3 sectors for 2G and 3G at the roofdeck
6	Subject to finalization of Memorandum of Agreement and Acquisition of all permits necessary for construction	
7	Twenty Four (24) hour access to and from the leased premises	

- Globe Telecom shall be responsible for the utility cost and all restoration of any damages caused by our installation team.

Very truly yours,

Conforme:

**GLOBE TELECOM INC.**

Conforme:

**TUGUEGARAO CITY PUBLIC MARKET**

\_\_\_\_\_  
**ANNA LIZA BRAVO**  
 HEAD – SAQ

\_\_\_\_\_  
**HON. ENGELBERT C. CARONAN**  
 CITY MAYOR



Contractor's Name: TWINCOM TRADING CORP.

Project: TUGUEGARAO CITY PUBLIC MARKET

MEMORANDUM OF CONFORMITY ON COMMERCIAL TERMS

Site Name	TUGUEGARAO CITY PUBLIC MARKET
Site Address	Bonifacio Street, Tuguegarao City
Terms	<p>A. Period of Use: Ten (10) years renewable for another Ten (10) years, subject to mutual agreement of both parties</p> <p>B. Rental: Php20,000.00 per month with three (3) months advance rent</p> <p>C. Escalation rate of 4.5% on the second (2<sup>nd</sup>) year</p> <p>D. Commencement date: December 7, 2012</p> <p>E. Solution (Indoor and Outdoor) – TUGUEGARAO CITY PUBLIC MARKET to allow Globe to install 98 indoor antennas for the indoor coverage of the 2 buildings, as outdoor BTS equipment located at the basement floor, microwave antenna and 3 sectors for 2G and 3G at the roofdeck</p> <p>F. Subject to finalization of Memorandum of Agreement and Acquisition of all permits necessary for construction</p> <p>G. Twenty four (24) hour access to and from the leased premises</p>

- Globe Telecom to shoulder utility and restoration cost.

Conforme:

GLOBE TELECOM INC.

TUGUEGARAO CITY PUBLIC MARKET

\_\_\_\_\_  
 ANNA LIZA BRAVO  
 HEAD – SAQ

\_\_\_\_\_  
 HON. ENGELBERT C. CARONAN  
 CITY MAYOR

\_\_\_\_\_  
 JONATHAN F. MANUEL  
 HEAD – WIRELESS ACCESS IMPLEMENTATION