



Republic of the Philippines
Province of Cagayan
Tuguegarao City

OFFICE OF THE CITY MAYOR



28 November 2024

THE PRESIDING OFFICER AND MEMBERS

Sangguniang Panglungsod
This City

Dear *Presiding Officer and Member of the Sanggunian*:

This has reference to the renewal of the Contract of Lease between the City Government and Globe Telecom Inc., with respect to their established tower at the Tuguegarao City Commercial Center.

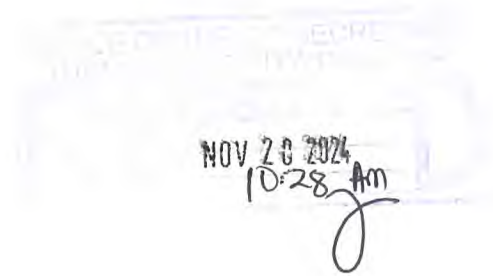
Prior to the execution of this Contract, may we respectfully re-endorse for further review of the same since upon perusal of relevant documents, it was discovered that there were conflicting statements/provisions between the proposed Renewal of Contract of Lease and Committee Report No. 093-2024 particularly number 3 and number 4 thereof.

For your reference and perusal attached herewith is a copy of the Renewal of Contract of Lease and its attachment.

In the name of public service,

MAILA ROSARIO S. TING-QUE

City Mayor





Republic of the Philippines
PROVINCE OF CAGAYAN
 Tuguegarao City
NINTH CITY COUNCIL



EXCERPTS FROM THE MINUTES OF THE 82nd REGULAR SESSION OF THE NINTH CITY COUNCIL OF TUGUEGARAO CITY, CAGAYAN HELD ON MARCH 12, 2024, (TUESDAY), 09:00 A.M., AT THE SANGGUNIAN PANLUNGSOD SESSION HALL

PRESENT:

Hon. Jude T. Bayona	Sangguniang Panlungsod Member/Temporary Presiding Officer
Hon. Mark Angelo B. Dayag	Sangguniang Panlungsod Member
Hon. Maria Rosario B. Soriano	-do-
Hon. Ronaldo S. Ortiz	-do-
Hon. Mary Marjorie P. Martin-Chan	Sangguniang Panlungsod Member (via Teleconferencing)
Hon. Imogen Claire M. Callangan	Sangguniang Panlungsod Member
Hon. Gilbert S. Labang	-do-
Hon. Karina S. Gauani-Viernes	Sangguniang Panlungsod Member (via Teleconferencing)
Hon. Amel T. Arugay	-do-
Hon. Grace B. Arago	Sangguniang Panlungsod Member
Hon. Tirso V. Mangada	-do-
Hon. Cerene Pearl T. Quilang	Ex Officio Member

ABSENT:

Hon. Bienvenido C. De Guzman II	City Vice Mayor (on Vacation Leave)
Hon. Marc Aldous C. Baccay	Sangguniang Panlungsod Member (on Sick Leave)
Hon. Restituto C. Ramirez	Ex Officio Member (on Official Time)

CITY RESOLUTION NO. 152-09-2024

A RESOLUTION APPROVING THE RENEWAL OF CONTRACT OF LEASE BETWEEN THE TUGUEGARAO CITY GOVERNMENT AND GLOBE TELECOM INC. WITH RESPECT TO THEIR ESTABLISHED TOWER AT THE TUGUEGARAO CITY COMMERCIAL CENTER AND GRANTING AUTHORITY TO THE CITY MAYOR, HON. MAILA ROSARIO S. TING-QUE TO SIGN FOR AND ON BEHALF OF THE TUGUEGARAO CITY GOVERNMENT THE SAID CONTRACT OF LEASE

WHEREAS, Hon. Maila Rosario S. Ting-Que endorsed to the Ninth City Council the renewal of Contract of Lease between the Tuguegarao City Government and Globe Telecom Inc. Pertaining to the Telecommunication Tower that was constructed at the upper floor of Tuguegarao City Commercial Center;

WHEREAS, the Globe Telecom, Inc. Has expressed its intention to renew the existing contract of lease for its telecommunications facilities located at Bonifacio Street, Tuguegarao City, Cagayan for another period of Ten (10) years;

WHEREAS, Globe Telecom Inc. continuously strengthens its commitment to develop and improve service to its subscribers and at the same undertakes to insure the structural integrity of the tower to avoid any harm, risk or danger to others and further insure to indemnify third persons for whatever damage or injury it cause to others;

WHEREAS, finding the terms and conditions of the Contract of Lease to be in order and beneficial to the City Government of Tuguegarao, the committee recommends the approval of the renewal of Contract of Lease between the Tuguegarao City Government and Globe Telecom Inc. with respect to their established tower at the Tuguegarao City Commercial Center subject to some amendments and authorizing the City Mayor, Hon. Maila Rosario S. Ting-Que to sign for and on behalf of the Tuguegarao City Government the said Contract of Lease.

[Handwritten signature]

WHEREAS, the during the deliberation of the Committee Report and the terms and conditions of the Contract of Leas in the plenary session of the Sanggunian, following amendments to the Contract of Lease were introduced, to wit:

1. "the LESSEE shall be responsible for any and all damages incurred by the LESSOR or any other person on account or by reason of the fault or negligence of the LESSEE in connection with the establishment, construction and maintenance of the telecommunication facilities on the premises of the LESSOR except on account of pure acts of God or Force Majeure"
2. Stipulation of the effectivity or period of the Contract of Lease.

NOW THEREFORE, RESOLVE, as it is hereby RESOLVED, to approve the renewal of Contract of Lease between the Tuguegarao City Government and Globe Telecom Inc. for the former to let the latter use portion of Tuguegarao City Commercial Center for the establishment and maintenance, tower and telecommunication facilities and granting authority to the City Mayor, Hon. Maila Rosario S. Ting-Que to sign for and on behalf of the Tuguegarao City Government the said Contract of Lease.

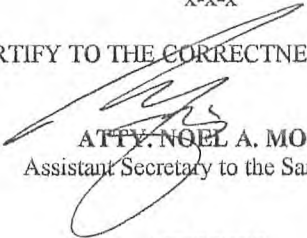
PROVIDED FURTHER, that the LESSEE shall undertake to be responsible for any and all damages incurred by the LESSOR or any other person on account or by reason of the fault or negligence of the LESSEE in connection with the establishment, construction and maintenance of the telecommunication facilities on the premises of the LESSOR except on account of pure acts of God or Force Majeure";

PROVIDED FINALLY that the effectivity or period of the Contract of Lease shall be at the execution of the same by the parties.


On joint motion, CITY RESOLUTION NO. 152-09-2024 was APPROVED.

X-X-X

I HEREBY CERTIFY TO THE CORRECTNESS OF THE FOREGOING:


ATTY. NOEL A. MORA
Assistant Secretary to the Sanggunian

ATTESTED:


HON. JUDE T. BAYONA
Sangguniang Panlungsod Member/Temporary Presiding Officer
Date: March 14, 2024

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Republic of the Philippines
Province of Cagayan
TUGUEGARAO CITY

NINTH CITY COUNCIL

COMMITTEE REPORT

March 01, 2024

Submitted by:

COMMITTEE ON APPROPRIATIONS AND WAYS AND MEANS

PRESENT:

HON. JUDE T. BAYONA	-	Chairman
HON. MARIA ROSARIO B. SORIANO	-	Vice Chairman (via zoom)
HON. ARNEL T. ARUGAY	-	Member
HON. IMOGEN CLAIRE M. CALLANGAN	-	Member

RESOURCE PERSONS:

ATTY. VANESSA VERBO	-	City Legal Office
DR. PASTOR C. TUMALIUAN	-	OIC-Market Administrator
MR. GARIZALDY SANTOS	-	Globe Telecom Representative
MS. JIELA MAE DOMOROZO	-	Globe Telecom Representative

GUEST:

HON. RONALDO S. ORTIZ - City Councilor

COMMITTEE REPORT NO. 093-2024

SUBJECT:

Indorsement of the City Mayor, Hon. Maila Rosario S. Ting-Que, on the renewal of Contract of Lease between the Tuguegarao City Government and Globe Telecom Inc. with respect to their established tower at the Mall of the Valley.

FINDINGS:

1. Hon. Maila Rosario S. Ting-Que indorsed to the Ninth City Council the renewal of Contract of Lease between the Tuguegarao City Government and Globe Telecom Inc. with respect to their established tower at the Tuguegarao City Commercial Center.
2. The Globe Telecom, Inc. expresses its intention to renew the existing contract of lease for its telecommunications facilities located at Bonifacio Street, Tuguegarao City, Cagayan for a period of Ten (10) years.
3. The lease shall be subject to the following considerations:
 - a. The rent shall be Forty-Five Thousand Two Hundred Eight Pesos (45,208.00) per month inclusive of Net Value Added Tax (VAT) and Net of Withholding Tax;
 - b. The Annual Escalation rate shall be Four and a Half percent (4.5%) per year beginning on the Second (2nd) year of the lease term.


Adopted during the 82nd RS - 3/12/2024

4. The following are the amendments made to be reflected in the Contract of Lease:
 - a. In No. 3 of the last sentence of the Contract of Lease the LESSEE shall be change to LESSOR and shall be read as "*approval both Parties without additional cost to LESSOR.*" No 3
 - b. Add a 2nd paragraph in No. 6 of the Contract of Lease to read as "*In the event that any conflict arises between this contract, the most recent contract of agreement shall prevail.*"
5. Globe Telecommunications, Inc. shall strictly check always their facilities regularly in order to avoid unforeseen accident.


RECOMMENDATION:


Finding the terms and conditions of the Contract of Lease to be in order and beneficial to the City Government of Tuguegarao, the committee recommends the approval of the renewal of Contract of Lease between the Tuguegarao City Government and Globe Telecom Inc. with respect to their established tower at the Tuguegarao City Commercial Center subject to the herein stated amendments and authorizing the City Mayor, Hon. Maila Rosario S. Ting-Que to sign for and on behalf of the Tuguegarao City Government the said Contract of Lease.

Respectfully submitted:


HON. JUDE T. BAYONA
Chairman


HON. MARIA ROSARIO B. SORIANO
Vice Chairman


HON. ARNEL T. ARUGAY
Member


HON. IMOGEN CLAIRE M. CALLANGAN
Member

RENEWAL OF CONTRACT OF LEASE

This Renewal of Contract of Lease (the "Renewal") is entered into by the **LESSOR** and **LESSEE** named hereunder, who hereby agree as follows:

The **CITY GOVERNMENT OF TUGUEGARAO**, a Local Government Unit existing by virtue of and under the laws of the Republic of the Philippines, with principal office at Carig, Tuguegarao City, herein represented by its Local Chief Executive, **HON. MAILA ROSARIO S. TING-QUE**, by virtue of City Resolution No. 152-09-2024, 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 office address at The Globe Tower, 32nd Street corner 7th Avenue, Bonifacio Global City, Taguig, Metro Manila, represented herein by its Senior Vice President – Corporate Finance, **JUAN CARLO C. PUNO**, hereinafter referred to as the "**LESSEE**";

each a "Party" and collectively, the "Parties".

-WITNESSETH THAT-

WHEREAS, the Parties have executed an Original Contract of Lease notarized on January 5, 2015 by Atty. Virgilio R. Batalla, Notary Public for and in Makati City, entered as Document No. 299; Page No. 61; Book No.429; Series of 2015;

WHEREAS, the **LESSEE** expresses its intention to renew the existing lease for its telecommunications facilities, located at certain designated areas of the Tuguegarao City Public Market, Bonifacio Street, Tuguegarao City, Cagayan, covered by Tax Declaration (TD) No. 01-0007-00011 ("**Leased Premises**") and the **LESSOR** hereby agrees to renew the same;

NOW, THEREFORE, for and in consideration of the foregoing premises, the Parties hereby agree on the following terms and conditions:

1. **LESSOR** hereby agrees to renew the lease in favor of the **LESSEE** for a period of **Ten (10) years** or from **December 7, 2022** until **December 6, 2032**, and shall be renewed for the same period upon mutual agreement of the Parties. The Parties agree not to pre-terminate this Renewal, unless for a valid cause upon twelve (12) months prior written notice to the other Party.

It is hereby understood that there is an implied new lease on a month-to-month basis when **LESSEE** continues possession of the Leased Premises after the expiration of this Renewal. As such, **LESSEE** shall pay monthly rent to **LESSOR** in the amount provided under the existing agreement until another renewal for a new term is executed by the Parties.

2. The lease shall be subject to the following consideration:

Rent	Forty-five Thousand Pesos and 00/100 Centavos (P45,000.00) per month Net of Value Added Tax (VAT) and Net of Withholding Tax
Mode of Payment	Monthly
Annual Escalation Rate	Four and Half percent (4.5%) per year beginning on the Second (2 nd) year of the lease term

3. In order for **LESSEE** to comply with its legal and government mandate and obligation as a public utility/public service provider, **LESSOR** hereby allows **LESSEE** to install, de-install, change, upgrade, enhance, replace, repair, maintain, modernize, update, improve and transform its antennas, small cells (e.g pico cells), WiFi, ancillaries, accessories, cables, power source (e.g. genset, batteries, solar panels) and other facilities/equipment at such suitable places within the Leased Premises subject to prior written consent and approval of both Parties without additional cost to **LESSEE**.

- 4. The **LESSOR** may allow other telecommunications operators to install or lease any portion of the Lot provided the **LESSOR** warrants: (a) that in order to safeguard **LESSEE**'s concern on the technical aspects of its telecommunications facilities, the **LESSOR** shall furnish the **LESSEE** with the approved plans of the other telecommunications operators; (b) that the **LESSOR** shall obtain the prior written consent of the **LESSEE**; and (c) that the **LESSOR** shall not allow other telecommunications operators to install their telecommunications facilities on the Leased Premises and on **LESSEE**'s facilities (e.g. cable ladders). **LESSOR** hereby allows **LESSEE** to co-locate the Leased Premises with its affiliates, subsidiaries, and other mobile network operators without additional consideration.
- 5. The **LESSEE** and its assignee may assign, share, allow co-location, transfer, or convey its right of possession and lease over the Leased Premises subject to the prior written consent and approval of the **LESSOR**. A new contract may be executed as may be deemed necessary by the **LESSOR** and the assignee/transferee should the **LESSOR** consent to and approve such assignment, co-location, transfer or conveyance.
- 6. This *Renewal*, Original Contract of Lease, all succeeding renewals thereof, if any, and the following annexes, constitute the entire agreement of the Parties and shall govern their relationship. In the event that any conflict arises between this *Renewal*, the most recent contract of agreement shall prevail.

- Annex 1 – Schedule of Rental Payments
- Annex 2 – Sangguniang Panglungsod Resolution No. 152-09-2024
- Annex 3 – Tax Declaration No. 01-0007-00011

- 7. **LESSOR** agrees to the collection, processing, use, and sharing of the data that the **LESSOR** provides to **LESSEE**, its assignee, and its representatives through this *Renewal* for the requirements needed for this *Renewal*. The **LESSOR** understands and recognizes that the collection, processing, use, and sharing of such data, which may include Personal and Sensitive Personal Information, shall be in accordance with the Data Privacy Act of 2012 and the Privacy Policy of **LESSEE**, its assignee and its representatives.
- 8. Except on account of pure acts of God or force majeure, the **LESSEE** shall be responsible for any and all actual and direct damages proven to have been incurred by the **LESSOR** or any other person due to the sole and direct fault or gross negligence of the **LESSEE** in connection with the establishment, construction, and maintenance of its telecommunications facilities on the Leased Premises of the **LESSOR**.
- 9. This *Renewal* may be executed in any number of counterparts, each of which is an original, but all of which together constitute one and the same agreement. This *Renewal* may be executed electronically or by way of electronic signature and such electronic signatures shall be deemed original signatures, have the same force and effect as manual signatures and be binding upon the Parties. If this *Renewal* shall be executed electronically, the best evidence of this *Renewal* shall be a copy of this *Renewal* bearing an electronic signature, in portable document format (PDF) form or in any other electronic format intended to preserve the original graphic and pictorial appearance of a document.

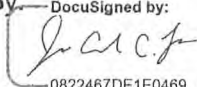
All other provisions of the Original Contract of Lease, as well as all other renewal/s or amendment/s thereof, if any, which are not in conflict herein shall remain valid and effective and shall be binding on the Parties, their successor-in-interest, heirs, assigns, representatives, and/or agents for the entire duration of this *Renewal*.

IN WITNESS WHEREOF, the Parties have hereunto set their hands at _____ this _____.

CITY GOVERNMENT OF TUGUEGARAO
LESSOR
 By: _____

HON. MAILA ROSARIO S. TING-QUE
 Local Chief Executive

GLOBE TELECOM, INC.
LESSEE

By: DocuSigned by:

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JUAN CARLO C. PUNO
 Senior Vice President –
 Corporate Finance

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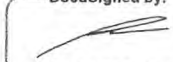


 Reviewed by Legal

DS


WITNESS(ES):

(Signature above printed name)

DocuSigned by:

C01300F5F219429
PAUL EDWARD CALIWAG
(Signature above printed name)

ACKNOWLEDGMENT
(For the LESSOR)

REPUBLIC OF THE PHILIPPINES)
) S.S

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

<u>NAME</u>	<u>Competent Evidence of Identity</u>	<u>Date/Place of Issue</u>
Maila Rosario S. Ting-Que	Employee No. 1.1	

Know to me to be the same person who executed the foregoing instrument which refers to a *Renewal of Contract of Lease* and its annexes including the page on which this Acknowledgment appears and acknowledged to me that the same is her true and voluntary act and deed, and the voluntary act and deed of the Corporation herein represented.

Witness my hand and seal on the date and place first above given.

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 2024.

ACKNOWLEDGMENT
(For the LESSEE)

REPUBLIC OF THE PHILIPPINES)
) S.S.

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

<u>Name</u>	<u>Competent Evidence of Identity</u>	<u>Date/Place of Issue</u>
Juan Carlo C. Puno Globe Telecom. Inc	Passport No. P3069569b Tax Identification No. 000-768-480	11 October 2019/ DFA NCR

known to me to be the same person who executed the foregoing instrument which refers to a *Renewal of Contract of Lease* and its annexes including the page on which this Acknowledgment appears and acknowledged to me that the same is his true and voluntary act and deed, and the voluntary act and deed of the Corporation herein represented.

Witness my hand and seal on the date and place first above given.

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Series of 2024.

ANNEX 1

TAX APPLICATION

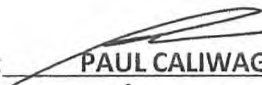
VAT: NET

EWT: NET

YEAR	CONTRACT PERIOD		GROSS RENTAL	VAT	EWT	NET RENTAL
	FROM	TO				
1	DECEMBER 7 2022	DECEMBER 6 2023	47,368.42	5,684.21	(2,368.42)	50,684.21
2	DECEMBER 7 2023	DECEMBER 6 2024	49,500.00	5,940.00	(2,475.00)	52,965.00
3	DECEMBER 7 2024	DECEMBER 6 2025	51,727.50	6,207.30	(2,586.38)	55,348.43
4	DECEMBER 7 2025	DECEMBER 6 2026	54,055.24	6,486.63	(2,702.76)	57,839.10
5	DECEMBER 7 2026	DECEMBER 6 2027	56,487.72	6,778.53	(2,824.39)	60,441.86
6	DECEMBER 7 2027	DECEMBER 6 2028	59,029.67	7,083.56	(2,951.48)	63,161.75
7	DECEMBER 7 2028	DECEMBER 6 2029	61,686.01	7,402.32	(3,084.30)	66,004.03
8	DECEMBER 7 2029	DECEMBER 6 2030	64,461.88	7,735.43	(3,223.09)	68,974.21
9	DECEMBER 7 2030	DECEMBER 6 2031	67,362.66	8,083.52	(3,368.13)	72,078.05
10	DECEMBER 7 2031	DECEMBER 6 2032	70,393.98	8,447.28	(3,519.70)	75,321.56

GLOBE TELECOM INC.

PREPARED BY :


PAUL CALIWAG

VERIFIED BY :


EDNA MERIOLES

CONFORME

: **HON. MAILA ROSARIO S. TING-QUE**
 CITY GOVERNMENT OF TUGUEGARAO