

Republic of the Philippines
Province of Davao del Norte
CITY OF TAGUM

BEFORE THE 4TH CITY COUNCIL

EXCERPT FROM THE MINUTES OF THE 87th REGULAR SESSION OF THE SANGGUNIANG PANLUNGSOD OF THE CITY OF TAGUM, PROVINCE OF DAVAO DEL NORTE HELD ON MARCH 30, 2009 AT THE SP SESSION HALL.

PRESENT:

Hon. ALLAN L. RELLON, MPA,	City Vice Mayor (Presiding Officer)
Hon. ROBERT L. SO,	Member
Hon. DE CARLO L. UY,	Member
Hon. VICENTE C. ELIOT, SR.,	Member
Hon. JOEDEL T. CAASI,	Member
Hon. ALAN D. ZULUETA,	Member
Hon. NICANDRO T. SUAYBAGUIO, JR.,	Member
Hon. REYNALDO T. SALVE,	Member
Hon. FRANCISCO C. REMITAR,	Member
Hon. CYRIL LEONARD L. MURING,	Member (SKF Representative)
Hon. ALFREDO R. PAGDILAO,	Member (ABC Representative)

ON LEAVE:

Hon. MARIA LINA F. BAURA,	Member
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ON OFFICIAL BUSINESS:

Hon. RAYMOND JOEY D. MILLAN,	Member
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RESOLUTION NO. 708, s-2009

A RESOLUTION APPROVING AND RATIFYING THE LOAN AGREEMENT, THE DEED OF ASSIGNMENT, CHATTEL MORTGAGE AND OTHER DOCUMENTS CONTEMPLATED THEREBY BETWEEN THE CITY OF TAGUM, AND THE DEVELOPMENT BANK OF THE PHILIPPINES (DBP) WITH ALL THE TERMS AND CONDITIONS THEREOF.

WHEREAS, as duly authorized by the City Council of Tagum (the "Sanggunian"), the Hon. **REY T. UY**, City Mayor of Tagum has entered into a Loan Agreement with the DEVELOPMENT BANK OF THE PHILIPPINES (DBP) in the amount of FOUR HUNDRED MILLION (P400,000,000.00) PESOS, hereinafter referred to as the "DBP Loan", to be used for: Refinancing of the one on one loan used for the acquisition of various heavy equipments – P15,000,000.00 and partly financed the various priority developmental projects with the following components but not limited to Construction of City Hall with Annex, Development of Food Terminal, Acquisition of land for various uses, Acquisition of heavy equipment and Utility vehicles and executed as security therefor, the Deed of Assignment on a portion of the Internal Revenue Allotment (IRA), local taxes and other revenues of the Province/City/Municipality duly allocated for debt servicing, as well as a chattel mortgage on certain mortgageable assets of the City.

WHEREAS, the aforesaid Loan Agreement, Deed of Assignment, Chattel Mortgage are now before the Sanggunian for its perusal, study, ratification and approval;

WHEREAS, the terms and conditions contained in the above loan documents are fair, just, legal and in order.

NOW, THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED, by the Sangguniang Panlungsod of Tagum to approve and ratify the Loan Agreement, the Deed of Assignment, Chattel Mortgage and other documents contemplated thereby between the City of Tagum, and the Development Bank of the Philippines (DBP) with all the terms and conditions thereof.

For this purpose, the City is hereby authorized as it hereby authorizes the following:

1. To open with DBP a Debt Servicing Account (DSA) where the IRA shall be deposited with continuing assignment of the City's applicable portion of the Internal Revenue Allotment (IRA), Realty Taxes, other taxes and revenues, in favor of DBP and for the Provincial Governor/City/Municipal Mayor to execute the covering Deed of Assignment;
2. To undertake not to incur additional obligations/indebtedness without the prior written consent of DBP which consent will not be unreasonably withheld;
3. The authority of the City to mortgage the chattels particularly described in the mortgage instrument executed in connection with the Loan;

RESOLVED FURTHER, that the Sanggunian undertakes as it hereby undertakes to appropriate in its Annual Budget for the years 2009 to 2016 of the City sufficient to pay its loan from DBP including interest thereon and other charges. The estimated amount to be appropriated in the Schedule of payment, hereto attached as Annex "A" which forms part of this resolution, shall be as follows:

CY 2009 – M	CY 2012 –	CY 2015 –
CY 2010 – M	CY 2013 –	CY 2016 -
CY 2011 –	CY 2014 –	

RESOLVED FURTHERMORE, that this resolution shall remain valid and effective until the Loan with the Development Bank of the Philippines (DBP) has been fully settled and paid.

RESOLVED FINALLY, that copies of this Resolution be furnished to the Office of the City Mayor, the City Treasurer's Office, the Auditor's Office and the concerned Development Council and the Development Bank of the Philippines.

CARRIED AND APPROVED.

I HEREBY CERTIFY to the correctness of the foregoing.

(Sgd) **REY A. BUHION**
Secretary to the Sanggunian

**ATTESTED AND CERTIFIED
TO BE DULY ADOPTED:**

(Sgd) **ALLAN L. RELLON, MPA**
City Vice Mayor
(Presiding Officer)