

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

BEFORE THE 5TH CITY COUNCIL

EXCERPT FROM THE MINUTES OF THE 40TH REGULAR SESSION OF THE SANGGUNIANG PANLUNGSOD OF THE CITY OF TAGUM, PROVINCE OF DAVAO DEL NORTE HELD ON APRIL 18, 2011 AT THE SP SESSION HALL.

PRESENT:

Hon. ALLAN L. RELLON, MPA,	City Vice Mayor (Presiding Officer)
Hon. DE CARLO L. UY,	Member
Hon. MARIA LINA F. BAURA,	Member
Hon. NICANDRO T. SUAYBAGUIO, JR.,	Member
Hon. ROBERT L. SO,	Member
Hon. JOEDEL T. CAASI,	Member
Hon. OSCAR M. BERMUDEZ,	Member
Hon. ALAN D. ZULUETA,	Member
Hon. GETERITO T. GEMENTIZA,	Member
Hon. TRISTAN ROYCE R. AALA,	Member
Hon. FRANCISCO C. REMITAR,	Member
Hon. ALFREDO R. PAGDILAO,	Member (ABC Representative)
Hon. JACQUELINE GRACE Q. EDULLANTES,	Member (SKF Representative)

RESOLUTION NO. 335, s- 2011

“AN IRREVOCABLE RESOLUTION APPROVING AND RATIFYING THE LOAN AGREEMENT, THE DEED OF ASSIGNMENT, REAL ESTATE/CHATTEL MORTGAGE (IF APPLICABLE) AND CERTIFYING THE NAME/S, SPECIMEN SIGNATURES AND AUTHORITY OF THE PERSON/S EXECUTING AND DELIVERING THIS AGREEMENT AND OTHER DOCUMENTATION CONTEMPLATED HEREBY BETWEEN THE CITY GOVERNMENT OF TAGUM AND THE PHILIPPINE NATIONAL BANK (PNB) WITH ALL THE TERMS AND CONDITIONS THEREOF.”

WHEREAS, as duly authorized by the Sangguniang Panlungsod, the City Mayor has entered into a loan agreement with the Philippine National Bank (PNB) in the amount of One Hundred Sixty Two Million Pesos (P 162,000,000.00) to be used for the on – going construction of the new City Hall;

WHEREAS, the aforesaid Loan Agreement, Deed of Assignment, the Real Estate/Chattel Mortgage are now in the Sangguniang Panlungsod for their perusal, ratification and approval;

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

NOW THEREFORE, be it resolved by the Sangguniang Panlungsod of Tagum in session assembled irrevocably approving and ratifying the Loan Agreement, the Deed of Assignment, Real Estate/Chattel Mortgage (if applicable) and certifying the names, specimen signatures and authority of the person/s executing and delivering this agreement and other documentation contemplated hereby between the City Government of Tagum and the Philippine National Bank (PNB) with all the terms and conditions thereof.

1. The City to issue an irrevocable letter of authorization/instruction to Land Bank of the Philippines, duly approved by the Sangguniang Panlungsod and duly conformed by the Land bank of the Philippines to continually remit monthly to PNB 20 % of the City's IRA without need of any further instruction/advice by the LGU, until the loan is fully paid;
2. The City to issue an irrevocable undertaking under oath by the City Mayor and the Treasurer duly approved by the sanggunian that they will draw checks monthly against their IRA deposit account with Land Bank of the Philippines for deposit to their accounts with PNB until the loan is fully paid;
3. The City irrevocably appoints the Philippine National Bank as its Attorney-in-Fact to demand/collect /receive from the Land Bank of the Philippines, the monthly /quarterly twenty- percent (20%) of the City IRA or its applicable portion until the loan is fully paid, and requiring Land Bank of the Philippines to directly remit to the City's Deposit Account with the PNB the said City's IRA until the loan is fully paid;

4. The continuing assignment of the City's applicable portion of the Internal Revenue Allotment (IRA), Realty Taxes, Other Taxes and other revenues, in favor of the PNB and the authority of the City Mayor or in his absence, any duly authorized officials of the city to execute the covering Deed of Assignment;
5. The designation of PNB as its principal depository bank notwithstanding that the Bank has been privatized, until such time that the loan, including the accrued interest and other charges due thereon, is paid in full, and the authority of the City Mayor and Treasurer to open and maintain a deposit account with PNB where the City share in the Internal Revenue Allotment shall be deposited until the loan, including the interest and other financial charges is fully paid;
6. The undertaking to remit to PNB the applicable portion of the City's Realty Taxes and net revenues on a quarterly basis as payment of amortization on the loan and the City Mayor and/or Treasurer to effect the said remittance;
7. The assignment of the appropriate portion of the City's other revenues in favor of the PNB in case the Internal Revenue Allotment, Realty Taxes, project Revenues are insufficient to service the loan amortization;
8. The PNB to debit the City Deposit Account maintained with PNB to cover payment of its loan obligation with the bank;
9. No event of default or an event that with the giving of notice or lapse of time, or both would constitute an Event of Default hereunder, shall occur and be continuing;
10. All fees, charges and expenses then due and payable by the City under this Agreement the note and under the other documents and instruments contemplated thereby shall have been paid in full;
11. The undertaking of the City that include in its annual budget the required amortization to service its loan obligations with PNB;
12. The undertaking of the City that it will not incur additional obligation/indebtedness without the written consent of the PNB which consent will not be unreasonably withheld;
13. The undertaking of the City to mortgage the equipment to the acquired;
14. As security for the loan to mortgage the following properties _____ in favor of the bank.

IRREVOCABLY RESOLVED FURTHERMORE, that the Sangguniang Panlungsod undertakes as it hereby undertakes to appropriate in its annual budget for the year 2011- 2020 of the City sufficient to pay its loan from the PNB 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 the resolution, shall be as follows:

2011 -		2016 -
2012 -		2017 -
2013 -		2018 -
2014 -		2019 -
2015 -		2020 -

IRREVOCABLY RESOLVED FINALLY, that copies of this resolution be furnished the Office of the City Mayor, Philippine National Bank (PNB), City Treasurer's Office, City Auditor's Office and the concerned Development Council.

ACKNOWLEDGEMENT

Republic of the Philippines)
Province of Davao del Norte)
City of Tagum)

BEFORE ME, a Notary Public, personally appeared REY T. UY, with Community Tax Certificate No. _____ issued on _____, 2011 at Tagum City known to me to be the same persons who executed this instrument

WITNESS MY HAND AND SEAL, this ____ day of _____, 2011 at Tagum City, Davao del Norte, Philippines.

Doc No. ____
Page No. ____
Book No. ____
Series of 2011.

CARRIED AND APPROVED.

I HEREBY CERTIFY to the correctness of the foregoing.

REY A. BUHION
Secretary to the Sanggunian

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

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

Sangguniang Panlungsod Members

Name	Signature	Res. Cert. No.	Date of Issue	Place of Issue
Hon. De Carlo L. Uy				Tagum City
Hon. Maria Lina F. Baura				Tagum City
Hon. Nicandro T. Suaybauio, Jr.				Tagum City
Hon. Robert L. So				Tagum City
Hon. Joedel T. Caasi				Tagum City
Hon. Oscar M. Bermudez				Tagum City
Hon. Alan D. Zulueta				Tagum City
Hon. Geterito T. Gementiza				Tagum City
Hon. Tristan Royce R. Aala				Tagum City
Hon. Francisco C. Remitar				Tagum City
Hon. Alfredo R. Pagdilao				Tagum City
Hon. Jacqueline Grace Q. Edullantes				Tagum City