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## CONTRACT OF LEASE

### KNOW ALL MEN BY THESE PRESENTS:

This Contract of Lease is executed this NOV 22 2018 day of November 2018 at Gasan, Marinduque by and between:

**ENGR. FLORENTINO DE JESUS**, of legal age, Filipino, married, with present address at Brgy. Tres, Poblacion Gasan, Marinduque, hereinafter referred to as the "**LESSOR**".

-and-

**FILPRIDE ENERGY CORPORATION**, a corporation duly organized and existing under the laws of the Republic of the Philippines with office address at 14th Floor Jollibee Center Bldg., Ortigas Avenue, Pasig City, represented herein by its Chief Operations Officer, **ANIBETH S. DIONZON**, hereinafter referred to as the "**LESSEE**":

### WITNESSETH THAT:

For and in consideration of the payment by the LESSEE of the agreed rentals as herein stipulated, and its compliance of all the terms and conditions herein provided upon mutual agreement, the LESSOR hereby leases in favor of LESSEE, who hereby accepts the same under the following terms and conditions, to wit:

#### 1. SUBJECT OF LEASE

A certain parcel of land and all existing as well as future improvements thereon situated in Pinggan, Gasan, Marinduque bounded and more particularly described as follows:

TCT No. P-4823

Registry of Deeds for the Province of Marinduque

A portion of the parcel of land situated at Brgy. Pinggan, Gasan, Marinduque and Vicinity/Lot Plan are hereto attached and made part hereof as Annex "A" and "B" respectively, containing an area of **2,000 Square Meters**.

Of which, LESSOR is one of the **registered owners**, the title thereto being evidenced by Transfer Certificate of Title No. P-4823 of the land records in the Office of the Registry of Deeds for the Province of Marinduque and Tax Declaration No. 12011 a copy of which is attached hereto as Annex "C". The land herein leased is particularly shown in the sketch hereto attached marked as Annex "B" and made a part hereof (hereinafter, the "Leased Premises").

#### 2. TERM OF LEASE

- A. This lease shall be for a period of Five (5) years, beginning from the effectivity of the lease.
- B. Thereafter, the LESSEE shall have the option to renew the lease. The amount of rent on the renewal hereof shall be agreed upon with the LESSOR. The LESSEE shall signify its intention to renew the lease sixty (60) days before the expiration of the original term hereof.
- C. Notwithstanding the foregoing provision, the LESSEE shall have the right to pre-terminate this contract before the expiration of the period herein stipulated, if it shall find the business no longer feasible and profitable to operate, in which case the LESSEE shall notify the LESSOR of such intention at least two (2) months before such termination.



### 3. RENTAL

The LESSEE shall pay the LESSOR a monthly rental of Thirty Thousand Pesos(Php 30,000.00) VAT inclusive.

- A. The monthly rental for the 5-year period shall be in the form of monthly deposit thru official bank account number which shall be provided by the LESSOR. LESSOR shall issue to the LESSEE an official receipt upon receipt of payment. LESEE shall issue a 1 year PDC payable to owner upon start of operation.
- B. It is agreed, however, that should the LESSEE, for any reason, be deprived of the possession of the Leased Premises, the monthly rental shall abate in proportion to the number of days that the LESSEE is not in possession thereof.

### 4. ADVANCE RENTAL AND DEPOSIT

Upon signing of this Contract, LESSEE shall pay to LESSOR Three (3) months deposit, amounting to Ninety Thousand Pesos Only (Php 90,000.00), which shall be refunded to the LESSEE upon the termination hereof.

LESSEE shall also pay upon the signing of this Contract hereof Three (3) months advance rental, amounting to Ninety Thousand Pesos Only (Php 90,000.00) to be applied immediately upon the effectivity of lease.

### 5. EFFECTIVITY OF LEASE

LESSOR agrees to give LESSEE a grace period of Four (4) months or upon start of operation, whichever comes later from the signing of this Contract, during which, although no monthly rental shall be paid by the LESSEE to the LESSOR, LESSEE nonetheless shall exercise all its rights hereunder and occupy and use the Leased premises.

The grace period with non-rental of Four (4) months will be used by the LESSEE for the processing of permits and construction.

### 6. WARRANTY OF TITLE

- A. The LESSOR hereby declares and warrants LESSEE's absolute, real, and full title of ownership of the Leased Premises, and that it is free from any liens and encumbrances at the time of the signing hereof.
- B. The LESSOR warrants that the LESSEE has unrestricted rights to use and lease out the Leased premises to the LESSEE.
- C. The LESSOR warrants that this Contract of Lease is legal, valid, and binding under the laws of the Republic of the Philippines and enforceable in accordance with its terms.
- D. The LESSOR covenants that it shall not constitute any mortgage, encumbrance or lien of whatever nature on the Leased Premises after the signing of the lease contract without the written consent of the LESSEE. Any mortgage, lien or encumbrance that LESSOR may constitute on the Leased Premises with the LESSEE's written consent shall be subordinated to the leasehold rights of the LESSEE and her successors-in-interest, even if such mortgage, lien or encumbrance is recorded by the LESSOR in the Registry of Property.



- E. The LESSOR also covenants and warrants the right of the LESSEE hereunder to possess the Leased Premises during the term hereof or any renewal thereto and will, at its own expense, defend the LESSEE against any and all judicial or administrative actions for eviction, and fully indemnify the LESSEE from any and all damages it may suffer as a result there from.

## 7. ASSIGNMENT OF RIGHTS AND SUBLEASE

The LESSEE shall have the right to assign, transfer, or encumber its rights in this Contract, or sublease or sublet all or any part of the Leased Premises, with prior notice, written or verbal, to the Lessor. Any right or interest conferred by LESSEE upon anyone by virtue of such transfer, assignment or sublease shall be recognized and respected by the LESSOR.

## 8. USE OF LEASED PREMISES

The LESSEE shall use the Leased Premises for any and all commercial and business activities it may undertake by itself or through its assignee and/or sublessees, including but not limited to the operation of a fuel storage facility.

## 9. OCCUPANCY AND IMPROVEMENTS

The LESSOR hereby expressly agrees that the LESSEE shall have the right to erect on the Leased Premises any buildings or structures, and to introduce and install therein any improvements and equipment that it may desire. The structures and other useful improvements introduced by the LESSEE and/or its SUBLESSEE (Locator) shall not become part of the Leased Premises, but shall be and remain the property of the LESSEE during the term hereof or any renewal thereto and shall be subject to the provisions of Article 11 herein below.

## 10. SALE OF LEASED PREMISES

- A. In the event the LESSOR, at any time during the term of this agreement or any renewal or extension thereof, receives from another party an acceptable offer in writing for the purchase of the Leased Premises, the LESSOR shall forthwith submit the written offer to the LESSEE who shall have the first option to purchase the Leased Premises under mutually agreed terms and conditions with the LESSOR. The LESSEE shall be entitled to a period of ninety (90) days from receipt of notice of such written offer from LESSOR to decide whether or not it will purchase the Leased Premises
- B. In the event the LESSEE waives its first option to purchase the Leased Premises, and the sale of the Leased Premises to such third party occurs, the LESSOR warrants and binds itself that the rights of the LESSEE in this Contract shall be fully respected and honored up to its expiration date. For this purpose, the LESSOR shall incorporate in the Deed of Sale a provision that the Buyer shall strictly respect and honor the LESSOR's Contract of Lease with the LESSEE.

## 11. SURRENDER OF LEASED PREMISES.

Upon termination or cancellation of this lease, the LESSEE agrees to vacate the Leased Premises and return and surrender it to the LESSOR. LESSEE shall have the option to remove or abandon any structure, useful improvement, equipment, fixtures, etc., it placed on the leased premises.

Restoration of the Leased Premises to its original state shall be for the account of the LESSEE. However, the LESSOR shall be responsible for such restoration (including all the costs of the LESSEE in installing and removing all equipment, pump and tanks in the Leased Premises) if the termination is due to causes or reasons attributable to the LESSOR.

## 12. TAXES AND FEES

Real property and other governmental taxes and fees imposed upon the Improvements on Leased Premises shall be for the account of the LESSEE.



13.

**ELECTRICAL AND OTHER PUBLIC UTILITY CHARGES**

All charges for electrical and water consumption, telephone, and other public utility services incurred in the Leased Premises during the term hereof shall be for the exclusive account of the LESSEE.

14.

**EXPROPRIATION**

A. In the event that expropriation proceedings of part or all of the Leased Premises are instituted during the period of this lease by any instrumentality of the Government or by any other entity with authority to exercise such power, the LESSEE shall rescind this contract should the Leased Premises become no longer useful for the purposes of this lease, upon giving the LESSOR thirty (30) days previous written notice thereof.

B. In the event, however, of an expropriation or other taking of only a part of the Leased Premises for a public or quasi-public use, then the rental shall be reduced in the proportion that the area expropriated bears to the total area, should the LESSEE decide to continue with the lease notwithstanding such partial expropriation.

15.

**INSPECTION OF LEASED PREMISES**

The LESSOR or its authorized representative, reserves the right to enter and inspect the Leased Premises at reasonable times and upon due notice to the LESSEE.

16.

**INDEPENDENT AND SEPARATE CONTRACT**

The parties hereto fully understand and agree that this Contract shall stand separate, apart from, and independent of any and all other agreements that may be entered by the parties herein. Accordingly, this Contract shall survive the pre-termination and/or expiration of the other agreements between the parties hereto, since it is insulated from and not affected by the rights and obligations of the parties towards each other in such other agreements or undertakings. The termination or expiration of this Contract shall take place solely in accordance with the terms hereof.

17.

**REGISTRATION AND ANNOTATION**

This lease shall be registered in the Registry of Deeds where the Leased Premises is located. Hence, the LESSOR shall execute any documents which may be required by the Registry of Deeds for such registration. Moreover, the LESSOR undertakes that this Contract of Lease shall be annotated in her Transfer Certificate of Title covering the Leased Premises within six (6) months from signing hereof.

18.

**CHANGES AND AMENDMENTS**

This Contract shall not be changed or modified except by another agreement in writing signed by the parties.

19.

**GOVERNING LAWS**

This Agreement shall be construed and governed by the laws of the Philippines. Each party irrevocably submits to the jurisdiction of the appropriate courts of Pasig City for the purpose of enforcing any rights or obligations under or arising out of this Contract.

20.

**JUDICIAL PROCEEDINGS; DAMAGES**

In the event of judicial proceedings rendered necessary by LESSOR's breach of any of its warranties set forth in paragraph 6 hereinabove or of any rights of the LESSEE under this Contract or the unlawful termination hereof by LESSOR, the LESSOR shall pay the LESSEE



attorney's fees which shall not be less than Fifty Thousand Pesos (P50, 000.00). In addition thereto, the LESSOR shall pay the LESSEE liquidated damages in the amount of Five Hundred Thousand Pesos (P500,000.00), in addition to any other compensatory, moral, nominal, temperate, and exemplary damages that the Court may adjudge appropriate.

IN WITNESS WHEREOF the parties hereunto affix their signatures this NOV 22 2018 day of November 2018 at BOAC, MARINDUQUE.

LOT OWNER

By:

ENGR. FLORENTINO DE JESUS  
LESSOR

FILPRIDE ENERGY CORP.

By:

ANIEBETH S. DIONZON  
CHIEF OPERATIONS OFFICER

SIGNED IN THE PRESENCE OF:

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES  
**BOAC, MARINDUQUE**

)  
) S.S.

**BOAC, MARINDUQUE**

BEFORE ME, a Notary Public for and in the city of \_\_\_\_\_, personally appeared \_\_\_\_\_ with her community tax certificate no: \_\_\_\_\_ issued at \_\_\_\_\_ on \_\_\_\_\_ and \_\_\_\_\_ with \_\_\_\_\_ issued at \_\_\_\_\_ on \_\_\_\_\_ with his community tax certificate no. \_\_\_\_\_ known to me to be the same person who executed the foregoing Contract of Lease consisting of five (5) pages, including the page where this Acknowledgment appears, and acknowledged to me that they executed the same as their free and voluntary act and deed, and of the free voluntary act and deed of the corporation which she represents, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal this NOV 22 2018 day of November, 2018 at BOAC, MARINDUQUE

Doc. No. 276;  
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Book No. 31;  
Series of 2018.

ATTY. ALFREDO L. DE LUNA  
NOTARY PUBLIC

Until December 31, 2019

Roll No. 29141

PTR No. 9363961 - 01-03-18, Boac, Marinduque  
IBP No. 1047466 - 12-20-17, Marinduque Chapter  
TIN 122-387-271 MCLE No. V-0018842/04-15-2016  
Barangay Murallon, Boac, Marinduque