REPUBLIC OF THE PHILIPPINES REGIONAL TRIAL COURT

FOURTH JUDICIAL REGION
BRANCH 163
CORON, PALAWAN

Email: rtc2cnp163@judiciary.gov.ph Contact No.: 0926-658-3068

BCT TRADING AND CONSTRUCTION and 428 HI-TECH GROUP, INC., Plaintiffs,

versus -

CIVIL CASE No. CRN-1084

For: Injunction and Damages

ROBERTO B. MAGALLANES and JOSE B. MAGALLANES, Jr., Styling themselves as "SAGIP CORON PALAWAN", PHILIPPINE RECLAMATION AUTHORITY, DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES – MIMAROPA, DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS – MIMAROPA, AND THE LOCAL GOVERNMENT OF CORON, PALAWAN,

Defendants.

FORMAL OFFER OF EXHIBITS

Plaintiffs, by counsel, respectfully offer in evidence the following documentary exhibits:

Preliminary – marking of the Judicial Affidavits of plaintiffs' witnesses.

1.01 Plaintiffs were informed by the court staff that the Honorable Court also requires the marking of the judicial affidavits presented before it.

- 1.02 Thus, in the interest of orderly procedure, before plaintiffs formally offers its evidence in support of its application for issuance of a Writ of Preliminary Injunction, they respectfully request the marking of the judicial affidavits of their witnesses presented during the hearing last 20 March 2023 as follows:
 - 1.02.1 The Judicial Affidavit of Engr. Gabriel P. Mingoa, Jr. as **Exhibit "Z"**, his signature as **Exhibit "Z-1"** and the signature of Atty. Gwyn Gareth T. Mariano which said witness identified as **Exhibit "Z-2"**.
 - 1.02.2 The Judicial Affidavit of Franz Mecaela P. Allata as **Exhibit "AA"**, her signature as **Exhibit "AA-1"** and the signature of Atty. Gwyn Gareth T. Mariano which said witness identified as **Exhibit "AA-2"**.

I.

Exh.	PARTICULARS	PURPOSE OF OFFER
A	Memorandum of Agreement between Provincial Government of Palawan and PRA on 5 November 2009	
В		Panglalawigan of Palawan enacted Ordinance No. 1971 allowing the Provincial

purposes of implementing big Selecting Procedure in infrastructure projects that the Sector the Private Province could not normally Proponent, Adopting a fund on its own. Contract Management Framework, and Also offered as part of the Providing Appropriations testimony of witness Atty. for the Other and Jethro M. Palayon. Purposes" To prove that, pursuant to the \mathbf{C} Contractual Joint Ordinance No. 1971 or the 4P Agreement Venture Ordinance, the Provincial Gov BCT. 428-Hi between Palawan entered into Provincial of and Tech Joint Venture Government of Palawan Contractual Agreement with BCT Trading and Construction and 428 Hi-Group, Inc. for Tech continuation of the reclamation project CBDP. Also offered as part of the of witness Atty. testimony Jethro M. Palayon. Provincial To prove that the Prov. Gov. \mathbf{D} Letter from sent a request to PRA for the Government of Palawan, issuance of a Notice To Proceed Gov. Jose CH. Alvarez to or NTP. In the same letter, the PRA dated 1 October Provincial Government 2019, requesting for the Palawan informed the PRA that issuance of a Notice to it has entered into a joint Proceed agreement with venture the herein plaintiffs for continuation of the CBDP. Also offered as part of the of witness Atty. testimony Jethro M. Palayon. To prove that the PRA informed \mathbf{E} Letter dated 11 Provincial December 2019 from PRA the Palawan Government that a NTP was to Gov. Alvarez. issued, with certain additional requirements. The NTP issued landalso recognized the sharing between the public and E-1Secretary's Certificate Board private proponents once the containing the

	Pecalution No. 5079	realemetics is finished
	Resolution No. 5078, Series of 2019 of the Board of Directors of the PRA	
F	Official Receipt No. 0016302	To prove that the regulatory fees were paid by plaintiffs pursuant to par. 4.2 of the CJVA.
F-1	Acknowledgement Receipt No. 0000173	Also offered as part of the testimony of witness Atty. Jethro M. Palayon.
G	2020 from Provincial Government of Palawan through Gov. Alvarez to Department and Environment and Natural Resources (DENR)	testimony of witness Atty.
Н	Provincial Government of Palawan's submission letter to PRA dated 18 December 2020.	428 Hi-Tech Group already
I	PRA's reply letter dated 22 February 2021	To prove that PRA acknowledged receipt of the submission of 428 Hi-Tech Group. Also offered as part of the testimony of witness Atty. Jethro M. Palayon.

Memorandum issued by the Regional Composite Team of DENR-MIMAROPA, recommending the issuance of the requested Area Clearance for CBDP in favor of Provincial Government of Palawan.

Exhibits "J" to "N" and "N-1" are offered to prove that, after a series of communications and submissions with the DENR, all the requirements for the issuance of the requested Area Clearance has been complied with as of March 10, 2022, and was already endorsed for issuance.

 \mathbf{K} Memorandum issued by the Regional Executive Director of DENR-MIMAROPA for the Secretary thru the Undersecretary for Field Operation and Environment dated 24 November 2021.

Also offered as part of the testimony of witness Atty. Jethro M. Palayon.

L Endorsement dated December 2021 by the Undersecretary for Field Operations and Environment the of DENR the Acting to Director of the Land Management Bureau (LMB).

Memorandum dated 27
January 2022, issued by
the Acting Director of the
LMB for the Regional
Executive Director of
DENR-MIMAROPA.

Memorandum dated 10
March 2022 issued by
the OIC Regional
Executive Director of
DENR-MIMAROPA for the
Director of Land

N-1	Management Bureau, submitting the Geological Site Scoping Report (GSSR). The attached Geological Site Scoping Report (GSSR).	
O		To prove that, in the meantime while the DENR was processing the Area Clearance, the Provincial Government of Palawan was advised to temporarily stop reclamation activities on 28 January 2021. Also offered as part of the testimony of witness Engr. Gabriel P. Mingoa, Jr.
P	Picture of the reclaimed area under the CBDP.	To prove that as of end of January 2021, when plaintiffs temporarily stopped its reclamation activities, it had already reclaimed approximately 22 hectares of land under the CBDP. Also offered as part of the testimony of witness Engr. Gabriel P. Mingoa, Jr.
Q	Cease and Desist Order issued by the PRA dated 24 March 2022 against Provincial Government of Palawan.	Cease and Desist Order to the Provincial Government of
R		To prove that the Provincial Government of Palawan replied

	2022 letter to the PRA	to the PRA informing it that reclamation activities had long ceased since February 2021 upon the advise of the Coron-CENRO dated 28 January 2021. It also updated the PRA that, after compliance with the requirements, the application for Area Clearance is already with the LMB for its appropriate action. Also offered as part of the testimony of witness Atty. Jethro M. Palayon.
S	PRA letter dated 27 February 2023.	To prove that, almost a year after, PRA wrote a letter to the Provincial Government and the plaintiffs herein, formally informing them of the Forfeiture Order but not attaching a copy thereof, and informing them of the impending so-called mitigation measures to be implemented on the reclaimed area. Also offered as part of the testimony of witness Engr. Gabriel P. Mingoa, Jr.
T	Plaintiffs' 02 March 2023 reply letter	To prove that plaintiffs replied to the 23 February 2023 letter of the PRA: 1) First requesting for a copy of the Forfeiture Order so they may act on it; 2) Questioning the legitimacy of this so-called IATF; and, 3) Questioning the legality of the proposed implementation of the so-called mitigation measures. Also offered as part of the testimony of witness Engr. Gabriel P. Mingoa, Jr.

U	defendant Roberto B. Magallanes purportedly	To prove that defendant Roberto B. Magallanes, purportedly representing Sagip Coron Palawan, was the one who invited various government agencies and organizations to meet and convene on 09 February 2023 at the Luxent Hotel in Quezon City. Also offered as part of the testimony of witness Engr. Gabriel P. Mingoa, Jr.
V	"Agreement Reach During the Interagency Meeting at the Luxent Hotel on February 9, 2023,".	To prove that the meeting called by Roberto B. Magallanes on 9 February 2023 proceeded as called for, calling it an "Interagency Meeting", and citing agreements to implement so-called "mitigation measures" on the reclaimed land, which include: 1) Excavation of the reclaimed land near Discovery Island; 2) Opening of waterways to allegedly trapped mangroves; and 3) installation of sea wall on the excavated sites. Further, to prove that the participants in that meeting were being referred to collectively as the "Task Force". Also offered as part of the testimony of witness Engr. Gabriel P. Mingoa, Jr.
w	Minutes of the so-called Interagency Meeting via Zoom on 20 February 2023, 2:00 p.m.	

		the so-called mitigation measures which was scheduled to commence on 27 February 2023.
X to X-5	Pictures taken by witness Franz Mecaella P. Allata on 27 Feb 2023 of the excavation within the reclaimed area.	To prove that the planned excavation of a large portion of the reclaimed area on 27 Feb 2023 pushed through with the defendant Magallanes brothers present.
X-6 to X-7	Pictures downloaded by witness Allata from FB account of Yong Magallanes.	As part of the testimony of witness Franz Mecaella P. Allata.
X-8 to X-9	Pictures posted by Bob Magallanes on the Facebook page of Sagip Coron Palawan, which was downloaded by witness Allata.	
Y, Y-1, Y-2	USB flash drive containing 2 video files of the excavation conducted on 27 February 2023: 1 taken by witness Allata and the other downloaded from Sagip Coron Palawan Facebook page.	
Z, Z- 1, Z- 2	Judicial Affidavit of witness Engr. Gabriel P. Mingoa, Jr.	Offered as the direct testimony of witness Engr. Gabriel P. Mingoa, Jr., who identified the same, and affirmed the statements he made therein under oath.
AA, AA- 1,	Judicial Affidavit of witness Franz Mecaella P. Allata	Offered as the direct testimony of witness Franz Mecaella P. Allata, who identified the same,

AA-	and affirmed		
2	she made there	in ui	nder oath.

II

Exhibits "A" to "N", "Q" and "R", were all attached to the Complaint and already form part of this Honorable Court's records. Defendant were all already furnished copies thereof, except for **Exhibit "C"**, a copy of which is hereto attached and make an integral part hereof.

Exhibits "O", "P", "S" to "W" were all previously attached to the Judicial Affidavit of Engr. Gabriel P. Mingoa, Jr. which was also attached to the Complaint, and as such, already form part of this Honorable Court's records. Defendants have likewise already been furnished copies thereof.

Exhibits "X" to "X-9" were all previously attached to the Judicial Affidavit of Franz Mecaela P. Allata, which was also attached to the Complaint, and as such, already form part of this Honorable Court's records. Defendants have likewise already been furnished copies thereof. Exhibit "Y", which is the flash drive containing the video files Exhibits "Y-1" and "Y-2" were previously submitted to the Honorable Court after being authenticated by witness Franz Mecaela P. Allata during the hearing on 20 March 2023. Defendants may obtain their copies thereof from the Honorable Court to maintain authenticity.

Finally, **Exhibits "Z" and "AA"**, the Judicial Affidavits of Engr. Gabriel P. Mingoa, Jr. and Franz Mecaela P. Allata, respectively, were also attached to the Complaint, and as such, already form part of the records of this Honorable Court. Defendants have also already been furnished copies thereof.

RELIEF

WHEREFORE, Plaintiffs most respectfully pray that the foregoing exhibits be admitted for the purposes for which they are being offered, together with the testimony of their witnesses.

Upon the admission of the foregoing documentary exhibits together with the testimony of their witnesses, and upon the submission of their Position Paper on or before 11 April 2023¹, plaintiffs respectfully submit their application for issuance of a Writ of Preliminary Injunction for the resolution of this Honorable Court.

Respectfully submitted.

Makati City, for Coron, Palawan, 23 March 2023.

ALAMPAY AND TAMASE LAW OFFICE

Counsel for the Plaintiffs
12th Floor, PDCP Bank Centre
Corner Rufino and Leviste Streets
Salcedo Village, Makati City
\$\mathbb{\mathbb{R}}8819-0961 \brackslash8813-1323

E-mail: alampaytamase@gmail.com

By:

EMMANUEL P.J. TAMASE

PTR No. 9577851 01-12-2023 Makati City IBP No. 249336 01-09-2023 Quezon City Roll No. 33677 (1985) MCLE Compliance No. VII-0016044 4-21-2022

GWYN GARETH T. MARIANO

PTR No. 95/77/847 01-12-2023 Makati City IBP No. 249338 01-09-2023 Makati City Roll No. 45292 (2000) MCLE Compliance No. VII-0016044 4-21-22

As required by the Honorable Court in its Order dated 22 March 2023.

COPY FURNISHED

Atty. SHEILA F. SAN DIEGO

Counsel for Defendants Roberto B. Magallanes and Jose B. Magallanes, Jr. SAN DIEGO LAW OFFICE Suite 2301 Makati Prime Citadel 5007 P. Burgos corner Caceres St. 1200 Makati City

Email: sheilasandiego@gmail.com

PHILIPPINE RECLAMATION AUTHORITY - MIMAROPA (PRA-MIMAROPA)

Bldg. 3 PNOC Compound, Energy Center Rizal Drive, Bonifacio Global City Fort Bonifacio, Taguig City

DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS (DPWH-MIMAROPA)

790 Epifanio de los Santos Avenue Diliman, 1100 Quezon City

DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES (DENR MIMAROPA)

1515 Roxas Blvd., Ermita, 1000 Manila

LOCAL GOVERNMENT OF CORON PALAWAN

Office of the Mayor Municipal Hall, Coron, Palawan

EXPLANATION

This is to certify that prior to the filing of the foregoing FORMAL OFFER OF EXHIBITS with this Honorable Court through registered mail electronic mail, copies of the same would already have been served by personal service as well as electronic mail upon Atty. SHIELA F. SAN DIEGO, counsel for defendants Roberto B. Magallanes and Jose B. Magallanes, Jr., and by registered mail upon the other parties. This mode of filing and service is being resorted to in view of the distances involved, and manpower limitation. It is not in any way intended to delay these proceedings.

> Almina GWYN GARETH T. MARIANO

CONTRACTUAL JOINT VENTURE AGREEMENT

This AGREEMENT, entered into by and between-

The **PALAWAN PROVINCIAL GOVERNMENT**, a local government unit duly organized and existing under and by virtue of Philippine laws, with address at Puerto Princesa City, represented by its GOVERNOR, **JOSE CH. ALVAREZ**, hereinafter referred to as the **Project Owner**,

-and-

BCT TRADING AND CONSTRUCTION and 428 HI-TECH GROUP, INC., entities duly organized and existing under and by virtue of Philippine laws with office address at Puerto Princesa City, represented herein by TEDERICO G. TIOTANGCO, héreinafter called the Project Developer,

WITNESSETH THAT:

WHEREAS, the **Project Owner** is duly authorized under its charter and under the provisions of Republic Act No. 7160 otherwise known as The Local Government Code 1991 to undertake reclamation and development projects within its jurisdiction;

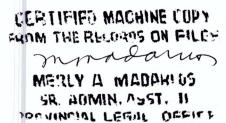
WHEREAS, the Project Owner has an existing Memorandum of Agreement (MOA) with the Philippine Reclamation Authority (PRA) pertaining to an approved reclamation project covering fifty (50) hectares, ten (10) hectares of which had already been reclaimed and developed and is already for titling by the **Project Owner**;

WHEREAS, portions of the approved reclamation project, consisting of 40 hectares, will form part of an existing reclamation area in Coron, Palawan, and will produce some 400,000 square meters of additional buildable/developable space that will enable the **Project Owner** to further expand its own world class tourism, entertainment, commercial and business district;

WHEREAS, the **Project Developer** has offered its experience, expertise and financial capability to implement the reclamation project and to perform the desired raw land reclamation and horizontal development at no cost to the **Project Owner**;

WHEREAS, the Project Owner, enacted Provincial Ordinance No. 1971 dated May 29, 2018 entitled, "Pursuing a Public-Private Partnership for the People (4P) Approach Towards Development, Providing for the Procedure in Selecting The Private Sector Proponent, Adopting a Contract Management Framework, and Providing Appropriations and for other Purposes".

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WHEREAS, on the basis of the above Provincial Ordinance No. 1971, the Project Owner, after subjecting the unsolicited proposal of the Project Developer to competitive challenge and after complying with the legal procedures in the selection of a joint venture partner, has awarded the reclamation project to the Project Developer subject to the terms and embodied in this Agreement;

NOW THEREFORE, for and in consideration of the foregoing premises and the mutual commitments, obligations, and undertakings assumed and accepted hereunder, the parties have agreed as follows:

Section 1. DEFINITION OF TERMS

Whenever used in this Agreement, the following terms shall be understood to mean:

- a. "Agreement" refers to this CONTRACTUAL JOINT VENTURE AGREEMENT including all attachments made as an integral part hereof;
- b. "Formal Acceptance" refers to the written acknowledgment by the Project
 Owner that the completed Project is in accordance with the plans and specifications
 and that it has been duly turned over to the Project Owner;
- "DENR" refers to the Department of Environment and Natural Resources including the divisions, bureaus, and offices under it;
- d. "Horizontal Development" refers to the provision of facilities such as roads, bridges if any, sidewalks, open spaces, drainage, power line, telecommunication, water supply and similar facilities;
- e. "Horizontal Development Cost" refers to all costs and expenses necessary or incidental to complete the horizontal development works of the Project estimated to be in the amount of Php400 million;
- f. "MOA" refers to the Memorandum of Agreement executed between the Philippine Reclamation Authority (PRA) and the Project Owner;
- g. "Parties" refers to Palawan Province and BCT TRADING AND CONSTRUCTION and 428 HI-TECH GROUP, INC., as joint venture partners;
- h. "PRA" refers to the Philippine Reclamation Authority, formerly known as Public Estates Authority, created under Presidential Decree 1084;
- "Project" refers to the completion of raw land reclamation and horizontal development of the forty (40) hectares more or less of foreshore and offshore areas of Coron, Palawan;
- j. "Project Cost" refers to all expenses and costs to complete the Project consisting of the raw land reclamation cost and horizontal development cost, estimated to be in the total amount of Php2,656 million;
 - k. "Raw Land Reclamation" refers to the process of filling up the 40 hectares area through the use of land fill materials to an elevation of +4.0 meters above mean

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lower water level (MLLW), properly contained and consolidated in accordance with the approved plans;

- "Raw Land Reclamation Cost" refers to all costs and expenses to complete the raw land reclamation component of the Project, estimated to amount to Php2,256 million;
- m. "Usable Area" refers to the area of the Project after reclamation, excluding roads, parks, open spaces and other areas for utilities, which can be sold or devoted to commercial, residential, institutional, office or other related uses.

Section 2. DOCUMENTS FORMING PART OF THE AGREEMENT

The following documents are hereby made an integral part of this Agreement:

Annex A - Palawan Provincial Board Resolution No. 1971 s2018

Annex B – Joint Venture Agreement between BCT TRADING AND CONSTRUCTION and 428 HI-TECH GROUP, INC.

Annex C - Copy of Public Invitation to Submit Competing Proposals

Annex D - Notice of Award

Annex E - Land Form (Land Configuration) Plan

Annex F - Reclamation and Development Schedule

Annex G - Financial Updating of the Feasibility Study

Annex H - Geotechnical Study

Annex I – Topographic and Hydrographic Survey

Section 3. SCOPE OF THE CONTRACTUAL JOINT VENTURE AGREEMENT

- 3.1 This CONTRACTUAL JOINT VENTURE AGREEMENT involves the reclamation and horizontal development of 40 hectares more or less, of foreshore and offshore areas of Coron, Palawan to complete the 50-hectare project adjoining the completed 10 hectares already for titling as reclaimed by the Palawan Province in year 2008 based on the MOA between PRA and Palawan Province.
- 3.2 The land use development of the Project shall include mixed-use, office, commercial/residential districts, commercial development, institutional centers, public use and other related uses in accordance with the Master Development Plan.
- 3.3 The estimated Project Cost involved in this CONTRACTUAL JOINT VENTURE AGREEMENT is P2,656 million consisting of raw land reclamation cost of P2,256 million and horizontal development cost of P400 million.

Section 4. OBLIGATIONS OF THE PARTIES

4.1 The Project Owner shall -

a) Contribute to the joint venture its rights and privileges to implement the reclamation project, both raw land reclamation and site development, to the exclusion of any other person or entity;

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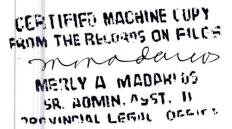
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- b) Initiate, coordinate, and secure with PRA the necessary clearances, approvals and permits;
- c) Assist the **Project Developer** in securing and obtaining all government approval/permits, licenses and authorizations necessary for the uninterrupted prosecution and full implementation of the Project;
- d) Provide road right of way and other easement rights from other parties necessary for the Project, the cost of which shall be paid by the **Project Developer**;
- e) Make representations and coordinate with PRA, DENR, and other concerned government offices, for the issuance of the necessary approval/permit for the project, Proclamation, Special Patent and issuance of Certificates of the Title for the areas covered by the Project;
- f) Comply with the Land Allocation Plan in the land distribution of the reclaimed area.
- g) Execute all the necessary documents for the full implementation of the Project.
- h) Notify in writing the **Project Developer** of any and all proposals for reclamation in front of the Project Area that may be submitted to the Palawan Province and allow the **Project Developer** to match the offer of the proponent within ninety (90) days from notice. Otherwise, the **Project Developer** will be deemed to have waived such right.

4.2 The Project Developer shall -

- a) Prepare or cause to be prepared at its expense all necessary documents for submission to concerned government agencies for the implementation of the Project,
- b) Provide all funds for fees and assessments that may be required by the PRA and other agencies to secure approvals, permits and clearances for the prosecution an implementation of the Project;
- c) Fully finance all raw land reclamation and horizontal development works pursuant to the approved Land Form Plan and Master Development Plan;
- d) Provide the manpower, equipment, machinery, technology, management and all other support facilities for the full implementation of the Project;
- e) Provide and identify the source of filling materials for the Project, including alternative sources in case the source of filling materials previously identified be inadequate, and comply with all government requirements for securing the necessary permits and clearances for the utilization thereof;
- f) Ensure that all foreshore and offshore areas of the Project shall be cleared of all structures and all other obstructions which may impede or in any way interfere with the performance of works for the project;

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- g) Provide the funds necessary for the survey and titling of the reclaimed land;
- h) Assist the **Project Owner** in facilitating the issuance of Proclamation, Special Patent, and Certificates of Title from concerned government offices;
- i) Secure comprehensive insurance coverage for the Project including contractor's all risk, workmen's compensation and third-party liability and provide the Project Owner with copies of all policies of insurance effected by it;
- j) Post performance security equivalent to 5% of Project Cost before commencement of reclamation works;
- k) Obtain such other insurance and security that may be required by PRA or any other government agency; and,
- Execute all documents that may be necessary for the full implementation of the Project.
- m) Comply with pertinent requirements of the Philippine Reclamation Authority (PRA) on the project particularly on the preconstruction requirements as basis for the issuance of the Notice to Proceed (NTP).

4.3 Common Obligations of the Parties

The Parties hereto shall-

- a) Conduct public information campaign and consultations to promote acceptability of the Project and its implementation;
- b) Provide assistance to secure and comply with the necessary approval/permits, clearances, consents, and licenses from concerned government agencies as may be requires for the prosecution and implementation of the Project;
- c) Cooperate with each other in all stages of the Project to ensure smooth pursuit
 of all project activities;
- d) Protect and support the Project against any objection, negative propaganda, litigation and similar opposition; and,
- e) Communicate to the other party any information that may affect the Project or its timely implementation and completion;

Sec. 5. SUPERVISION OF THE PROJECT

The parties shall form a Project Supervision Team (formerly Project Management Team) with five members composed of two (2) representatives from the Project Developer and one (1) representative from the Philippine Reclamation Authority (PRA). The Project Supervision Team shall meet regularly to monitor and supervise the Project Developer in all activities of the Project, including the preparation of necessary documents, application and issuance of permits and clearances, performance of actual reclamation and development works, and all

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other tasks necessary to be accomplished for the implementation and completion of the Project. The Project Supervision Team shall be the contact and information center between the Project Owner and the Project Developer for all the necessary information, discussion, and mutual cooperation that the Project may require.

Sec. 6. IMPLEMENTATION OF THE PROJECT

6.1 Issuance of the Reclamation Permit

- 6.1.1. Immediately after the execution of this Agreement, the Parties shall coordinate and negotiate with PRA for the issuance of reclamation permit and project implementation.
- 6.1.3. The **Project Developer** shall also complete all requirements of other government agencies, if any, prior to issuance of the Reclamation Permit by the PRA.
- 6.1.4. Upon issuance by PRA of the Reclamation Permit, the **Project Owner** shall within five (5) days from receipt thereof issue to the **Project Developer** the Notice to Proceed (NTP). The **Project Developer** shall then post a performance security bond equivalent to five (5%) percent of the Project Cost before commencement of reclamation works.

6.2 Actual Reclamation and Horizontal Development

- 6.2.1. The Project Developer shall commence the reclamation and development upon issuance by the Project Owner of the Notice to Proceed inclusive of all the necessary approvals and reclamation and development permits by appropriate government offices and agencies which has jurisdiction over the project and shall complete the Project within a period of two (2) years from commencement of the reclamation works. The approved Reclamation and Development Schedule shall be followed by the Project Developer except when it is prevented from doing so by force majeure which shall be deemed to refer to natural disaster, storms and typhoons, acts God or lawful order of any court or government agency, change in laws, rebellion, or other causes similar to the foregoing which is beyond the reasonable control of the Parties. The occurrence of such force majeure shall automatically extend the period for completion of the Project and the periods specified in the Reclamation and Development Schedule, provided that the Project Developer shall promptly notify the Project Owner of the delay caused by the occurrence of such event.
- 6.2.2. The Project Developer shall commence and complete the implementation of the reclamation works according to the Reclamation and Development Schedule, which will involve activities for mobilization, reclamation, soil improvement, construction of breakwaters and containment structures, and other necessary works;
- 6.2.3. The Project Developer shall also perform the works for horizontal development in accordance with the Reclamation and Development Schedule;

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- 6.2.4. The Project Developer shall submit a monthly accomplishment report to the Project owner from the commencement of actual works, and comply with the demand of the Project Owner to submit a report at any time deemed necessary by the latter;
- 6.2.5. The Project Developer shall notify the Project Owner of the completion of raw land reclamation to enable the latter, in coordination with PRA, to inspect the reclaimed land;
- 6.2.6. Upon completion of all raw land reclamation and horizontal development works, the Project Developer shall submit a final report to the Project Owner;
- 6.2.7. The Project Owner, shall have a period of 30 days from submission of the final report within which to verify faithful compliance by the Project Developer with the plans and specifications. The Project Owner shall make a Formal Acceptance of the reclamation and horizontal development works if it finds the completed Project in accordance with the plans and specifications.

6.3 Issuance of Proclamation, Special Patent and Certificates of Title, Real Property Taxes, Formation of Subdivision Association, and Upkeep and Maintenance of the Project

- 6.3.1. Upon completion of the reclamation works, the **Project Developer** shall cause the survey of the reclaimed land and comply with all the requirements as may be imposed for the issuance of Proclamation, Special Patent and Certificates of Title;
- 6.3.2. The Parties shall apply for and coordinate with PRA, DENR and other government agencies the issuance of all approvals, Proclamation, Special Patent and Certificates of Title to be issued in accordance with existing laws and procedures. Upon receipt by the **Project Owner** of the Certificates of Title under its name, it shall, within ten (10) days therefrom, convey to the **Project Developer** the portion of the reclaimed lands pertaining to the latter. The Project Owner shall execute, sign and deliver to the Project Developer the necessary Deed of Conveyance or similar Deeds, and the titles and documents necessary in order to convey to the **Project Developer** the titles of the **Project Owner** over the portion of the reclaimed land pertaining to the **Project Developer** as payment of its services under this CONTRACTUAL JOINT VENTURE AGREEMENT, and finally to enable the **Project Developer** to transfer the titles of the said portion in the name of the **Project Developer**;
- 6.3.3. The **Project Owner** is exempted from Real Property Taxes and the Real Property Taxes due on the portion of reclaimed land pertaining to the **Project Developer** shall therefor accrue only from the date of issuance to the Transfer of Certificates of Title in the name of the **Project Developer** or its designated assignee;
- 6.3.4. If the **Project Owner** refuse to accept the developer property being turned over by the **Project Developer**, a top independent appraiser mutually acceptable both **Project Owner** and **Project Developer**, shall be requested to appraise the Project/Subdivision to find out if the development

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undertaken by the **Project Developer** conforms with the **Project Owner's** approved plans and specifications. Should the independent appraiser reports/certifies that the **Project Owner** unreasonably refuse to accept the property, the Project having conformed with the agreed plans and specifications, the property is deemed accepted by the Project Owner and that costs of appraisal shall be borne by the **Project Owner**. On the other hand, should the **Project Owner's** non-acceptance of the turn-over is found to be based on meritorious grounds as certified by the top independent appraiser, the **Project Developer** should continue with the development works until the developed property is acceptable to the **Project Owner** or as deemed accepted by the **Project Owner** as certified by the top independent appraiser and that costs of appraisal shall be for the account of the **Project Developer**.

6.3.5. The parties agree, subject to the approval of PRA, that as soon as the horizontal development of the Project has been completed, the Project/Subdivision Association (Association) shall be organized for and in their behalf and on behalf of all prospective owners of the land in the Project. The **Project Owner** is not required to be a member of the Association, provided that, in the event the **Project Owner** will dispose its allocated land to private entities, the new owners are automatically considered members of the Association. Membership to the Association shall be mandatory to all prospective owners of the land in the Project (except the **Project Owner**) who shall be bound by the Articles and By-Laws of the Association and by the rules and regulations of the Association. This condition shall be annotated on all the titles of lots in the Project.

Sec. 7. DISTRIBUTION OF PROCEEDS

The reclaimed area shall be distributed as follows:

	Area allocated	Percentage
PRA Share	4.80	12.00
Coron Share (2.81 + 2.83)	5.63	14.08
Provincial Government Share	8.45	21.12
Gov't. Share (PRA+Coron+Province)	18.88	47.20
BCT and 428 HTGI	21.12	52.80
Total Area	40.00	100.00

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Sec. 8. RECISSION OF THE AGREEMENT AND SUSPENSION OF THE PROJECT

8.1. Rescission Due to Default or Breach

Subject to the provisions of Section 10 hereof on **Dispute Resolution**, either Party may rescind this Agreement prior to its completion upon default or breach by the other party of a material provision of this Agreement. Such rescission of this Agreement shall not affect any accrued rights of the non-defaulting party or the liabilities of the defaulting-party nor shall it affect any provision hereof which is expressly or by implication intended to continue after such cancellation. The defaulting party shall indemnify and be liable to the non-defaulting party for all costs, damages, liabilities and expenses which the non-defaulting party shall incur as a result of the default or breach.

8.2. In case of rescission of this Agreement by the **Project Owner** due to the default or breach of the **Project Developer**, the **Project Owner** shall have the right to continue the Project on its own or through another developer, subject to the provision of Section 8.1 hereof.

8.3. Suspension of the Project

If due to a cause which is not attributable to any of the Parties, the **Project Developer** is prevented from completing the raw land reclamation and/or horizontal development of the Project, or when any of the Parties is prevented from performing any of its main obligations due to such cause, this Agreement or such affected part of it shall only be suspended and the rights and obligations of the parties shall be restored upon the cessation of the cause.

Sec. 9. LIABILITY

- 9.1 The Project Developer shall hold the Project Owner, its officers and employees free and harmless from any claims or suits of any third party arising from the performance of raw land reclamation and horizontal development works. The Project Developer shall be solely liable for payment of wages, benefits and compensations of employees it will hire for purposes of the Project.
- 9.2 Nothing in this Agreement shall be constructed as constituting either party an agent or representative of the other, it being understood that this Agreement is only intended to govern the relationship of the parties for the accomplishment of the Project.

Section 10. DISPUTE RESOLUTION

The Parties hereto agree that in the event of any dispute or difference between them arising out of this Agreement or in the interpretation of its provisions, they shall endeavor to meet together in an effort to resolve such dispute amicably. In appropriate cases, the Parties may execute as supplementary agreement to clarify issues. If a dispute cannot be settled by mutual discussion within thirty (30) days from

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commencement of discussions, the Parties shall refer the matter for Mediation-Arbitration in accordance with the Alternative Dispute Resolution Act of 2004 and other applicable laws and rules.

Section 11. MISCELLANEOUS PROVISIONS

11.1. Representations

Each of the party herein hereby represents and warrants that: a) it has full power and authority to make, execute and deliver this Agreement, and has taken or will take all necessary actions or legal steps in connection therewith; b) this Agreement constitutes the legally binding obligations of the parties, their successors-in-interest or assigns; c) the performance of this Agreement is consistent with its charter documents and any of its contracts, and not in violation of laws, ordinances, rules, and regulations; d) there is no pending litigation, arbitration, or investigation which will adversely affect its ability to fulfill obligations under this Agreement;

11.2. Assignment

No party to this Agreement shall assign, transfer or subcontract this Agreement nor assign any of its rights, obligations, or duties to any other party without the prior written consent of the other party.

11.3. Reclamation of Additional Areas

Subject to applicable laws and guidelines, including the rules on procurement and/or competitive challenge, the parties hereby acknowledge that any additional expansion of the reclaimed land covered by the Project that may be needed in the future shall be discussed by the Parties with the view to have a mutual agreement.

- 11.4. The parties warrant that they did not, will not or have not, directly or indirectly at any time offer or give or agree to give any person any gift or consideration of any kind or an inducement or reward for performing or refraining to do any act in relation to the obtaining or execution of this Agreement.
- 11.5. This Agreement shall be annotated at the back of the Certificates of Titles of the reclaimed land subject hereof;
- 11.6. If any term, provision or conditions of this Agreement is subsequently declared invalid, null or void, or contrary to law by the court of competent jurisdiction, the validity of the other terms, provisions or conditions not affected by such declaration of nullity, shall remain valid and binding upon the parties, their successor or assigns.

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11.7. Notice

Any notice to be given by any of the Parties under this Agreement shall be in writing and shall be sent to the following addresses:

> To the Project Owner - Office of the Governor Provincial Capitol, Prierto Princesa City

To Project Developer - BCT Trading and Construction National Highway, Brgy San Pedro, Puerto Princesa City, Palawan

11.8. Governing Law

The provisions of this Agreement shall be governed and interpreted in all aspects by and under the laws of the Republic of the Philippines.

11.9. Effectivity

This Agreement shall be effective upon ratification by the Provincial Board.

	arties hereunto affix their signatures on this
day of, 2019, in	PUERTO PRINCESA CITY
	Agrandarin
The PALAWAN	BCT/Trading and Construction &
PROVINCIAL GOVERNMENT	428-Hi-Tech Group, Inc.
Ву:	Bý:
Ω	33
JOSECH. ALVAREZ	TEDERICO G. TIOTANGCO
Governor &	Project Developer CERTIFIED MACHINE CUPY FROM THE RECORDS ON FILE:
C:-	med in the presence of:

Signed in the presence of:

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note

ACKNOWLEDGMENT

REPUBLIC	OF THE PHILIPPINES)	
	PROVINCIAL GOVERNMENT)	S.S

BEFORE ME, a Notary Public for and in puerta princesa city following:

personally appeared the

Name

following;

Identification

Place/Date Issued

JOSE CH. ALVAREZ **TEDERICO G. TIOTANGCO** PASPORT NO PIBO1843A4 PRC Up. 0034259

MANILY 05- 11-2018

known to me to be the same persons who executed the foregoing CONTRACTUAL JOINT VENTURE AGREEMENT and they acknowledged to me that the same is their voluntary act and deed and that of the corporations they represent.

This instrument consisting of twelve (12) pages including the page where the Acknowledgment is written has been signed on each and every page by the parties and their witnesses in my presence. SEP 2 7 2019

WITNESS MY HAND AND SEAL this ____ day of __

2019 in Puerto

Princesa City, Palawan, Philippines.

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Series of 2019.

ATTY, MARY JOY M. ORDANEZA NOTARY PUBLIC FOR PALAWAN UNTIL DECEMBER 31. 20

ROLL NO. 65028 PTRNO. 43869. DI-28-2019 / PALAWAN IBP NO.074382.02-19-19/PALAWAM

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