



CITY PACIFIC GROUP, INC.

2F V&A Bldg. A. Soriano Highway Brgy. Ibayo Silangan Naic, Cavite

March 1, 2023

To: **MS. LORMELYN E. CLAUDIO, CESO IV**
Regional Executive Director
DENR, Mimaropa Region

MR. GLENN MARCELO C. NOBLE
Regional Director, Mines and Geosciences Bureau, Mimaropa Region

DIR. JOE AMIL M. SALINO
Regional Director, Environmental Management Bureau, Mimaropa Region

SUBJECT: Joint Venture Agreement (JVA) between City Pacific Group Inc. (CPGI) and
MGB Construction and Trading

Furnishing your good office an advance copy of documents being submitted with IAC Office, the above subject JVA of City Pacific with MGB Construction, as **Annex "A"**, a triple A construction company equipped with highly trained, qualified, and practiced engineers in construction, infrastructure, and flood control projects, attached company profile as **Annex "B"**.

The said JVA is designed to further strengthen and establish the technical competence of City Pacific in addition to Boskalis support, which was previously submitted to IAC as **Annex "C-C1"**. Boskalis having extensive and versatile fleet comprising around 600 dredging vessels and auxiliary equipment which can be deployed in the optimal configuration for each project, attached profile as **Annex "D"**.

On November 3, 2022, currently deployed dredging equipment at Manila Bay has been inspected by Bureau of Equipment of DPWH and found to have passed the requirements of IAC, attached as **Annex "E"**.

For your information please.

Sincerely yours,


MELANDRES DE SAGUN
CEO
City Pacific Group Inc.


cc: **HON. EDUARDO B. GADIANO**, Provincial Governor, Chairperson, Inter-Agency Committee (IAC)

DENR MIMAROPA RECORDS SECTION RECEIVED	
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TIME: _____	

JOINT VENTURE AGREEMENT
DREDGING AND DESILTING OF
AMNAY RIVER, OCCIDENTAL MINDORO

JVA No. PMC-CTMOA___-2023

KNOW ALL MEN BY THESE PRESENTS:

 This Joint Venture Agreement for the Sale and Purchase of Sand (hereinafter referred to as "**Agreement**") is made and executed by and between:

CITY PACIFIC GROUP, INC (City Pacific), a corporation and existing under Philippine laws with office address at located at 2F V&A Bldg. A. Soriano Highway Brgy. Ibayo Silangan Naic, Cavite, Philippines, represented herein by its President Director **Mr. Melandres G. De Sagun**, herein referred as the "PARTY A";

And

 **MGB CONSTRUCTION AND TRADING**, a company existing under the Philippine laws with office address located at 29-G Galleria Regency, ADB-Avenue, Ortigas Center, Quezon City, Philippines represented by its General Manager **Grace B. Chan**, herein referred to as "PARTY B";

(Each a "Party," and collectively, the "Parties")

WITNESSETH, THAT:

WHEREAS, PARTY A acquired and holds a sand concession area awarded by the Provincial Government of Occidental Mindoro and Inter-agency Committee (IAC) for Amnay River under River -Restoration Project in the Province of Occidental Mindoro, Philippines;

WHEREAS, PARTY A is a duly registered Philippine corporation, which in Amnay River have legal rights, certifications, and endorsements that establishes its authority over the area and has applied pertinent government permits, licenses, with approved application currently in process to be issued permit to engage in dredging / extraction, sale, supply, hauling and delivery of sand dredged and processed from Amnay River (as defined in Section 1 below and commits to have the capacity to sell River Sand to the PARTY B;

WHEREAS, PARTY B is seeking source of sand and aggregates to supply for its construction, land reclamation, and infrastructure projects in the Philippines;

NOW, THEREFORE, the Parties, for and in consideration of the foregoing and the stipulations herein set forth, hereby mutually agree to enter into this Agreement and stipulate as follows:

1. DEFINITION OF TERMS

The following words shall have the following meaning:

1.1. Sand and aggregates - means sand that may be naturally found in the riverbed / seabed within the boundary of the Permitted Area subject of dredging and desilting under DENR DAO 2020-12, and which meets the agreed minimum technical requirements of the clients.

1.2. Permits - means all the necessary permits such as Environmental Compliance Certificate (ECC), Dredging Operations Permit, Notice To Proceed, Local Government Permits, and all other such documents, which are necessary for the lawful extraction, hauling, transport and sale of dredged/processed sand and aggregates, as defined in subparagraph 1.1 above by Party A to Party B.

1.3. Permitted Area - means that area covered by the Permits mentioned in subparagraph 1.2 above, where Party A may conduct its dredging and/or extraction activities of sand to be supplied by Party A to Party B on ex-seabed/riverbed basis. ANNEX A, Party B shall identify the final area to dredge agreed / confirmed by the parties.

2. THE PARTIES' REPRESENTATIONS:

This Agreement is for Party B to allow Party A to complete all permits and licenses necessary for dredging operation and with Party B's intention to dredge and purchase sand on ex-seabed/riverbed basis subject to terms and conditions agreeable to both parties. For avoidance of doubt, Cubic Meters as referred to in this Agreement shall mean Wet Cubic Meters.

3. IMPLEMENTATION PLAN AND RESPONSIBILITY:

3.1. Party A shall ensure that all necessary permits mentioned in subparagraph 1.2 above are obtained or to be obtained within 30 days from signing this Agreement, hereto attached as **Annexes "B, B-1 to B-7"**.

1	TABLE OF CONTENTS	
2	Certificate of Incorporation	Securities and Exchange Commission (SEC)
	Certificate of Registration	Bureau of Internal Revenue (BIR)
3	Barangay Resolution favoring Dredging / Desilting Project of CPGI	Barangay Claudio Salgado
4	Mayor's Permit	Municipality of Naic
5	Notice of Endorsement to Department of Public Works & Highways (DPWH) IV-B for	Office of the Governor

	the Issuance of Dredging Clearance	Province of Occidental Mindoro
6	Certificate of Endorsement to Inter-Agency Committee (DPWH, EMB, MGB, DENR Region IV-B)	Province of Occidental Mindoro Office of the Governor Chairperson of IAC
7	Proof of Application of Dredging Clearance and Submitted Requirements to DPWH.	City Pacific Group Inc. to DPWH
8	Proof of Application of ECC and Submitted Requirements to EMB	City Pacific Group Inc. to EMB

3.2. Party B is a Triple A construction company, with capacity and experience to undertake a broader and more complex range of construction and infrastructure projects, including dredging and quarrying to produce construction materials. Equipped with highly trained, qualified, and practiced engineers, professionals, and staff from different fields of and expertise in engineering.

3.3. Party A shall manage the relationships with the Local Government Unit (LGU), communities, stakeholders, and the relevant agencies involved in the project and shall be responsible for securing all necessary permits and authorizations from concerned government agencies, and private individuals/entities for the smooth and lawful extraction and transport of sand and aggregates from the permitted area.

3.4. Party B will provide specifications of the sand and aggregates required for its projects and transport vessels that will be used for the extraction and transport of the same from the permitted area to its project location.

3.5. The Parties will work together as defined in this Agreement to meet the requirement of the end client in terms of quality and quantity of sand and aggregates to deliver, provided that all sales transactions to third parties which were negotiated and entered by Party A and to which Party B has no participation whatsoever shall be the liability and sole responsibility of Party A.

3.6. It is hereto agreed by the parties that Party A releases Party B from all liability arising from the operation and actual extraction of sand and aggregates from the permitted area that was not undertaken by Party B; this Joint Venture Agreement being confined solely to the extraction and transport of sand and aggregates for the actual and contracted use of Party B.

3.7. Party A shall complete above-stated permits within 60 days from signing this Agreement.

4. COST, PRICE, and PAYMENT TERMS:

4.1. Costs shall be set and agreed by the parties

4.2. Payment terms and conditions shall be set and agreed by the parties depending on the requirement and arrangement.

5. MISCELLANEOUS

5.1 Other than as contained herein, the execution of and the performance of obligation under this agreement shall not be deemed or construed to create partnership, association, or legal entity of any kind between or amongst the parties.

5.2 Nothing contained herein shall constitute or imply any right of a Party to represent or commit another Party towards any third party or person, or to impose partnership obligation or partnership liability upon any Party. No Party shall have any right, power, or authority to enter into any agreement or undertaking for or act on behalf of, or to otherwise bind, the other Party.

6. CONFIDENTIALITY

A Party must treat the other Party's information as confidential. Any confidential information which a Party (the "Discloser") may disclose to the other Party (the "Recipient") shall be considered proprietary.

Except relevant government departments and project owners, the Recipient of such information shall:

6.1. Hold the information in confidence and restrict disclosure of the information solely to employees, advisers, representatives, or associates that should be necessarily informed as to perform their task and duties (the "Representatives") and only upon the Discloser's prior written consent.

6.2. Protect such Confidential Information with not less than the standard of care with which the Recipient treats its own confidential information, and in no event less than reasonable care.

6.3. Require its Representatives to comply with their respective non-disclosure obligations with respect to the confidential information.

7. EFFECTIVITY, DURATION AND TERMINATION

This Agreement shall take effect immediately upon signing by all Parties herein, and its terms and conditions shall remain in force unless modified, terminated and/or revoked by mutual agreement of both Parties in writing.

The following are grounds for termination:

7.1. Terminated and/or revoked by mutual agreement of both parties.

7.2. This Agreement shall be automatically deemed terminated when sand quality and/or quality reports do not meet the minimum technical requirements of the intended projects and or clients of Party B.

7.3. If Party B, in its discretion, decides, justified that the prospective possibilities or sand deposit is not commercially viable and officially declared not feasible, this Agreement shall be construed terminated therefrom.

7.4. During the duration of this agreement, both parties are free to negotiate and enter contract with other parties provided that any liability arising from their separate contractual obligations shall be for their own account and responsibility.



8. EFFECTS OF TERMINATION

Upon termination of this Agreement as stated in this agreement, the following provisions shall govern the Parties hereto:

8.1. In case of termination served by Party B, all machinery, equipment, on the Project Site, as per submitted List of Inventory by Party B to Party A shall remain the exclusive property of Party B and may be removed by Party B anytime without delay, any third-party rendering dismantling, demobilization, site clearing services from the termination of this Agreement shall be the sole responsibility of Party B.

8.2. In case of termination served by Party A, both parties shall amicably settle all issues notwithstanding the withdrawal of assets based on the List of Inventory submitted by Party B to Party A, or prior to the abandonment of the Project Site.



9. EVENTS AND FORCE MAJEURE

If any party is rendered unable, wholly, or in part by force majeure to carry out its obligations under this Agreement, such obligations, insofar as they are affected by the force majeure, shall be suspended until the event of force majeure has been eliminated. However, a Party undertakes to overcome the force majeure at the earliest opportunity.


Events of force majeure, as herein employed, shall mean any cause, whether foreseeable or unforeseeable, beyond a Party's reasonable control, including, without limitation, the following:

- a. strikes and other labor disputes (not involving the employees of the claiming Party).
- b. acts of God.
- c. acts of war or conditions arising out of or attributable to war, whether declared or undeclared.

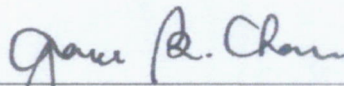
- d. riot, epidemic, pandemic, civil strife, insurrection, or rebellion;
and
- e. fire, explosion, earthquake, storm, flood, drought, or other
adverse weather condition.

Upon the occurrence of an event of force majeure, the Party affected shall immediately inform the other Party of such occurrence.

IN WITNESS WHEREOF, we hereunder set our hand this Agreement at City of Manila, Philippines.



MELANDRES G. De Sagun
Chief Executive Officer



GRACE B. CHAN
Owner / Manager

Date: _____
CITY PACIFIC GROUP, INC

Date: _____
**MGB CONSTRUCTION AND
TRADING**

REPUBLIC OF THE PHILIPPINES)
_____PASAY CITY_____) S.S.

ACKNOWLEDGMENT

BEFORE ME, a Notary Public this _____th day of _____ 2023 for and in the _____PASAY CITY personally appeared both parties known to me and to me known as the same person who executed the foregoing instruments and they acknowledge to me that the same is their true and deeds.

IN WITNESS WHEREOF, we have hereto affixed our signatures and seal this _____th day of _____ 2023 at PASAY CITY.

WITNESS MY HAND AND SEAL this date and place above-stated.

DOC. NO. 312
PAGE NO. 64
BOOK NO. 70
SERIES OF 2023

Gilda Maria D. Laigo
ATTY. GILDA MARIA D. LAIGO
NOTARY PUBLIC FOR PASAY CITY
Commission expiring on Dec 31, 2023
Roll No. 74517
PTR No. 8064901/Pasay City/1-3-2023
IBP No. 254525/PPLM/12-28-2022
MCLE No. VII- 0015876 issued April 20, 2022
City University of Pasay, Pasadena St. Pasay City