HON. GABRIEL H. BORDADO, JR.

City Vice Mayor & Presiding Officer

- City Councilors -

HON.	CECILIA VELUZ-DE ASIS	HON. RAOUL T. ROSALES
HON.	ESTEBAN R. ABONAL	HON. ALEX C. NERO
HON.	DAVID CASPER NATHAN A. SERGIO	HON. DAN PAOLO R. MORALES
HON.	RAY-AN CYDRICK G. RENTOY	HON. NELSON S. LEGACION-Absent
HON.	JOSE A. TUASON	HON. MARIA ELIZABETH Q. LAVADIA-Absent
HON.	JOAQUIN F. PEREZ, JR.	

RESOLUTION NO. 2012-222

RESOLUTION APPROVING AND RATIFYING THE TERM LOAN AGREEMENT, DEED OF ASSIGNMENT, THE PROMISSORY NOTE AND OTHER DOCUMENTS RELATED THERETO SIGNED AND EXECUTED BY AND BETWEEN THE CITY GOVERNMENT OF NAGA AND THE DEVELOPMENT BANK OF THE PHILIPPINES (DBP) WITH ALL THE TERMS AND CONDITIONS THEREOF:-

On joint and collective motion

WHEREAS, as duly authorized by the 10th Sangguniang Panlungsod, His Honor, the City Mayor has entered into a Term Loan Agreement with the DEVELOPMENT BANK OF THE PHILIPPINES (DBP) in the principal amount of TWENTY EIGHT MILLION EIGHT HUNDRED SEVENTY ONE THOUSAND FIVE HUNDRED EIGHTY FIVE & 95/100 (P 28,871,585.95) PESOS, hereinafter referred to as the "DBP Loan", to finance the city's account payable with Camarines Sur II Electric Cooperative (CASURECO II), and executed as security therefore, the Deed of Assignment of the city government's Internal Revenue Allotment (IRA) or a portion thereof, local taxes and other revenues of the city duly allocated for debt servicing, as well as real estate/chattel mortgage (if applicable) on certain mortgageable assets of the city government;

WHEREAS, the aforesaid Term Loan Agreement, Deed of Assignment, the Real Estate/Chattel Mortgage (if applicable), 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, on joint and collective motion of the Members of the 10th Sangguniang Panlungsod of the City of Naga;

BE IT RESOLVED, as it is hereby resolved, to approve and ratify the Term Loan Agreement, Deed of Assignment, the Promissory Note and other documents related thereto signed and executed by and between the City Government of Naga and the Development Bank of the Philippines (DBP) with all the terms and conditions thereof. RESOLUTION NO. 2012-222 Series 2 0 1 2

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

- 1. To issue an irrevocable letter of authorization/ instruction to DBM duly approved by the Sanggunian and duly conformed to by DBP to continually remit monthly to DBP 100% of the city's Internal Revenue Allotment (IRA), without need of any further instruction/advice by the LGU, until the loan is fully paid;
- 2. 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 favour of DBP and for the city to execute the covering Deed of Assignment;
- 3. To undertake not to incur additional obligations/ indebtedness without the prior written consent of DBP which consent will not be unreasonably withheld;
- 4. The authority for DBP to automatically debit the LGU's IRA deposit account to cover payment of its loan obligation with the bank.

BE IT RESOLVED FURTHER, as it is hereby further resolved, that the Sanggunian undertakes to appropriate in city's annual budget for the years 2012 to 2016 an amount sufficient to pay its loan from DBP including interest thereon and other charges. The estimated amount to be appropriated in the Schedule of Payments, hereto attached as Annex "A" which forms part of this resolution, shall be as follows:

СҮ	2012	СҮ	2014	СҮ	2016
СҮ	2013	СҮ	2015		

BE IT RESOLVED FURTHERMORE, as it is hereby furthermore resolved, that this Resolution shall include any and all subsequent requests by the city government for the modification/revision and/or amendment to be made on the project/s as well as on its approved terms and conditions, and which makes the loan a statutory obligation of the city government;

BE IT FINALLY RESOLVED, as it is hereby finally resolved, that this Resolution shall remain valid and effective until the Loan with the DBP has been fully settled and paid.

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LET COPIES of this resolution be furnished His Honor, the City mayor for his information, the City Treasurer, the City Auditor, the Naga City Development Council and the Development Bank of the Philippines (DBP) for their information and guidance.

UNANIMOUSLY APPROVED.

Adopted: April 10, 2012

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WE HEREBY CERTIFY to the correctness of the foregoing resolution.

GIL A. DE LA TORRE

Secretary to the Sangguniang Panlungsod

GABRIEL H. BORDADO, JR. City Vice Mayor & Presiding Officer