

CONTRACT OF SUBLEASE

KNOW ALL MEN BY THESE PRESENTS:

This CONTRACT OF SUBLEASE (the "Contract", for brevity), made and entered into by and between:

OUR LADY OF MT. CARMEL MEDICAL CENTER-CLARK INC., a domestic corporation by virtue of the laws of the Republic of the Philippines, and with address at Lot 4 Ninoy Aquino Avenue, Clark Freeport Zone, Pampanga, Philippines, herein represented by its President, **DR. MONET B. BRIONES**, duly authorized for this purpose as shown in the attached Secretary's Certificate for Board Resolution (Annex A), and hereinafter referred to as the **SUBLESSOR**;

- and -

DEVELOPMENT BANK OF THE PHILIPPINES, a government financial institution duly created and operating under Executive Order No. 81 dated December 3, 1986, as amended by Republic Act No. 8253 dated February 14, 1998, duly represented in this Contract by its **BRANCH BANKING SECTOR OFFICER-IN-CHARGE, SVP CAROLYN I. OLFINDO**, duly authorized for this purpose as shown in the attached Secretary's Certificate for Board Resolution (Annex B), and with principal office at DBP Building, Sen. Gil J. Puyat Ave. corner Makati Avenue, City of Makati, Metro Manila, Philippines, and hereinafter referred to as the **SUBLESSEE**.

- ANTECEDENTS -

The SUBLESSOR is the lessee of a 1,336.10 square meter parcel of land situated at Lot 4 Ninoy Aquino Avenue, Clark Freeport Zone, Pampanga, Philippines, covered by Renewal of Lease Agreement with Clark Development Corporation per letter with Term Sheet dated August 2, 2024, a photocopy of which is hereto attached as Annex "C" hereof, Lease Agreement dated May 6, 2009 attached as Annex "D" hereto, and Supplemental Lease Agreement dated November 4, 2013 attached as Annex "E" hereof.

The SUBLESSOR has agreed to sublease to the SUBLESSEE an office space at the first floor of the aforesaid property with a floor area of approximately ONE HUNDRED SIXTY-THREE (163) square meters.

Pursuant to Republic Act No. 9184, otherwise known as the Government Procurement Reform Act, the Parties have agreed to enter into this Contract by way of Alternative Mode of Procurement – Lease of Real Property and Venue per Notice of Award dated April 11, 2024.

The SUBLESSEE has agreed to sublease said space/portion of the aforesaid building as per Floor Plan attached to this Contract as Annex "F" (hereinafter referred to as the "Subleased Premises") under such terms and conditions hereinafter set forth.

ADRIAN R. BRIONES

Witness

MONET B. BRIONES
President, OLMCMCI

FRANCIS THADDEUS L. RIVERA
Head, BBG Central Luzon/Witness

SVP CAROLYN I. OLFINDO
Acting Head, DBP Branch Banking Sector

NOW THEREFORE, the Parties agree as follows:

- 1. TERM** - This Contract shall be for a period of TEN (10) YEARS, commencing on March 31, 2025 and expiring on March 31, 2035. The Contract is renewable under such terms as may be mutually agreed upon in writing by both parties to this Contract. The SUBLLESSOR shall allow a grace period for fit out construction from signing of this contract until March 31, 2025.

The original Lease Contract dated May 6, 2009 and Renewal of Lease Agreement per Letter with Term Sheet dated August 2, 2024 with **CLARK DEVELOPMENT CORPORATION** (Locator Contract), a government-owned and controlled corporation, duly created and existing pursuant to R.A. No. 7227, as amended, with principal office at Clark Freeport Zone, Angeles City, Pampanga is effective for a period of twenty five years from signing of Supplemental Lease Agreement dated November 4, 2013 years or up to November 3, 2038;

- 2. RENTAL** - As consideration for this Contract, the SUBLLESSEE hereby agrees to pay the SUBLLESSOR, a monthly rental of PESOS: EIGHTY THOUSAND PESOS (Php80,000) inclusive of 12% e-VAT and with escalation rate of five (5%) percent every two (2) years starting on the third year of the contract.

The monthly rental shall be paid in advance within the first ten (10) days of each month to be credited to the bank account to be opened by the SUBLLESSOR with the SUBLLESSEE, without the necessity of prior demand.

3. SECURITY DEPOSIT

Upon signing of this Contract, the SUBLLESSEE shall pay to the SUBLLESSOR as security deposit (the "Security Deposit") the sum of PESOS: **TWO HUNDRED FORTY THOUSAND (Php 240,000.00)** as security deposit to answer for the cost of unpaid utility bills such as electricity, water, telephone as well as damage that may be caused to the Subleased Premises by the SUBLLESSEE, arising from causes other than ordinary wear and tear. The said deposit or the remaining balance thereof, if any, shall be refunded by the SUBLLESSOR to the SUBLLESSEE within fifteen (15) calendar days after the expiration or termination of this Contract.

The automatic application of the deposit to the overdue rentals shall not constitute a waiver by the SUBLLESSOR of its right to terminate the sublease or eject the SUBLLESSEE for the non-payment of rentals.

- 4. ADVANCE RENTAL**-Upon the signing of this Contract, the SUBLLESSEE shall give to the SUBLLESSOR the sum of PESOS: **TWO HUNDRED FORTY THOUSAND (Php 240,000.00)** representing three (3) months advance rentals, which may be applied to the rentals for the last three (3) months of the lease period. The remaining balance of the Advance Rental, if any, shall be refunded by the SUBLLESSOR to the SUBLLESSEE within fifteen (15) calendar days after the termination of this Agreement.

- 5. USE OF LEASED PREMISES**- The SUBLLESSEE expressly agrees and warrants that the Subleased Premises shall be used exclusively for the office and banking activities and operations of the SUBLLESSEE's Clark Branch.

The SUBLLESSEE shall not introduce, keep, deposit or store in the Subleased Premises any obnoxious and hazardous substance or flammable materials or substance that might constitute a fire, safety and environmental hazard without the prior consent of the SUBLLESSOR. The SUBLLESSEE shall also not install within the Subleased Property any apparatus, machinery, or equipment, which may cause obnoxious tremors or

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noises that might increase exposure of the building to fire hazard and therefore causing an increase in its insurance rate.

The SUBLLESSOR shall provide the necessary assistance for the SUBLLESSEE to comply with the requirements in securing permits/certification from regulatory bodies, such as building permit, fire safety/drill, "No smoking" requirement, Department of Environment and Natural Resources (DENR) certification, and others which may be required under the LESSEE's Integrated Management System (IMS).

6. CONSTRUCTION OF THE INTERIOR OFFICES IN THE SUBLLEASED PREMISES-

Upon turnover of the Subleased Premises by the SUBLLESSOR to the SUBLLESSEE, the SUBLLESSEE shall not undertake any renovation/alterations or improvements in the Subleased Premises without prior permission from the SUBLLESSOR.

Any and all such improvements/renovations made by SUBLLESSEE that is permanently attached to or incorporated in the Subleased Premises shall be considered as an integral part of the Subleased Premises to be owned by the SUBLLESSOR, provided that the SUBLLESSEE is paid one-half of the value of the improvements in accordance with Article 1678 of the Civil Code. However, the bank vault door which can be removed by the SUBLLESSEE including all movable fixtures and improvements as well as those which may be removed from the Subleased Premises without damaging the latter or any part thereof, which were introduced or installed by the SUBLLESSEE in or upon the Subleased Premises, shall remain the property of the SUBLLESSEE and may be removed from the Subleased Premises upon termination, expiration or pre-termination of this Contract under Sections 20 and 21 hereof, respectively.

7. CARE OF PREMISES - The SUBLLESSEE hereby agrees to keep the Subleased Premises in good and tenantable condition and hereby agrees further to maintain the same in a clean and sanitary state in accordance with existing health rules and regulations, pertinent laws and city ordinances on the matter. The SUBLLESSEE further agrees to maintain the interior design of the Subleased Premises aesthetically acceptable, and to replace fixtures broken or destroyed through the gross negligence or willful malfeasance of the SUBLLESSEE and, upon the expiration of the term of this Contract, to surrender and restore the Subleased Premises to the SUBLLESSOR in as good and tenantable condition as they were actually found at the beginning of this Contract, reasonable wear and tear excepted. The SUBLLESSEE shall not be liable to pay any fee or charge for the maintenance of the aforesaid building.

8. SIGN/SIGNBOARDS - The SUBLLESSEE shall be provided with a space for its signage or signboards outside the Leased Premises.

9. UTILITIES - The SUBLLESSEE shall pay and defray for its own account all cost of water, telephone, electric light and power and all other utilities in the Subleased Premises in addition to the agreed monthly rental. The electric meter, water meter, and transformer and other related items therein to be used by the SUBLLESSEE shall be for its account and all permits for such improvements to be obtained shall be for the SUBLLESSEE's account.

10. INSURANCE - The fire insurance for the aforesaid building including that of the Subleased Premises shall be for the account of the SUBLLESSOR. Insurance for the equipment, furniture and fixtures and of any other kind inside the Subleased Premises shall be for the account of and in favor of the SUBLLESSEE.

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Acting Head, DBP Branch Banking Sector

11. PARKING SPACE - The SUBLESSEE shall have exclusive use of at least FIVE (5) parking slots in front of the Subleased Premises.

12. RULES AND REGULATIONS - The SUBLESSEE shall comply with any and all reasonable rules which may be promulgated from time to time by the SUBLLESSOR, provided that the SUBLESSEE is properly notified thereof. The SUBLESSEE shall also comply with all the rules and regulations, ordinances and laws made by health or other duly constituted local or national authorities arising from or regarding the use, occupancy and sanitation of the Subleased Premises.

13. ACCESS TO PREMISES - The SUBLESSEE shall, upon prior written request from the SUBLLESSOR, allow and give access to the SUBLLESSOR or its duly authorized representative to the Subleased Premises during fairly reasonable and convenient hours for inspection, maintenance and repair purposes or undertaking any work necessary for the preservation, conservation, improvement or decoration of the Subleased Premises but subject to such conditions and restrictions as the SUBLESSEE shall reasonably impose to ensure the safety and security of the SUBLESSEE's properties and records in keeping with banking practices and banking laws and regulations.

The SUBLLESSOR commits to make the Subleased Premises accessible to the SUBLESSEE and its customers and clients at all times, subject to the usual business hours and/or operating hours of the development/building where the Subleased Premises is located.

14. LIABILITIES FOR SUITS - The SUBLESSEE shall hold harmless the SUBLLESSOR against all actions, suits, damages, and claims whomsoever they may be brought or made by the reason of non-observance or non-performance by the SUBLESSEE of the rules, regulations, ordinances or laws mentioned herein or any of the covenants of this Contract without prejudice to the right of the SUBLLESSOR to cancel this Contract in accordance with the provisions herein contained.

The SUBLLESSOR shall not be liable or accountable for any loss or losses that may be suffered by the SUBLESSEE by reason of theft, robbery or any other crimes committed in or about the Subleased Premises except when the SUBLLESSOR is involved in the crime as a principal, accomplice or accessory.

The SUBLLESSOR shall indemnify and hold the SUBLESSEE free and harmless from any claim or demand by any third party for injury, loss or any damage resulting from any accident occurring in or about the Subleased Premises, including fire, due to failure of the SUBLLESSOR to maintain the development in a safe, sanitary and secure condition; and by reason of the SUBLLESSOR's non-observance or violation of applicable laws, rules and regulations.

15. LOSS, INJURY OR DAMAGE TO PERSON OR PROPERTY - The SUBLESSEE agrees to hold the SUBLLESSOR free and harmless from any and all responsibility arising from loss or damage to goods or property or injury to persons that occurred within the confines of the Subleased Premises for any cause other than and except when due to the fault, or negligence of the SUBLLESSOR, its officers, employees, representatives and/or agents in which case the SUBLLESSOR shall be liable for such loss, damage and/or injury.

16. NON-WAIVER - The acceptance by the SUBLLESSOR of a monthly rental after the first ten (10) days of the month it is due and/or acquiescence of the SUBLLESSOR in any violation or failure to comply with any provisions, terms and conditions of this Contract by the SUBLESSEE shall not be construed as a condonation of such default,

X
ADRIAN R. BRIONES
Witness

X
MONET B. BRIONES
President, OLMCMCI

X
FRANCIS THADDEUS L. RIVERA
Head, Central Luzon/Witness

X
SVP CAROLYN T. DEFIENDO
Acting Head, DBP Branch Banking Sector

violation or failure or as a waiver on the part of the SUBLLESSOR of its rights, interest or causes of action arising out of, or from such default, violation or failure. Any violation or failure to comply with this Contract shall be deemed waived by the SUBLLESSOR if such waiver is in writing and signed by the authorized representative of the SUBLLESSOR.

17. ASSIGNMENT, SUB-LEASE, TRANSFER OF RIGHTS – The SUBLLESSEE shall neither assign, sub-lease nor transfer the Subleased Premises or any part thereof or any interest therein without the prior written consent of the SUBLLESSOR. Violation of this provision shall serve as a sufficient ground for the cancellation of this Contract.

18. DEFAULT OR BREACH – Should the SUBLLESSEE fail to pay the rental stipulated in paragraph II hereof or violate any of the terms and conditions of this Contract, the SUBLLESSOR shall have the right to eject the SUBLLESSEE from the Subleased Premises and to recover and collect from the SUBLLESSEE all accrued rental.

19. TRANSFER OR OWNERSHIP – If ownership or leasehold rights of the aforesaid building and/or the Subleased Premises is transferred to a third party during the term of this Contract or any renewal thereof, the SUBLLESSOR commits and undertakes to ensure that in the transfer of ownership documents, the buyer or transferee therein acknowledges and commits to honor, maintain and respect the peaceful existence and continuity of the SUBLLESSEE's occupancy of the Subleased Premises for the unexpired portion of this Contract.

20. PRE-TERMINATION OF CONTRACT – The SUBLLESSEE may exercise its right to terminate this Contract for any cause or reason provided sixty (60) calendar days advance notice is served to the SUBLLESSOR.

21. TERMINATION OF CONTRACT – Upon the expiration of the term of this Contract or upon the pre-termination or cancellation of the same as provided for in paragraph XX hereof, the SUBLLESSEE shall promptly surrender or return the Subleased Premises to the SUBLLESSOR in as good and tenantable condition as when received by it, reasonable wear and tear excepted, devoid of all occupants, furniture, articles and effects of any kind other than such alterations and/or improvements which under paragraph VI of this Contract shall belong to the SUBLLESSOR.

22. OBLIGATIONS AND WARRANTIES OF THE SUBLLESSOR

The SUBLLESSOR represents and warrants to the SUBLLESSEE that, at the time of the execution of this CONTRACT and during the Sublease Period and any of its renewals:

- a. The SUBLLESSOR is the absolute owner of the Subleased Premises and has an indefeasible right to lease the same;
- b. Excluding those already existing and annotated on the titles upon the signing of this Contract, the Subleased Premises shall be free from any and all liens and encumbrances which are in violation or inconsistent with any right of the LESSEE under this Contract;
- c. The Subleased Premises is in such condition as to render it fit for the use intended by the SUBLLESSEE, and it shall maintain the Subleased Premises for the peaceful and adequate enjoyment of the SUBLLESSEE, including unhampered ingress and egress to and from thereto, based on the intended use by the SUBLLESSEE of the Subleased Premises;

 **ADRIAN R. BRIONES**
Witness

d. The SUBLLESSOR shall be responsible for repairs, replacements and maintenance of the Subleased Premises (with respect to common area, parking area, foundation or structural components thereof) within a reasonable time and which are necessary to keep the Subleased Premises in a tenantable condition;

e. The SUBLLESSOR shall be responsible for the payment of any real property tax on the Subleased Premises. The term "real property tax" shall mean real estate taxes imposed upon the land and building by the national, provincial and/or city governments or authorities.

In case of breach of any of the foregoing obligations and warranties, the SUBLLESSOR shall indemnify and hold the SUBLLESSEE free and harmless from any cost and damage arising from such breach, without prejudice to the exercise by the latter of any other rights and remedies available to it under this Contract and under the law.

 **MONETTE B. BRIONES**
President, OLMCMCI
Witness

f. The SUBLLESSOR acknowledges that in addition to other prevailing/applicable Philippine laws, rules and regulations, the SUBLLESSEE has an existing Code of Ethics, which prohibits any gift, fee, commission or benefit in favor of any of the SUBLLESSEE's officers and/or employees and/or any other persons to be given as a condition to, or as an additional consideration for, the award of the Contract to the SUBLLESSOR. The SUBLLESSOR further acknowledges that under the SUBLLESSEE's Code of Ethics and other prevailing rules and regulations, the SUBLLESSEE's personnel have the duty to report to superior officers any possible violation of the policy. Furthermore, the SUBLLESSOR commits itself to conduct its business professionally and ethically by equally abiding by the provisions of the SUBLLESSEE's Code of Ethics, particularly the norms of conduct and the rules on conflict of interest, insofar as applicable to the SUBLLESSOR's nature of business and for the duration of its business relationship with the SUBLLESSEE.

Furthermore, in compliance with the Section 47 of R.A. 9184 or the "Government Procurement Reform Act" as well as the provisions on Conflict of Interest under SUBLLESSEE Code of Ethics, the SUBLLESSOR warrants that it is not related to any of the directors of SUBLLESSEE, members of the Bids and Awards Committee, the Technical Working Group (if any), the head of SUBLLESSEE's project management office and project consultants (if any), end-user or implementing unit, by consanguinity or affinity up to the third civil degree.

 **FRANCIS THADDEUS L. RIVERA**
Head, BBBG Central Luzon/Witness
 **SVP CARROLYN I. DELFINDO**
Acting Head, DBP Branch Banking Sector


The SUBLLESSOR is aware that SUBLLESSEE is a government-owned corporation and that the receipt by any of SUBLLESSEE's officers and/or employees and/or other persons, as well as the giving by the SUBLLESSOR unless opportunely disclosed pursuant to the provisions of (Presidential Decree No. 749) of such gift, fee or commission, are crimes punishable under the provisions of the Anti-Graft and Corrupt Practices Act (R.A. No. 3019), Title VII of the Revised Penal Code on Crimes Committed by Public Officers, the Code of Conduct and Ethical Standards for Public Officers and Employees (R.A. No. 6713), the Plunder Law (R.A. No. 7080), as well as under other applicable laws and governing presidential decrees.

The SUBLLESSOR further acknowledges SUBLLESSEE's policy to refer any such violation to the proper government agency for criminal prosecution.

23. ANNOTATION OF THE SUBLLEASE - The LESSEE shall have the right to annotate this Sublease Agreement with the Clark Development Corporation records.

24. GENERAL PROVISIONS

a. Any agreement between the parties to this Contract as well as any and all amendments, supplements and addenda to the terms and conditions of this

Contract shall be made in writing and duly signed by the parties hereto before the same may be implemented.

- b. The implementation of this Contract as well as any and all amendments, supplements and addenda hereto shall be subject to the applicable rules and regulations issued by the Bangko Sentral ng Pilipinas.
- c. Any dispute or difference of opinion between the parties as to implementation of the terms and conditions of this Contract shall be settled mutually and expeditiously. A written notice of said dispute or difference of opinion shall be personally served or sent by registered mail at the address which either party indicated in this Contract. In case such dispute or difference of opinion is not settled, any of the parties hereto may terminate this Contract upon at least sixty (60) calendar days prior written notice served to the other party.
- d. In the event of litigation under this Contract, the Parties hereto agree to submit solely and exclusively to the jurisdiction of the proper court of Angeles City.

IN WITNESS WHEREOF, the parties hereto have hereunto signed this Contract on this _____ day of 19 DEC 2024, 2024 _____ at CITY OF SAN FERNANDO, Philippines.

**OUR LADY OF MT. CARMEL
MEDICAL CENTER-CLARK, INC.**
Sublessor
TIN No. 008-640-500
By:



DR. MONET B. BRIONES
President

**DEVELOPMENT BANK OF THE
PHILIPPINES**
Sublessee
TIN No. 000-449-609
By:



SVP CAROLYN I. OLFINDO
Acting Head, Branch Banking Sector

ENGR. ADRIAN R. BRIONES
Witness



Signed in the Presence of:



FVP FRANCIS THADDEUS L. RIVERA
Head of _____/CL/Witness



WITH CONFORMITY:
CLARK DEVELOPMENT CORPORATION
Lessor

Represented by:

ATTY. AGNES VICENTA T. DEVANADERA
President, CLARK DEVELOPMENT CORPORATION

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES}
CITY OF SAN FERNANDO } SS.

BEFORE ME, a Notary Public in and for the City of SAN FERNANDO on this
day of 19 DEC 2024 2024, personally appeared:

Name	Proof of Identity	Date/Place Issued
OUR LADY OF MT. CARMEL MEDICAL CENTER-CLARK, INC.	TIN 008-640-500	
DR. MONET B. BRIONES		

known to me and to me known to be the same persons who executed the foregoing CONTRACT OF SUBLEASE which consists of thirty seven (37) pages including this notarial acknowledgment and Annexes "A", "B", "C", "D", "E" and "F" all signed by them and their instrumental witnesses and they acknowledged to me that the same is their free and voluntary act and deed as well as that of the corporation they duly represent for the purpose stated therein.

WITNESS MY HAND AND SEAL on the date and at the place above.


JOSE MANUEL J. CALDERON
NOTARY PUBLIC Notary Public

Until 31 December 2024

Notarial Commission No. 75-23

City of San Fdo, Pampanga

Roll No. 39026

IBP OR No. 296543 Pasig City 12-18-2023

PTR No. CBN-1820156 Cab City 1-3-2024

Admitted to the Bar 1994

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Book No. II ;
Page No. 18 ;
Series of 2024.

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES}
} SS.

BEFORE ME, a Notary Public in and for the City of _____, on this
day of 07 JAN 2025 2025, personally appeared:

Name	Proof of Identity	Date/Place Issued
DEVELOPMENT BANK OF THE PHILIPPINES TIN 000-449-609, duly represented by: SVP CAROLYN I. OLFINDO		Issued on _____ at _____ DBP ID 0203422-CAR MAKATI CITY

known to me and to me known to be the same persons who executed the foregoing CONTRACT OF LEASE which consists of thirty-seven (37) pages including this notarial acknowledgment and Annexes "A", "B", "C", "D", "E" and "F" all signed by them and their instrumental witnesses and they acknowledged to me that the same is their free and voluntary act and deed as well as that of the corporation they duly represent for the purpose stated therein.

WITNESS MY HAND AND SEAL on the date and at the place above.


NOTARY PUBLIC Notary Public

Appointment No. M-146

Makati City, until December 31, 2025

10th Flr DBP Bldg, Gen. Gil Puyat Ave., Makati City

PCW#s 88575, BNN# 216409 (Lifetime)

DBP Email: carolyn.olindo@dbp.ph

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