



Sangguniang Panglungsod

RESOLUTION NO. 11-119

A RESOLUTION AUTHORIZING THE CITY MAYOR HON. ALDRIN L. SAN PEDRO TO ENTER INTO A MEMORANDUM OF AGREEMENT IN BEHALF OF THE CITY GOVERNMENT OF MUNTINLUPA WITH THE DEVELOPMENT BANK OF THE PHILIPPINES ON THE SALARY LOAN PROGRAM FOR CITY ELECTED OFFICIALS, QUALIFIED AND ELIGIBLE OFFICERS AND EMPLOYEES OF THE CITY GOVERNMENT OF MUNTINLUPA.

\*\*\*\*\*

- Sponsored by:
- Hon. Coun. Vergel C. Ulanday
  - Hon. Coun. Atty. Raul R. Corro
  - Hon. Coun. Atty. Patricio L. Boncayao, Jr.
  - Hon. Coun. Margarita Amythyst Patdu-Labios, MD
  - Hon. Coun. Alexander B. Diaz
  - Hon. Coun. Ringo A. Teves
  - Hon. Coun. Dan Hubert A. Barlis
  - Hon. Coun. Robert A. Abas
  - Hon. Coun. Engr. Neptali S. Santiago
  - Hon. Coun. Joselito V. Arevalo
  - Hon. Coun. Robert P. Baes
  - Hon. Coun. Elmer S. Espeleta
  - Hon. Coun. Rafael T. Sevilla
  - Hon. Coun. Adorado P. San Pedro
  - Hon. Coun. Eulogio DS. Dioko, II

\*\*\*\*\*

WHEREAS, Chapter 3, Article 1, Section 455 (b) (I) (vi) of Republic Act 7160 otherwise known as the Local Government Code of 1991 states that, "**the City Mayor, as the Chief Executive of the City Government shall, "represent the city in all its business transactions and sign in its behalf all bonds, contracts, and obligation, and such other documents upon authority of the Sangguniang Panlungsod pursuant to law or ordinance."**

WHEREAS, Chapter 3, Article 1, Section 455 (b) (i) (viii) of same Code states that, "**the City Mayor as the Chief Executive of the city government shall determine the time, manner and place of payment of salaries or wages of the officials and employees of the city in accordance with law or ordinance."**

WHEREAS, Rule IX, Article 47 of the Rules and Regulations Implementing the Local Government Code of 1991 states that, "**xxx no contract may be entered into by the Local Chief Executive in behalf of the Local Government Unit without prior authorization by the Sanggunian concerned"**

WHEREAS, the Development Bank of the Philippines (DBP) offered a Salary Loan Program for elected officials, qualified and eligible officers and employees of the City Government of Muntinlupa;

*[Handwritten signatures and initials on the left side of the page]*

*[Handwritten signatures and initials on the right side of the page]*



Sangguniang Panglungsod

Page 2  
Resolution No. 11-119

**WHEREAS**, the terms and conditions for the Salary Loan Program were indicated in a Memorandum of Agreement (MOA) prepared and submitted by the Development Bank of the Philippines to the City Government of Muntinlupa;

**WHEREAS**, to comply with one of the provisions in the Memorandum of Agreement to be executed by and between the City Government and the Development Bank of the Philippines (DBP), the local government of Muntinlupa has an existing account with Development Bank of the Philippines (DBP);

**WHEREAS**, the Office of the City Attorney, after a thorough evaluation of the terms and conditions stipulated in the Memorandum of Agreement, finds no disadvantage over the stipulations stated therein and that the contract is the standard format being used by banks involving transactions concerning Local Government Unit's (LGU);

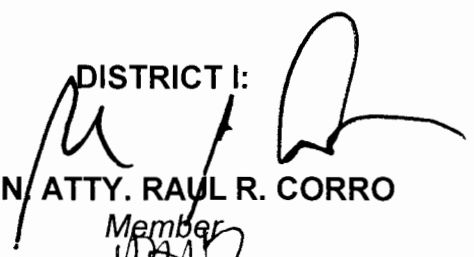
**WHEREAS**, the Salary Loan Program offered by the Development Bank of the Philippines will be beneficial for Qualified and Eligible Officers and Employees and Elected Officials;

**NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED**, by the 6<sup>th</sup> Sangguniang Panlungsod of Muntinlupa, to authorize the City Mayor Hon. Aldrin L. San Pedro to enter into a Memorandum of Agreement in behalf of the City Government of Muntinlupa with the Development Bank of the Philippines on the salary loan program for city elected officials, qualified and eligible officers and employees of the City Government of Muntinlupa.

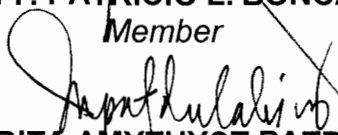
**APPROVED**, by the 6<sup>th</sup> Sangguniang Panlungsod of Muntinlupa this 26<sup>th</sup> day of September 2011, on its 52<sup>nd</sup> Regular Session.

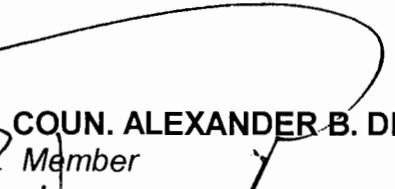
**CONCURRED:**

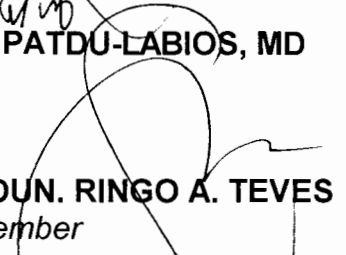
DISTRICT I:

  
COUN. ATTY. RAUL R. CORRO  
Member

  
COUN. ATTY. PATRICIO L. BONCAYAO, JR.  
Member

  
COUN. MARGARITA AMYTHYST PATDU-LABIOS, MD  
Member

  
COUN. ALEXANDER B. DIAZ  
Member

  
COUN. RINGO A. TEVES  
Member




Sangguniang Panglungsod

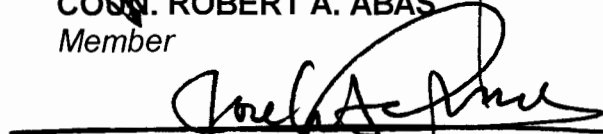
Page 3  
Resolution No. 11-119

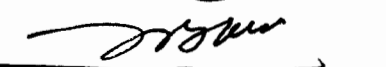
  
COUN. DAN HUBERT A. BARLIS  
Member

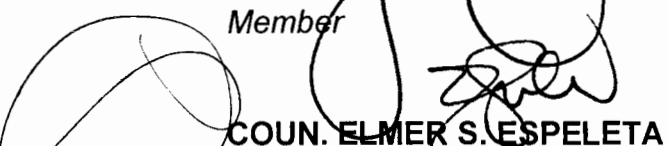
DISTRICT II:

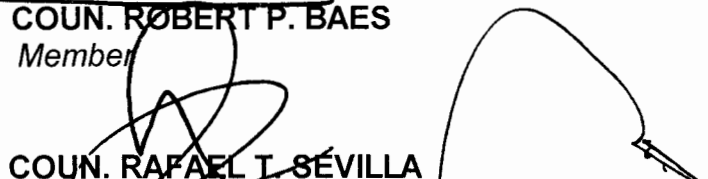
  
COUN. ROBERT A. ABAS  
Member

  
COUN. ENGR. NEPTALI S. SANTIAGO  
Member


  
COUN. JOSELITO V. AREVALO  
Member


  
COUN. ROBERT P. BAES  
Member

  
COUN. ELMER S. ESPELETA  
Member

  
COUN. RAFAEL T. SEVILLA  
Member

  
COUN. VERGEL C. ULANDAY  
Member

  
COUN. ADORADO P. SAN PEDRO  
Sectoral Representative  
President  
Association of Barangay Captains

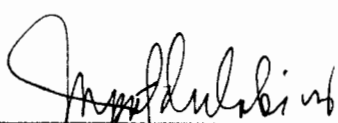
  
COUN. EULOGIO D. DIOKO, II  
Sectoral Representative  
President  
Federation of Sangguniang Kabataan

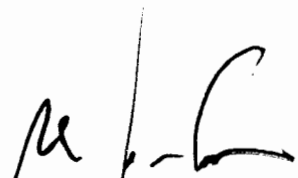
ABSENT:

COUN. BAL NIEFES  
Member

COUN. ALLEN F. AMPAYA  
Member

COUN. LUVI P. CONSTANTINO  
Member








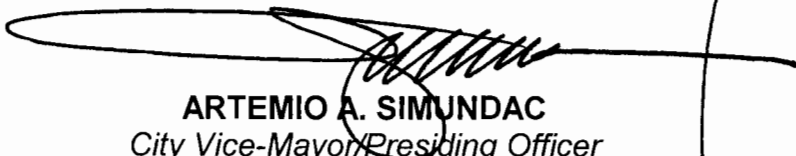
Sangguniang Panglungsod

Page 4  
Resolution No. 11-119

I HEREBY CERTIFY, as to the correctness of the foregoing Resolution.

  
CECILIA C. LAZARTE  
Secretary

ATTESTED:

  
ARTEMIO A. SIMUNDAC  
City Vice-Mayor/Presiding Officer

APPROVED:

  
ALDRIN L. SAN PEDRO  
City Mayor

Date: \_\_\_\_\_

Norie/6<sup>th</sup> SP

*(Handwritten signatures and initials scattered throughout the page, including 'mike', 'Norie/6th SP', 'PMP', 'APW', 'M i b', and several large illegible signatures)*

# MEMORANDUM OF AGREEMENT

This **MEMORANDUM of AGREEMENT** (the "Agreement") made and executed by and between:

The **DEVELOPMENT BANK OF THE PHILIPPINES**, a government financial institution created and operating under and by virtue of Executive Order No. 81 dated December 3, 1986, as amended by Republic Act 8523 dated February 14, 1998, with principal office at DBP Building, Sen. Gil Puyat Avenue corner Makati Avenue, Makati City, Philippines, and with Regional Marketing Center (Metro Manila) at DBP Building, Commonwealth Avenue, Diliman, Quezon City, Philippines, duly represented in this Agreement by its Vice President, **MS. MA. TERESITA S. TOLENTINO**, in her concurrent capacity as Head, Regional Marketing Center – Metro Manila, and hereinafter referred to as the "DBP",

-and-

The **CITY OF MUNTINLUPA**, a local government unit duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with address at City Hall Building, National Road, Putatan, Muntinlupa City, Philippines, duly represented in this Agreement by its Mayor, **HON. ALDRIN L. SAN PEDRO**, pursuant to the authority conferred upon him under Sangguniang Panlungsod Resolution No.11-119, dated September 26, 2011, and hereinafter referred to as the "**Participant**",

## WITNESSETH: THAT

WHEREAS, DBP has launched a program (hereinafter referred to as the "**Program**") of providing financial assistance in the form of salary loans to qualified and eligible officers and employees of the Participant (hereinafter collectively referred to as the "**Borrowers**", and individually referred to as the "**Borrower**") in accordance with the Salary Loan Program Guidelines for Officers and Employees of the Local Government Units (LGUs), Government Agencies/Offices/Corporations (hereinafter referred to as the "**Program Guidelines**"); and

WHEREAS, in consideration of DBP's willingness to provide a salary loan facility to the qualified/eligible Borrowers (hereinafter referred to as the "**Loan/s**"), the Participant has agreed to perform certain obligations relative to its accreditation, the eligibility of such officers and employees, and the remittance to DBP of the monthly amortizations due, in accordance with the Program Guidelines and the terms and conditions hereinafter set forth.

NOW, THEREFORE, for and in consideration of the above premises and of the mutual covenants herein contained, the parties to this Agreement have agreed, as they hereby agree, as follows:

### **A. OBLIGATIONS OF THE PARTICIPANT**

The Participant *undertakes* and agrees that during the term of this Agreement, it shall:


1. *Ensure and certify* that each Borrower and his/her respective co-maker possesses all the qualifications of an Eligible Borrower under the Program Guidelines, as amended;
2. Ensure that the Salary Loan Application/Agreement Forms prescribed by DBP are duly accomplished and signed by the Borrower and his/her co-maker;
3. Designate and identify the duly authorized and responsible officers (e.g. Treasurer/Cashier/Disbursing Officer) who will indorse and certify that the accomplished DBP required loan documents and the data and signatures inscribed thereon are correct, true, genuine and authentic and have been duly signed and accomplished by the Borrower and his/her co-maker;

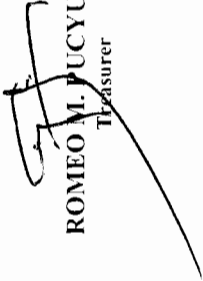
*M. Teresita*  
MA. ANGELA A. HOMBREBUENO  
Manager, DBP Muntinlupa Branch

*R. M. Pucyutan*  
ROMEO M. PUCYUTAN  
Treasurer


*A. L. San Pedro*  
HON. ALDRIN L. SAN PEDRO  
Mayor

*M. Teresita*  
MA. TERESITA S. TOLENTINO  
Vice -- President, DBP

  
MA. ANGELA A. HOMBREBUENO  
Manager, DBP Muntinlupa Branch

  
ROMEO M. PUCYUTAN  
Treasurer

  
HON. ADRIAN L. SAN PEDRO  
Mayor

  
MA. TERESITA S. TOLENTINO  
Vice - President, DBP

4. Collect or cause the collection of the loan amortizations due from the Borrowers through automatic payroll deductions commencing on the payroll month immediately following the date of release of the Loan/s;
5. Remit to DBP the loan amortizations due from the Borrowers on or before the stipulated due dates thereof under the pertinent Salary Loan Application/Agreement Forms signed and accomplished by the Borrowers and their/his/her co-maker/s;
6. Promptly notify DBP in writing of the transfer, termination, retirement, and/or resignation or separation from the service of the Borrower within three (3) days from date of transfer, separation, termination and/or retirement. For this purpose, the Participant agrees not to issue any clearance in favor of its Borrower-employee/officer until the corresponding total amount due to DBP from such Borrower-employee/officer has been duly remitted and paid, as certified to by DBP in writing;
7. Withhold, debit and deduct the corresponding amount due and owed to DBP from all monies and benefits accruing to any Borrower whose services had been terminated or who had resigned or retired from the service, or who had been separated from the service in any other manner or due to any other cause including death or physical/mental disability, and remit the amount collected to DBP within three (3) banking days from the date of collection/deduction/debiting;
8. In the event the amount collected under Item (7) above is insufficient to fully pay the Loan/s, the Participant shall immediately collect from the Borrower's co-maker through payroll deduction and any and all other means, the balance of the Loan and remit the amount collected to DBP within three (3) banking days from date of collection;
9. Replace the co-maker of the Loan whose services have been terminated or who has resigned and/or retired within three (3) working days from the date of termination, resignation and/or separation, as the case maybe; and
10. Continue supporting the fund generation effort of DBP and DBP's policy requiring Participant to open and maintain a payroll account with DBP's servicing branch (DBP's Muntinlupa Branch) with an average daily deposit balance at any and all times of not less than **ONE MILLION PESOS (Php. 1,000,000.00)**, Philippine currency.

#### B. OBLIGATIONS OF THE BANK

DBP undertakes and agrees to provide the Participant, from time to time, with the following:

1. The funding for the Program for qualified and eligible applicant Borrowers subject to the terms and conditions of the Program Guidelines.
2. A copy of the Salary Loan Application/Agreement Forms duly accomplished and signed by the Borrowers and their respective co-makers;
3. A copy each of the Special Power of Attorney (SPA) executed by the Borrowers in favor of DBP, authorizing the latter to collect and receive payments for the loan amortizations due from the Borrower.
4. A list of the Participant's officers and employees whose Salary Loan Applications/Agreement Forms have been approved, stating, among others,

the amounts approved, the dates of approval, and the schedules of amortization payments;

5. The list of Borrowers whose accounts are in arrears; and
6. Any changes or amendments to the Program Guidelines.

### C. OTHER CONDITIONS

1. There shall be no ceiling on the total aggregate principal amount of loans the Participant may recommend and endorse to DBP provided that the recommended/endorsed applicants are qualified and eligible to avail of salary loans under the Program Guidelines.
2. Past Due Accounts/Cancellation of Facility

In the event the Participant fails to remit to DBP any loan amortization due:


- a. Its account becomes past due;
- b. Its accreditation shall be suspended at the option of the Head of DBP's Regional Marketing Center for Metro Manila. A suspended accreditation may be reinstated at the option of the Head of DBP's Regional Marketing Center for Metro Manila and subject to such terms and conditions as may be imposed by the latter;
- c. Eligibility of its officials and employees/co-makers to participate in the Program who are in past due status shall be suspended by the Head of DBP's Regional Marketing Center for Metro Manila, and shall be reinstated only after all amounts due and the corresponding penalties are paid to DBP;
- d. Determination of Eligibility- Any provision of this Agreement to the contrary notwithstanding, the determination of the eligibility of the Participant and/or the Borrowers under this Program shall be the sole prerogative of DBP.

IN WITNESS WHEREOF, the parties through their respective authorized representatives have hereunto signed this Agreement this \_\_\_\_ day of \_\_\_\_\_, 2011 at the City of Muntinlupa, Philippines.

OCT 18 2011

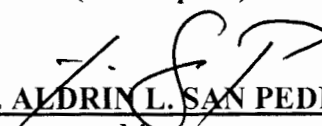
### DEVELOPMENT BANK OF THE PHILIPPINES (DBP)

By:


  
MA. TERESITA S. TOLENTINO  
Vice-President and concurrently  
Head, RMC-Metro Manila


### CITY OF MUNTINLUPA (Participant)

By:

  
HON. ALDRIN L. SAN PEDRO  
Mayor

SIGNED IN THE PRESENCE OF:

  
MA. ANGELA A. HOMBREBUENO  
Manager, DBP Muntinlupa Branch

  
ROMEO M. PUCYUTAN  
City Treasurer

**ACKNOWLEDGMENT**

REPUBLIC OF THE PHILIPPINES )  
 CITY OF MUNTINLUPA ) S.S.

Before me this 18 day of OCT 2011, 2011, personally appeared:

Name	Proof of Identity	
	Number	Date/Place of Issue
VP Ma. Teresita S. Tolentino	15972328	2/3/11-Quezon City
Mayor Aldrin L. San Pedro	17949424	1/5/11- Muntinlupa City
Development Bank of the Philippines	00072899	1/15/11- Makati, City
City of Muntinlupa	000793993	

known to me and to me known to be the same persons who executed the foregoing Memorandum of Agreement and acknowledged to me that the same is their own free and voluntary act and deed and that of the juridical entities they duly represent for the purpose stated therein, the same consisting of four (4) pages including this notarial acknowledgment, signed by them and their instrumental witnesses on each and every page thereof.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal at the place and on the date first mentioned herein.

*Ma. Angela A. Hombrebuena*  
**MA. ANGELA A. HOMBREBUENO**  
 Manager, DBP Muntinlupa Branch

*Romeo M. Pucyutan*  
**ROMEO M. PUCYUTAN**  
 Treasurer

*Hon. Aldrin L. San Pedro*  
**HON. ALDRIN L. SAN PEDRO**  
 Mayor

*Ma. Teresita S. Tolentino*  
**MA. TERESITA S. TOLENTINO**  
 Vice - President, DBP

Doc. No. 431;  
 Page No. 88;  
 Book No. 111;  
 Series of 2011.

*Atty. Michael M. Racelis*  
**ATTY. MICHAEL M. RACELIS**  
 NOTARY PUBLIC FOR THE CITY OF MUNTINLUPA  
 UNTIL DECEMBER 31, 2012  
 ATTORNEY'S ROLL NO. 47212  
 IBP LIFETIME NO. 07258-QUEZON PROVINCE  
 PTR NO. 0734448/01.03.11/MUNT. CITY  
 TITLE COMPLIANCE NO. III-0006199/11.19.09/PASIG CAMP