

**CONTRACT OF LEASE**

KNOW ALL MEN BY THIS CONTRACT:

This CONTRACT OF LEASE made and entered into by and between:

**D' BRITMIS MARKETING, INC.** an association duly organized and existing under and by virtue of the laws of the Philippines, with principal office and place of business at 34 Ocean Street, Summerville Subdivision, Barangay Mayamot, Antipolo City, Rizal represented herein by its President, Mr. Dino B. Amistoso, hereinafter referred to as the "LESSOR";

-and-

The **DEPARTMENT OF ENERGY (DOE)**, a government agency created under Republic Act (R. A.) No. 7638 as amended with principal address in Energy Center, Rizal Drive, Bonifacio Global City (BGC), Taguig City represented in this Act by its Undersecretary, **ALESSANDRO O. SALES**, hereinafter referred to as the "LESSEE";

**LESSOR** and **LESSEE** are hereinafter collectively referred to as "**PARTIES**" and individually as "**PARTY**".

- Witnesseth -

WHEREAS, the LESSOR is willing to lease-out the warehouse/storage area with a total area of approximately 3,000 square (sq.) meters more or less situated along Barangay San Jose, Antipolo City, Rizal;

WHEREAS, the LESSEE has formally intended to lease a warehouse/storage area by the LESSOR, D' Britmis Marketing, Inc., with an area of approximately 3,000 sq. meters more or less;

1. **TERM OF LEASE.** This contract of lease shall commence from March 1 and shall end on December 31, 2024.
2. **LEASED PREMISES.** 3,000 sq. meters of land fully enclosed with about 8 feet high fencing. It includes a Guard House with comfort room and a Canopy with an area of 100 sq. meters.
3. **LEASE RATE.** The lease rate is One Hundred Forty-One Thousand One Hundred Pesos (PhP141,100.00) per month inclusive of all government required fees and taxes, to be paid on or before the tenth (10th) day of the succeeding month upon presentation of a billing or notice for payment. The withholding tax shall be paid by the LESSEE who shall provide the LESSOR the withholding tax certificate. The rent also includes the use of electricity and utilities.
4. **RENEWAL.** Within thirty (30) days prior to the expiration of this contract of lease, the LESSEE will make a formal notice of its intention to renew the lease with the LESSOR for another year and for such any or all other terms and conditions as may then be mutually agreed upon.
5. **DEPOSIT.** The existing deposit by the LESSEE to the LESSOR amounting to Four Hundred Three Thousand Two Hundred Pesos (PhP403,200.00) equivalent to one (1) month advance and two (2) months deposit shall remain valid during the effectivity of this contract. The deposit shall be returned to the LESSEE

without interest within ten (10) days at the end of the terms if no renewal is being entered into by Parties, less expenses for the repair of the premises, if any;

6. **USE OF THE PREMISES.** The leased premises shall be used as a warehouse/storage/impounding area for impounded petroleum products, delivery/hauling vehicles and other oil refilling paraphernalia.

7. **RESPONSIBILITIES OF BOTH PARTIES**

a) Throughout the duration of the contract, the LESSOR shall maintain the warehouse and adjoining compound in a state suitable for the purpose for which the facility is rented; i.e., storage of Liquefied Petroleum Gas (LPG) products which refers to LPG product, cylinders, tin-canisters, seals, and as the case may be, vehicles, equipment, bulk storage tanks, and other related paraphernalia and Liquid Fuels (LF) and related equipment and paraphernalia. This includes the provision of undamaged fence, walls and canopy with comfort room with an area of approximately 100 sq. meters.

b) Security of the warehouse is the responsibility of the LESSEE.

c) The LESSEE shall have no obligations whatsoever towards the LESSOR or local authorities for the payment of any taxes, fees and other fiscal duties originating from the ownership of the warehouse.

d) The LESSOR will insure the warehouse and surrounding compound against third-party damages (e.g., fire due to arson or an accident, damages due to water, etc.) for the duration of the contract and any subsequent renewals. The LESSOR shall carry and provide proof of liability insurance for injury or damages to the LESSEE's personnel and /or goods due to negligence on the part of the LESSOR.

e) The LESSEE shall not be held responsible for the partial or total destruction of the warehouse, adjoining compound or enclosure as a result of natural or manmade disasters or an act of war. The LESSOR shall be responsible for insuring the warehouse property against all such risks.

f) The LESSOR shall undertake all major and extraordinary repairs on the leased premises at its own expense. In the event that the leased premises cannot be utilized during the period of repair, the LESSOR grants a moratorium or waiver of rental payment for such period. The LESSOR shall undertake all necessary repairs on the warehouse premises at its own cost.

g) The LESSOR warrants that the LESSEE shall have the peaceful possession of the warehouse facilities for the duration of the term agreed upon except when the disturbance is caused by natural calamities or acts outside LESSOR'S control.

8. **INJURY TO THIRD PERSON.** The LESSEE shall be solely responsible for any harm or injury as may be suffered by its employee or third person while within the leased premises, when the acts complained of were caused by its negligence.

9. **INSPECTION OF PREMISES.** The LESSOR or his/its representatives, with the proper notice to the LESSEE and at a reasonable hour of any working day, shall be allowed entry to the leased premises to conduct inspection for repairs or improvements. Subsequently, access to the leased premises shall be given to

the authorized person/s who will undertake the repair or improvement in order to lessen inconvenience to the employee and clients or avoid disruption of activities.

10. **VIOLATION.** A violation by one of the Parties of any of the terms and conditions set forth herein shall result as a right or basis for the termination of this contract.

11. **TERMINATION.**

- a.) This contract of lease shall end on the terminal date agreed upon there being no renewal or agreed upon by the Parties.
- b.) It shall also be terminated five (5) days from receipt of a written notice from the innocent Party, due to the violation or breach by one of the Parties of any of the agreed terms and conditions and amicable settlement cannot be reached by the Parties.
- c.) The same shall also be terminated when as a result of the occurrence of natural calamities, the leased premises is rendered in a condition unfit for occupancy.

“In case the termination occurs due to the expiration of the lease contract and no renewal or extension is agreed upon, the LESSEE shall peacefully vacate the leased premises and return the same in condition it was first entered into, except for the effects of ordinary wear and tear. Damage or any injury to the leased premises caused by the removal or articles or improvements by the LESSEE shall be allowed by the LESSOR, without cost/expenses to the former. Within ten (10) calendar days after the leased premises are vacated, the deposit constituted shall be returned by the LESSOR to the LESSEE without need of demand in accordance with Item No. 5. In case the termination occurs as a result of the LESSEE’s breach or violation of any of the terms or condition agreed upon, the LESSEE shall peacefully vacate the premises including any of its effect and improvements. Except for ordinary wear and tear, any damage or injury to the leased premises shall be repaid and restored by the LESSEE. A moving out period of five (5) working days without rental charge shall be allowed by the LESSOR. Within ten (10) days after the premises are vacated, the LESSOR shall return the deposit constituted less the amount mentioned in Item No. 5 thereof. In case the LESSOR is the guilty party, the latter shall return the deposit and unused advance rentals and also pay damages equivalent to one (1) month rental to the LESSEE before the actual vacation of the premises, without prejudice to other remedies as provided for by the law. In such case, the LESSEE is given a moving out period of ten (10) working days without rental charge.”

“If termination ensue due to destruction of the leased premises, the LESSOR, shall return the deposit constituted and unused advanced rentals within the same period as above-mentioned. The LESSOR shall not be answerable or responsible for any damage or injury to the properties of the LESSEE caused by the destruction of the leased premises due to natural events or to any cause that is beyond the LESSOR’S control.

Any Party may terminate this CONTRACT OF LEASE for any cause at any time before the expiration of the term agreed upon by giving the other party thirty (30) days written notice of termination prior to the intended date without incurring any liability as to the damages, subject to the terms and conditions set forth in the preceding sub paragraphs.”

12. **DELAY IN VACATION OF THE PREMISES.** Except as provided for in the immediately preceding section, if the premises is not vacated within five (5) working days grace period allowed by the LESSOR, then the LESSEE shall be charged with the corresponding daily rental of the premises in the amount of PhP4,480.00 to be effected from the terminal date to the date when the premises is totally vacated.

13. **NON-WAIVER.** The failure of the LESSOR or the LESSEE to insist upon the strict performances of any of the terms, conditions, and covenants hereof shall not be deemed a relinquishment or waiver of any subsequent breach or default by the other party of such terms and conditions and covenants.

14. **LITIGATION AND VENUE.** In the event judicial relief against the guilty party is filed before the regular courts, for the enforcement of the terms and conditions in the contract, the guilty Party, in addition to any other damages that may be awarded by the court, agrees to pay ten percent (10%) of the amount claimed but in no case less than Ten Thousand Pesos (PhP10,000.00) as attorney's fees, aside from the cost of litigation and other expenses which the law entitles the aggrieved Party to recover. The Parties agree the venue of court action is exclusively in the proper courts of Taguig City.

15. **SEPARABILITY CLAUSE.** If any paragraph, sub paragraph or part of this contract is declared invalid, such shall not affect the other paragraph, sub paragraphs or parts of this contract.

16. **SUPERSEDING CLAUSE.** This contract of lease supersedes and renders void any and all agreements and undertakings, oral or written, which may have been entered into by and between the Parties. Any changes or alterations in this contract shall be valid if made in writing and duly signed by the Parties.

IN WITNESS WHEREOF, the Parties hereto have signed this contract of this \_\_\_\_\_ day of \_\_\_\_\_, 2024 at Taguig City, Philippines.

**D' BRITMIS MARKETING, INC.**

*Lessor*

By:



**DINO B. AMISTOSO**

*President*

**DEPARTMENT OF ENERGY**

*Lessee*

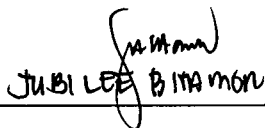
By:



**ALESSANDRO O. SALES**

*Undersecretary*

SIGNED IN THE PRESENCE OF:



JUBEL LEE BIAMON



**Rino E. Abad**

*Director, OIMB*



**Helen C. Roldan**

OIC, Accounting Division

CAF No. 01-24-07-043

CAF Date: March 20, 2024

regular agency fund

₱ 4,411,000.00

