



PAMAHALAANG BAYAN NG TAYTAY

TANGGAPAN NG SANGGUNIANG BAYAN

**EXCERPT FROM THE MINUTES OF THE 54th REGULAR SESSION OF
THE SANGGUNIANG BAYAN, TAYTAY, RIZAL, HELD ON
SEPTEMBER 2, 2002, AT THE SESSION HALL,
MUNICIPAL BUILDING, TAYTAY, RIZAL**

PRESENT:

Hon. Fernando R. Cabitac Jr.	- Vice Mayor/Presiding Officer
Hon. Janet DL. Mercado	- Councilor
Hon. Sharon B. de Leon	"
Hon. Anastacio V. Alcantara	"
Hon. Joselito T. Calderon	- "
Hon. Arturo R. Valle	- "
Hon. Pochollo A. Esguerra	- "
Hon. Aldin B. Gatapia	- "
Hon. Reggie Lynn R. Gonzaga	- "
Hon. Andres C. Cruz, Jr	- ABC.President
Hon. Dianne Eliza G. Esguerra	- SK.President

ORDINANCE NO. 17

**“ AN ORDINANCE MANDATING STRICT COMPLIANCE WITH THE
TERMS AND CONDITIONS OF THE BONDS, TRUST AGREEMENT,
AND OTHER PERTINENT DOCUMENTS RELATIVE THERETO”**

WHEREAS, under the Local Government Code of 1991, it is a declared policy of the State that local government units shall enjoy a genuine and meaningful local autonomy to enable them to attain their fullest development as self-reliant communities and make them more effective partners in the attainment of the national goals, towards which end, the State shall provide a more responsive and accountable local government structure through a system of decentralization whereby local government units shall be given more powers, authority, responsibilities and resource;

WHEREAS, Section 299 of the Local Government Code states that subject to the rules and regulation of the Central Bank and the Securities and Exchange Commission, provinces, cities, municipalities are authorized to issue bonds, debentures, securities, collaterals, notes and other obligations to finance self-liquidating, income producing development or livelihood projects pursuant to the priorities established in the approved local development plan of public investment program. The Sangguniang concerned, shall, through an ordinance approved by a majority of all its members, declare and state the terms and conditions of the bonds and the purpose for which the proposed indebtedness is to be incurred.

WHEREAS, to induce banks and other lending institutions to invest in debt instrument issued or to be issued by the Municipality, and in recognition of the imperative of safeguarding public funds, more particularly the proceeds from the issuance of debt instruments, the investment made therefrom and the income, revenues and other returns realized from said investments, the municipality has deemed it necessary and appropriate to enact this Ordinance as follows:

BE IT THEREFORE ORDAINED, as it hereby ordained by the Sangguniang Bayan of the Municipality of Taytay session assembled that:

Section 1. The provision/s of the Agreement may not be amended, changed or otherwise impaired without prior written consent of all parties other than the municipality, to the original agreement, and the municipality shall fully and faithfully comply with any and all terms and conditions thereof. The term "Agreement" shall be deemed to include the Trust Indenture, Guarantee Agreement, Underwriting Agreement and Construction Agreement under the bond flotation.

Section 2. It shall be the obligation of the municipality, through the Sangguniang Bayan to provide in the municipality's annual budget such appropriations as are necessary to fully cover its sinking fund obligations pursuant to the Trust Indenture and its yearly debt service obligations, in general, under the bond issue.

Section 3. During the existence of any Agreement with any government or private domestic banks or other entities or investors authorized to invest or grant loans or credit accommodations to the municipality, it shall be unlawful for the municipality or any of its concerned officers and employees to secure any additional accommodations which would effectively raise the municipality's budget appropriations for debt service to more than twenty percent (20%) of the municipality's regular income as determined in accordance with the provisions of the Local Government Code of 1991.

Section 4 This Ordinance shall take effect immediately upon its approval.

I HEREBY CERTIFY, to the correctness of the foregoing Ordinance which was duly enacted by the Sangguniang Bayan of Taytay during its 54th Regular Session held on the 2nd day of September 2002;

NOLI G. DEL ROSARIO
SB Secretary

ATTESTED AND CERTIFIED TO BE DULY
ENACTED BY HIS HONOR

HON. FERNANDO R. CABITAC, JR.
Vice Mayor/Presiding Officer

APPROVED BY HIS HONOR
THE MUNICIPAL MAYOR

HON. JUNE V. ZAPANTA
Municipal Mayor