

CONTRACT OF LEASE

Know all men by these presents:

This Contract of Lease (the "Contract") is made and entered into on the day hereinafter written, by and between:

Lucila S. Figarola of legal age, married to John B. Figarola and with address at 15-A P. Burgos Street, Siniloan, Laguna hereinafter referred to as "Lessor";
-and-

OSave Trading Philippines Corporation, a corporation duly organized and existing under Philippine laws, with principal office address at **BLOCK 8, 888 INDUSTRIAL MEGACITY, BRGY. STA. ANA, HIGHWAY 2000, PHASE 2, TAYTAY, RIZAL**, represented herein by its President and duly Authorized Signatory, **PHILIPP ALEXANDER KAIPERT**, hereinafter referred to as the "Lessee".

Witnesseth:

Whereas, the Lessor is the registered owner of the parcel of land consisting of 390 square meters located at Tunhac, Famy, Laguna covered by Original Certificate of Title No. P-8685 issued by the Register of Deeds for Laguna, Siniloan, Branch and Tax Declaration No. 08 002000571 ("Land"). A Copy of the Transfer Certificate of Title and Tax Declaration are hereto attached as Annex "A" and "B" respectively.

Whereas, the parties have agreed on the lease of the Land for the establishment of **OSAVE TRADING PHILIPPINES CORPORATION**, subject to the terms and conditions, hereinafter set forth;

Now therefore, for and in consideration of the foregoing premises, the parties agree as follows:

1) Leased Premises: The leased premise is the Ground floor of Building consisting of Two Hundred Seventy (270) square meters (**Leased Premises**).

Lessee is allowed to construct any and all necessary improvements/renovations/modifications on the Leased Premises needed for the operation of its business without need of prior consent from the Lessors, at its own expense.

2) Term: The term of this lease shall be Twelve (12) years commencing on the expiration of rent-free period, renewable upon written MUTUAL AGREEMENT of the parties (**Term**). The Lessee shall notify the Lessor in writing of its desire to renew this Contract at least ninety (90) days prior to its expiration, subject to the approval of the Lessor.

The Lessor has agreed to grant the Lessee a rent-free period of Three (3) months and Fifteen (15) days from the Target Turnover Date for the construction of any and all improvements thereon, introduction of supplies and installation of equipment necessary and incidental to its operations. Target Turnover Date shall be defined as the date when the Leased Premises and documentary requirements, in accordance with Annex "C" are completely turned over by the Lessor and accepted by Lessee in accordance with this Contract.

3) **Rentals:** The monthly rental shall begin at One Hundred Four Thousand Five Hundred Pesos (₱104,500.00) per month net of withholding tax and shall be paid by the Lessee on the day after the expiration of the rent-free period and every month thereafter. The rentals shall escalate by Five percent (5%) starting on the 3rd year and every 3 years thereafter until the end of the lease Term.

For the avoidance of doubt, the total monthly rental shall be in accordance with the following schedule:

YEAR	RENTAL RATE	WITHHOLDING TAX DUE (5%)	ESCALATION RATE	MONTHLY RENTAL DUE	TOTAL RENT DUE FOR THE YEAR
1	110,000.00	5,500.00		104,500.00	1,254,000.00
2	110,000.00	5,500.00		104,500.00	1,254,000.00
3	115,500.00	5,775.00	5%	109,725.00	1,316,700.00
4	115,500.00	5,775.00		109,725.00	1,316,700.00
5	115,500.00	5,775.00		109,725.00	1,316,700.00
6	121,275.00	6,063.75	5%	115,211.25	1,382,535.00
7	121,275.00	6,063.75		115,211.25	1,382,535.00
8	121,275.00	6,063.75		115,211.25	1,382,535.00
9	127,338.75	6,366.94	5%	120,971.81	1,451,661.75
10	127,338.75	6,366.94		120,971.81	1,451,661.75
11	127,338.75	6,366.94		120,971.81	1,451,661.75
12	133,705.69	6,685.28	5%	127,020.40	1,524,244.84

The withholding tax shall be withheld and remitted by the Lessee to the Bureau of Internal Revenue (**BIR**) for the account of the Lessor and Lessee shall release the corresponding BIR Form 2307 or the Certificate of Withholding Tax to the Lessor within a reasonable time.

J. S. Figuerola
The rentals shall be inclusive of Value-Added Tax (VAT). The Lessor shall include the VAT as a separate payable item in the statement of account and official receipt for the pertinent payment period. The Lessor shall ensure that the official receipts, invoices and/or related documents that it will issue to Lessee in connection with the Contract of Lease are duly registered with and approved by the BIR and contain the required information which will entitle the Lessee to claim the VAT paid as input tax credits.

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The Rentals due under this Section shall be payable in advance on or before the fifth (5th) day of the month to which such Rental corresponds. The Lessee shall pay Rentals by issuing twelve (12) post-dated checks covering the first year of the Term, which shall be turned over by the Lessee to Lessor two (2) weeks from signing of this Contract on or before the Rental due date specified in this paragraph. This system of payment shall be repeated only on a yearly basis and maintained throughout the duration of this Contract. The Lessor shall issue and deliver official receipts to the Lessee within 5 days from the time such checks were cleared by the drawee bank and encashed by the Lessor. Failure to submit official receipts will entitle Lessee to demand return of post-dated checks corresponding to the unexpired portion of the Term and to suspend future payments until official receipts for all previous payments are received by the Lessee. Checks shall be made payable to the order of the Lessor.

4) **Security Deposit and Advance Rental:** Upon the submission of all the essential documents by the Lessor listed in Annex "C" and the issuance of the Lessee's Building Permit, the Lessee shall pay:

- a) **Security Deposits:** A Security Deposit equivalent to the first two (2) months of rent, or Two Hundred Twenty Thousand pesos (P220,000.00) shall be paid by the Lessee 2 weeks upon signing of this contract, upon the submission of all the essential documents by the Lessor listed in Annex "C" or on the date of the issuance of the Lessee's Building Permit, whichever is later. The security deposit shall not earn interest and shall serve as guarantee for the Lessee's compliance with its obligations under this Contract including payment of utility bills and damages that it may cause on the premises and shall not be applied as payment of rent. The Lessor shall release the security deposit within 30 days from expiration of Term, and after the Lessee has vacated and returned the leased premises less whatever amount the Lessee may owe the Lessors and utility companies.
- b) **Advance Rental:** An Advance Rental equivalent to the first two (2) months of rent or Two Hundred Nine Thousand Pesos (P209,000.00), net of withholding tax, shall be paid by the Lessee on the actual Turnover Date of the Leased Premises provided that the signed Actual Turnover Form by the Lessor, Construction Officers and Site Finders is given to the Lessee. The Advance Rental shall be applied as payment for the first 2 months of rent commencing on the day after the expiration of the rent-free period.

5) **Interest on Delinquent Accounts:** The Lessee shall pay interest at the rate of one percent (1%) per month on any unpaid rental from the time it fell due until fully paid, a fraction of a month is to be considered as a full month.

6) **Use of Leased Premises:** The Lessee shall use the Leased Premises solely for commercial and mixed-commercial purposes, specifically, the operation of a mini market, convenience store, grocery and such other commercial activities associated with and incidental to the foregoing. The Lessor warrants that the Lessee shall peacefully and adequately enjoy the use of the Leased Premises for that purpose.

7) **Utilities:** All expenses for electric, water, telephone and other utilities shall be for the account of the Lessee, commencing on the date of Lessee's usage thereof. All utility bills prior thereto shall be for Lessor's account. If the Lessee obtains utilities through the existing lines of the Lessor, it shall pay only the actual cost as billed by the utility company without any add-on.

The parties agree to promptly perform all acts and execute and deliver all documents or instruments required or necessary for utility applications and/or transfer of utilities in the name of Osave Trading Philippines Corporation, right of way for utilities, building and occupancy permits, and such other similar documents. For this purpose, the Lessor hereby appoints and authorizes the Lessee or any of its duly authorized representatives as attorney-in-fact to execute and deliver any such instrument for and on behalf and in the name of the Lessor.

8) Taxes, Licenses, Permits: The Lessor shall pay the real property tax on the land and any improvements it introduced thereon. The Lessee shall pay the taxes, licenses, permits and fees on its business and on the leasehold improvements it introduced into the Leased Premises, including the required Documentary Stamp Tax.

9) Turnover of Leased Premises: The Lessor shall turn over the Leased Premises on March 30, 2025 ("Target Turnover Date") in bare condition, free and clear of any materials, edifice, structures and trees (including its roots), that may obstruct the construction/renovation of the Lessee's store or as may be required by the Lessee. The Leased Premises must also be free and clear of all lessees, tenants, occupants, squatters and claimants upon turn over. Any expenses for this purpose shall be for the sole account of the Lessor.

If the Lessor is unable to transfer physical possession of the Leased Premises to Lessee on or before the Target Turnover Date, both Parties agree to postpone it to a date to be mutually agreed upon by the parties, and the Term shall be adjusted corresponding to the actual turnover date of the Leased Premises. Nevertheless, the Target Turnover Date shall not be later than three (3) months from the scheduled date, failing which Lessee shall have the right and option (i) to wait for an extended period of time as specified by Lessee and the Term and the rent-free construction period shall be adjusted accordingly; or (ii) to terminate this Contract with immediate effect in which event all deposit and/or requisite payments paid to Lessor shall be refunded to Lessee forthwith in full within fourteen (14) days after the termination, and neither party shall have any claims against the other except antecedent claims, if any.

10) Turnover of Documents: Lessor shall submit all the documentary requirements listed in Annex "C" and all other documents that may be required to effect all the intents and purposes of this Contract on Target Turnover Date. Should the Lessor fail to do so by Target Turnover Date, Lessee may at its sole discretion, rescind the Contract or secure some or all of the lacking requirements on behalf of the Lessor; Lessor hereby appoints Lessee, or any of Lessee's representative, as attorney-in-fact for this purpose, and Lessee shall automatically deduct all the fees incurred thereby from the Lessor's receivables. The Lessee may also exercise other remedies available under law, custom or equity.

11) Damage to Third Parties: The Lessee shall hold the Lessor free and harmless from damages, liabilities or responsibility to any person or property arising out of its use of the Leased premises except when they are due to the fault or negligence of the Lessor.

12) Expropriation: Should any part of the Leased Premises be expropriated and thereby become unsuitable for its business, the Lessee shall have the option to immediately pre-terminate this Contract, in which event, the full amount of the Security Deposit shall be returned to the Lessee. If the Lessee decides to continue with the lease for the remaining portion, the rental shall be proportionately reduced effective on the date the Lessee is actually deprived of the use of the expropriated portion.

13) **Pre-Termination:** Other than the reasons mentioned in Sections 12 (Expropriation), 22 (Events Giving Rise to Default of Lessor and Termination, and 24 (Force Majeure) hereof, a three (3) months advance written notice is necessary for the pre-termination by the Lessee of this Contract for any cause whatsoever. The Lessor shall return to the Lessee all checks in the possession of the Lessor representing unutilized rental payments for the year. In the event of pre-termination, this Contract shall be deemed terminated/rescinded/cancelled upon notice without need of judicial action. The Lessor shall not be allowed to pre-terminate this Contract except only in cases provided under section 20 of this Contract.

14) **Return of the Premises Upon Termination of the Lease:** Upon the expiration or termination of this Contract or in case the Lessee decides to pre-terminate, the permanent improvements introduced by the Lessee shall automatically become the property of the Lessor without any obligation to pay the cost thereof and without the need of executing any other document as the Lessor shall already become the owner of said improvements by virtue hereof subject to Section 20 of this Contract. The Lessee shall deliver the Leased Premises free from all liens and encumbrances to the Lessor, reasonable wear and tear excepted, and excluding portable or removable equipment, furniture, such as air-conditioning units, ductworks, signboards and other non-permanent improvements.

15) **Improvements and Fixtures:** All permanent improvements or fixtures introduced upon the Leased Premises are owned by the Lessee subject to Section 14 (Return of the Premises upon Termination of the Lease) of this Contract. All improvements introduced by the Lessee, which can be removed from the Leased Premises (e.g. detachable furniture, generator sets and all its appurtenances and other appliances) shall remain the property of the Lessee even after the expiration of this contract or any of its extension or early termination.

16) **Assignment of Lease/Subleasing:** This Leased Premises cannot be assigned or subleased in its entirety or any portion thereof by the Lessee to a third party without the prior written consent of the Lessor. However, the Lessee may assign its rights and interest under this Contract to any of its affiliates or subsidiaries subject to the approval by the Lessor. For purposes of this Contract, the term "affiliate" means a corporation that directly or indirectly, through one or more intermediaries, is controlled by, or is under the common control of another corporation, while the term "subsidiary" means a corporation more than fifty percent (50%) of the voting stock of which is owned or controlled, directly or indirectly, through one or more intermediaries, by another corporation, which thereby becomes its parent corporation.

17) **Mortgage or Sale of Property:** The Lessor reserves the right to mortgage, sell or otherwise dispose of the Leased Premises provided that the transferee or mortgagee or buyer shall respect and honor Lessee's rights and interests under this Contract and be bound by the provisions of the Contract and a prior written notice is given to the Lessee.

18) **Insurance:** Insurance on the leasehold and other improvements that the Lessee may introduce, its equipment, furniture, fixtures, and stock inventory shall be for the account of the Lessee.

19) Representations and Warranties: The Lessor represents and warrants to the Lessee that:

- a. The Lessor is the true and lawful owners of the Leased Premises and Land;
- b. No other person or entity has a rightful and/or adverse claim on the Leased Premises or Land;
- c. The Leased Premises and/or the Land is not subject to any mortgage, lien, or encumbrances in favor of any third person or to any cases of whatever nature which has not yet been resolved with finality;
- d. The Lessor shall maintain and defend Lessee's right to peacefully and adequately use and enjoy the Leased Premises for the purpose of its business, with proper and adequate ingress and egress, for the entire lease term or renewal thereof;
- e. The Lessor has not entered into any undertaking, agreement or contract in favor of any third party conveying or granting ownership, use or possession of or any other right to the Leased Premises;
- f. The Leased Premises have not been exposed for sale or sold at public or private auction to satisfy any obligation to any person including the government;
- g. The Leased Premise is or shall be correctly declared for taxation purposes and its real estate taxes have been fully paid as of date of signing of this Contract and future ones shall be regularly paid as they fall due. The Lessor shall not delay the Lessee's construction and operation of its business by reason of non-payment of real estate taxes and erroneous declaration of the Leased Premises. If any unpaid obligation hereafter arises, the same shall be for the sole account of the Lessor; and
- h. The Lessor has all the necessary government-issued permits, licenses and clearances to effect the provisions of this Contract and that there are no prohibitions in law, custom, policy and ordinances that would prevent the Lessee to build an OSAVE store upon the Leased Premises.

20) Events Giving Rise to Default of Lessee and Termination: The Lessor shall have the right to cancel or terminate the Contract immediately upon the occurrence of any of the following events:

- a. the Lessee failed to pay the rent or any other amount due hereunder on the date specified herein for its payment and remains unpaid after receipt of written notice of default from Lessor;
- b. the Lessee has assigned or subleased the Leased Premises in its entirety or any portion thereof to a third party without prior written consent of the Lessor;

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- c. the Lessee used the Leased Premises other than those allowed under Section 6 of this Contract;
- d. the corporate existence of the Lessee had ceased; or
- e. The Lessee has become insolvent or unable to pay its debts when due or shall commit or permit any act of bankruptcy under any applicable law.

21) Consequences of Default of Lessee: Upon the occurrence of any of the foregoing events, Lessor shall be hereby appointed and designated as the attorney-in-fact of the Lessee, who shall have the right to perform the following powers and functions, exercisable upon the occurrence of any of the events specified in Section 20 of this Contract:

- a. open, enter, padlock, secure, enclose, or fence in the Leased Premises, and/or discontinue the supply of public utilities and services to the Leased Premises, or otherwise take full and complete physical possession and control of the Leased Premises;
- b. take full control and possession of all alterations, additions, improvements, or installations placed in or on the Leased Premises which cannot be removed without defacing or injuring any ceiling, floor, wall, or any portion of the Leased Premises,
- c. take an inventory of the equipment, furniture, articles, or merchandise found or located in the Leased Premises which may be removed therefrom without defacing or injuring any ceiling, floor, wall, or any portion of the Leased Premises, place any of the same in storage and charge Lessee the corresponding storage fees therefor; and
- d. in case Lessee fails to claim said equipment, furniture, articles, or merchandise from storage and liquidate any liability to Lessor within thirty (30) days from the date Lessor takes possession of the Leased Premises or of Lessee's personal properties, to dispose of said properties in a public sale and to apply the proceeds thereof to the payment of any liability and/or indebtedness due to Lessor from Lessee, including reasonable expenses incurred by Lessor in connection with such sale.

22) Events Giving Rise to Default of Lessor and Termination: Notwithstanding the right of the Lessee to pre-terminate this Contract for any reason whatsoever as provided in section 13, the Lessee shall have the right to cancel or terminate the Contract immediately upon the occurrence of any of the following events:

- a. the Lessor, due to its fault or negligence, failed to observe or perform any of the covenants provided in this Contract;
- b. any of the Lessor's representations and warranties as specified in this Contract had been proven false in any material respect when made;
- c. the Lessor failed to turnover the Leased Premises on the Target Turnover Date, or on the mutually-agreed extension date, as provided in this Contract;

*S. Figueroa
D. Figueroa*

[Signature]

- d. the quiet, peaceful and full enjoyment and continued use by Lessee of the Leased Premises under this Contract has been prevented, defeated or materially impaired or restricted due to the Lessor's fault or negligence; or
- e. the Lessor becomes dissolved, bankrupt, insolvent or under a receiver or makes an assignment for the benefit of the creditors or file any proceeding seeking any readjustment, rearrangement, postponement, condonation, or reduction of the Lessor's debts, liabilities, or obligations.

23) Consequence of Default by Lessor: In case of default under section 22 above or any other breach of any or all conditions or covenants or terms of this Contract by the Lessor, the Lessee may demand specific performance, and in case of the Lessor's failure, the Lessee may take any of the following remedies, without prejudice to the legal remedies which the Lessee may avail of under other provisions of this Contract and applicable law:

- a. The Lessee may, at its sole option, take the necessary corrective measures which it may deem fit and as may be necessary in order for the Lessee to regain its quiet, peaceful and full enjoyment of the Leased Premises at Lessor's expense, or may take such other action as may be reasonably necessary to ensure continuity of Lessee's quiet, peaceful and full enjoyment of the Leased Premises, and the Lessor shall pay or reimburse the Lessee for any and all reasonable costs and expenses that it may incur in this connection, and cause its agents to cooperate with Lessee in all respects and to assist Lessee with its rights contemplated under this provision; or
- b. The Lessee may declare the Contract automatically terminated and without further force and effect. The Lessee shall no longer be required to pay the rent, utility charges, share in common area charges, fees, and deposits as of the effective date of termination. The Lessor must immediately return the post-dated checks corresponding to the unexpired portion of the Term, the Security Deposit and the amount representing full reimbursement for the cost in renovating the Leased Premises as well as permanent improvements and fixtures introduced thereon to the Lessee within 30 days from effective date of termination less any receivables due to the Lessor.

24) Force Majeure: The Lessee shall give Lessor written notice of any damage caused to the Leased Premises by reason of Force Majeure. For purposes of this Contract, "Force Majeure" shall mean an act, event, or cause which is unexpected or unforeseen, or if foreseen, is impossible to avoid, or which is beyond the control of Lessor or Lessee. This term includes act of God, strike, lockout, or other industrial disturbances, act of a public enemy, social unrest, war declared or undeclared, threat of war, terrorist act, blockade, riot, revolution, shortage of transportation, epidemic, outbreak of diseases (e.g., coronavirus), civil commotion, public demonstration, governmental restraint, and climatic cataclysm.

If the Leased Premises are rendered inaccessible or destroyed or so damaged by Force Majeure, without any fault or omission of Lessee, its employees, guests, customers, or clients, the damage shall be repaired at the expense of Lessor, and the disturbance or discontinuance in the possession and use of the Leased Premises by reason of or occasioned during such repair shall confer no right of any kind to Lessee against Lessor, except to the extent recognized in the succeeding paragraphs below. If Lessor is unable to cause the repair of the Leased Premises, the Leased Premises may, with the consent of the Lessor, be repaired by Lessee. Any expenses arising therefrom shall be reimbursed by the Lessor or be deducted by Lessor from the Rentals at the Lessor's option.

In the event that (i) the damage resulting from the Force Majeure renders the Leased Premises totally unfit for use or occupation, inaccessible, or being declared unfit for use and occupation or inaccessible or such use and occupation or accessibility being affected or becoming subject to a closure order or order to cease operation by competent government authorities, for more than sixty (60) consecutive days, or (ii) the repairs required to render the Leased Premises fit for use and occupation are expected to last for more than ninety (90) consecutive days, or (iii) Force Majeure prevents any Party from conducting its business or interferes with the operations of the Building for a period of more than sixty (60) consecutive days, then either party shall have the right to (a) suspend the payment of rent and other charges due under this Contract until Lessee is able to use the Leased Premises or (b) rescind this Contract by written notice sent to the other Party without need of any judicial action at least five (5) business days after the lapse of the applicable period. The rescission of this Contract shall be without prejudice to the rights and remedies of either Party against the other in respect of any claim or liability antecedent to such rescission. The obligation to pay rent and other charges or amounts due hereunder shall be suspended until the date such rescission is effected.

In the event, however, that (i) the damage resulting from the Force Majeure renders the Leased Premises unfit for use or occupation, inaccessible, or being declared unfit for use and occupation or inaccessible or such use and occupation or accessibility being affected or becoming subject to a closure order or order to cease operation by competent government authorities, for sixty (60) continuous days or less, or (ii) the repairs required to render the Leased Premises fit for use or occupation are expected to last for ninety consecutive (90) days or less, or (iii) either party fails to exercise the option to rescind this Agreement within the five (5)-day period specified therefor, or (iv) Force Majeure prevents any party from conducting its business or interferes with the operations of the Building for a period of sixty (60) consecutive days or less, then the rent due to the Lessor shall be reduced in proportion to the period the Lessee has not been able to use the Leased Premises. The Lessee shall have the option to wait until the repairs are completed before it occupies the Leased Premises and pay the rent due hereunder or to terminate or rescind this Contract.

Jeffrey S. Ganzola
John J. Ganzola
25) Registration: The Lessee shall have the right to register this Contract with the Registry of Deeds at its own expense.

26) Ingress and Egress. Lessor hereby grants to Lessee easements (the "Easements") for ingress, egress, regress and parking of vehicles (including trucks and heavy machinery) over the premises adjacent to the Leased Premises for construction, operation and maintenance of the Building, and for installation, construction, operation and maintenance of underground and above ground telephone, telegraph, fiber and power lines, in connection with its use of the Leased Premises or the Building. The term of these Easements will commence upon commencement of the lease and will continue until the expiration of the Term.

The Lessee agrees that Lessor may, at Lessor's expense, relocate the above described Easements to another comparable location on the Premises provided that: (a) Lessee receives no less than sixty (60) days prior written notice thereof; (b) Lessee approves the proposed new location of the easements, which approval will not be unreasonably withheld or delayed; (c) Lessee's access and beneficial use and enjoyment of the Leased Premises not interrupted, obstructed or materially affected; and (d) the utility services to the Leased Premises are not interrupted.

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27) **Access.** The Lessee shall have at all times during the Term the right of access to and from the Leased Premises and all utility installations servicing the Leased Premises on a 24 hours per day/7 days per week basis, on foot or by motor vehicle, including trucks and heavy machinery (including the right to park such vehicles, trucks and machinery within the Easements and the premises adjacent to the Leased Premises and the Easements), for the installation and maintenance of utility wires, cables, conduits and pipes over, under and along the right-of-way extending from the nearest accessible public right-of-way.

28) **Security.** The Lessee, at its own expense, may hire the services of a security agency to secure and protect the Leased Premises from fire, vandalism, theft or robbery. In this regard, the Lessor shall not be held liable for any loss or untoward incident suffered by the Lessee due to such events.

29) **No Implied Waiver:** Failure of either party to insist on any one or more instances on strict performance of any provision of this Contract shall not be deemed a waiver or relinquishment of any right or remedy that it may have nor shall it be construed as a waiver of any subsequent breach or default of such provision which shall remain in full force and effect. No waiver shall be binding unless made in writing signed by the party waiving.

30) **Complete Agreement:** This Contract contains all the terms and conditions that the parties have agreed upon. No amendment or modification of any part hereof shall be binding unless made in writing and signed by both parties. This contract shall be binding upon the parties, their successors and assigns. The declaration of nullity of any particular provision of this Contract shall not affect the validity of the entire agreement.

31) **Arbitration and Judicial Relief:** The Parties hereby agree to reconcile and amicably settle, on a best effort basis, any dispute, controversy or claim arising out of or relating to this Contract or the breach, termination or invalidity thereof (each, "Dispute"). For this purpose, the parties shall negotiate in good faith to resolve the Dispute, within thirty (30) days from receipt by one party of a notice of dispute from the other party. If the parties were unable to resolve the Dispute within the said period, either party may initiate arbitration in accordance with the Philippine Dispute Resolution Center, Inc. ("PDRCI") Arbitration Rules in force at the time of the commencement of the arbitration. The number of arbitrators shall be determined in accordance with the PDRCI Rules. Either party may also seek judicial relief to resolve the Dispute through regular courts.

In all cases where unilateral termination is allowed under this Contract, it is understood that prior resort to arbitration shall not be required for purposes of exercising said right. The Parties waive any right to insist on prior resort to arbitration to the fullest extent allowed under applicable law. It is further understood that the Party who disputes the unilateral termination will shoulder all costs, including attorney's fees, should the termination be found to be proper.

In witness whereof, the Parties hereto have executed this instrument to be effective the day and year herein below written.

L.S. Figarola
LUCILA S. FIGAROLA
Lessor

J.B. Figarola
JOHN B. FIGAROLA
Spouse

OSave Trading Philippines
Corporation
Lessee

K.A.K.
By: Philipp Alexander Kaipert
Authorized Representative

Signed in the presence of:

ACKNOWLEDGMENT

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

BEFORE ME, a Notary Public for and in the ANTIPOLY CITY, this
OCT 2 12024 personally appeared:

Name	Competent evidence of identity
Philipp Alexander Kaipert	Passport No. C4FJWYRJ5
Lucila Figarola	OSCA SC 2016-4019-02920

known to me to be the same person/s who executed the foregoing instrument and who acknowledged to me that the same is his/her free and voluntary act and deed and that of the corporations herein represented. This Contract of Lease consists of _____ pages including this page where the acknowledgment is written and signed by the parties and their witnesses one each page hereof.

Witness my hand and seal.

Doc. No. 473
Page No. 95
Book No. 66
Series of 2024.

MARCELINO U. ARELLANO
NOTARY PUBLIC
ANTIPOLY, TAYTAY & CANTA
UNTIL DEC. 31, 2024, ATTY'S ROLL NO. 34595
APPOINTMENT NO. 23-04, RTC OF ANTIPOLY CITY
PIR NO. 9127925/I-2-2024
ICP NO. 00029 (LIFETIME) - RIZAL/ISSUED ON 7-5-1995
MCLE COMPLIANCE NO. VI-0003432/RE-ISSUED ON 10-12-2023
UNIT 12ND FLOOR, STA. RITA BLDG., MEDLINE NO. 3 P. CUBAO, QC,
CAGAYAN DE ORO CITY, ANTIPOLO CITY, TEL. NO. 02-8630-5900

September 20, 2024



Lucilla S. Figarola
Lessor
Famy laguna

I hope this letter finds you well. I am writing regarding your property located at Famy-real rd., Batuhar, Tumauk-2. We wish to express our interest in leasing the Premises to establish an O!Save store. Below are our proposed lease terms and conditions, subject to our complete evaluation of the Premises, completion of our due diligence, and issuance of management approval.

PROPOSED BASIC TERMS & CONDITIONS		OTHER TERMS
1. Lease Term	15 Years 12 yr.	With the option to renew
2. Premises (Building / Land Lease)	270sqm (building) 9 X 30 10 X 27	Subject to the actual measurement and final store design c/o Proposed Lessee
3. Rental Scheme	Basic Rent 400 pesos	
4. Basic Rent	Php 108,000.00/month 10k	less Vat if applicable KOK VAT
5. Escalation Rate	5% to start in year 3	Every 3 years thereafter
6. Advance Rental	Two(2) months rental (216,000.00)	Covering the first 12 months of the lease / to be released 2 weeks upon turnover of property.
7. Security Deposit	Two(2) months rental (216,000.00)	Refundable upon expiration of the lease contract / to be released 1 month prior to mobilization/turnover of property.
8. Tax Consideration	On Basic Rental: • Withholding Tax (5%) • Vat Tax (12%)	By Proposed Lessor By Proposed Lessee
On the Premises:		
• Real Estate Tax on land • Real Estate Tax on Building and Improvements introduced by Proposed Lessee		By Proposed Lessor By Proposed Lessee
On the Lease Contract:		By Proposed Lessor or Lessee
9. Site Turnover	One month after signing contract <i>March 1, 2025</i>	The Premises are free and clear of all tenancies, and the Proposed Lessee shall have sole and actual physical possession of the



		Premises from and after the Turnover Date.
10. Grace Period	Four (4) months from the site turnover date — <u>3 months</u>	Rent-free period to conduct construction on the Premises
11. Rental Effectivity	<u>After Four (4) months grace period</u>	<u>3 months</u>
12. Proposed Lessor's Representations and Warranties	<ul style="list-style-type: none"> That the Proposed Lessor has a valid title to the Premises and has the legal authority to accept this offer and enter into a contract of the lease covering the Premises; That the Premises are free from any liens and encumbrances (except those annotated upon the title) and are not subject to any suit before the courts or other agencies; That the Premises are situated within a commercial zone/area with a tax declaration indicating the classification of the property as "Commercial"; That the Proposed Lessor, if needed, shall assist in obtaining all necessary government permits and shall keep Proposed Lessee in peaceful and uninterrupted possession of the Premises during the term of the lease; That there are existing utilities (or tapping points there for) within the leased Premises that are adequate for the proposed Lessee's needs; 	
13. Financial and Technical Viability	<p>Proposed Lessee reserves the right to conduct technical inspections of the Premises (with the consent of the Proposed Lessor) or other assessments to determine the suitability of the Premises. If based on the sole determination of the Proposed Lessee, the Premises do not meet its requirements, or Proposed Lessee is unable to secure necessary government permits, or there is fraud or misrepresentation on the part of the Proposed Lessor (including when the Proposed Lessor's representations are false or his warranties are breached). The Lessee may withdraw this proposal without any liability on the Proposed Lessee's part.</p>	
14. Leased Condition	Property	<u>Fitout, With-Tiles and Glass</u>

The above-proposed terms and conditions will form part of the principal Contract of Lease, which we will execute once we have completed all our necessary assessments/evaluations and reached an agreement on all the provisions of the Contract of Lease. For reference, as part of our general due diligence (and without limiting its scope), we will conduct verifications on the following documents/items:

1. Transfer Certificate of Title covering the Premises;
2. Taxes and Utilities;
3. Zoning and property classification;
4. Line and Grade / Road widening;
5. SEC documents of Proposed Lessor (if a juridical entity); and

o!garcia
6. Suitability of the Premises for the business of the Proposed Lessee, including compliance with Proposed Lessee's technical requirements.

In this regard, we would like to request copies of the following documents necessary for the preparation of our plans and completion of our due diligence (we may, however, request additional records from you, if needed):

1. Photocopy of the Bureau of Internal Revenue (BIR) Certificate of Registration and Official Receipt of the Proposed Lessor;
2. SEC registration and its General Information Sheet (GIS) of Proposed Lessor, if applicable;
3. Corporate Secretary's Certificate, indicating the name and scope of authority of the authorized signatory/representative of Proposed Lessor, if applicable;
4. Photocopy of two (2) valid IDs of the authorized representative of Proposed Lessor;
5. If the Premises are mortgaged, Certification from the mortgagee bank/financial institution that the mortgagee will honor/respect the lease contract in the event of foreclosure.

If the above-proposed terms and conditions are acceptable to you, please affix your signature on the space provided below to indicate your conformity to them. Should you have any further questions or other concerns, please feel free to call the undersigned at 09564422277 or email me at nolan.huerto@Osave.ph and my officer's email address at queenie.escalante@osave.ph

Yours truly,

JG
Joseph Gonzales
Site finder officer
OSave Trading Philippines Corporation

Conforme:

L.T.Garcia
Lucila T. Garcia
Lessor





Republic of the Philippines
Province of Laguna
Municipality of Famy

Office of the Municipal Planning and Development Coordinator/
Zoning Administrator

CLEARANCE / ZONING CERTIFICATION

TO WHOM IT MAY CONCERN:

This is to certify that the property described hereunder,

"A parcel of land located in Barangay Tunhac, Famy, Laguna, **Lot No.1933-B**, Cad.666D Famy Cadastre of Famy, Laguna, having an area of **390 sq.m.** and described in Tax Declaration No. 08-0020-00571 registered in the name of **LUCILA S. FIGAROLA kasal kay John B. Figarola** of Famy, Laguna"

zoned as **Commercial** in the proposed Comprehensive Land Use Plan of 2024-2033

This Certification is issued this 30th day of January, 2025 at Famy, Laguna upon the request of **Mrs. Lucila S. Figarola** to be used in her application for electrification from FLECO.

Certifying Officer:


ENP. ARLON RYAN R. CHAVEZ
MPDC/ Zoning Administrator

Paid under O.R. No. 342-11-58
Issued at Famy, Laguna
Issued on: January ,2025
Amount paid for: Php 75.00



Republic of the Philippines
Department of the Interior and Local Government
BUREAU OF FIRE PROTECTION
National Headquarters
Agham Road, Brgy.Bagong Pag-aso, Diliman, Quezon City

FSEC NO. R R-4-40308-639702

Date Mar 12, 2025

FIRE SAFETY EVALUATION CLEARANCE

TO WHOM IT MAY CONCERN:

By virtue of the provisions of RA 9514 otherwise known as the Fire Code of the Philippines of 2008 the application for **FIRE SAFETY EVALUATION CLEARANCE of 3 STOREY COMMERCIAL BUILDING**

(Name of Establishment)
to be constructed / renovated / altered / modified /change of occupancy located at
Tunhac FAMY
(Address)

owned by

LUCILA SOTALBO FIGAROLA

(Name of Owner/Representative)
is hereby **GRANTED** after the building plans and other documents conform to the fire safety and life safety requirements of the Fire Code of the Philippines of 2008 and its IRR and that the recommendations in the Fire Safety Checklist (FSC) will be adopted.

Fire Code Fees: 3,490.63
Amount Paid PHP 3,510.63
O.R Number: OR-372191
Date: Mar 12,2025

RECOMMEND APPROVAL
Cenio Jamilano
Fire Officer I
CHIEF, FSSES

APPROVED

Dennis Villanueva
Senior Fire Officer I
CITY/MUNICIPAL FIRE MARSHAL

NOTE: "This Clearance is accompanied by Fire Safety Checklist and does not take the place of any license required by law and is not transferable. Any change or alteration in the design and specification during construction shall require a new clearance"

PAALALA: "MAHIGPIT NA IPINAGBABAWAL NG PAMUNUAN NG BUREAU OF FIRE PROTECTION SA MGA KAWANI NITO ANG MAGBENTA O MAGREKOMENDANG ANUMANG BRAND NG FIRE EXTINGUISHER"

"FIRE SAFETY IS OUR MAIN CONCERN"

Original (Applicant/Owner's Copy)
Duplicate (BO/BPLO copy as the case
maybe) Triplicate (BFP copy)

BFP-QSF-FSED-003

This is a system generated document,
signature is not required.

