

DEED OF DONATION

KNOW ALL MEN BY THESE PRESENTS:

This **DEED OF DONATION** made and entered into this 21st day of April, 2017, in the City of Manila, Philippines, by and between:

The **VELARDE, INC.**, with office address at Unit 5-I, 100 OPL Building, C. Palanca cor. Dela Rosa Street, Legaspi Village, Makati City, Philippines, represented by **MR. MEL VELASCO VELARDE**, hereinafter referred to as the "**DONOR**";

-and-

The **NATIONAL GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES**, represented by the **OFFICE OF THE SOLICITOR GENERAL**, through **HONORABLE JOSE CALANGGAN CALIDA**, and by the **NATIONAL MUSEUM**, through **MR. JEREMY R. BARNES**, hereinafter referred to as the "**DONEE**";

(the DONOR and the DONEE shall each be referred to as a "Party" and collectively, the "Parties"; the DONEE shall refer to the Office of the Solicitor General or the National Museum, as the circumstances and terms in this Deed may require, and in accordance with the relevant functions of these government agencies)

WITNESSETH: That -

WHEREAS, the DONOR, out of pure liberality, benevolence, generosity and concern for the heritage and patrimony of the Philippines and the Filipino people, wishes to donate to the Filipino People represented by its *National Government, through the National Museum*, the following item on the terms and subject to the conditions set out in this Deed, a property of which he is the sole owner:

- **Carta Hydrographica y Chorographica de las Yslas Filipinas Descriptive Map of the Waters and Regions of the Philippine Islands**; by Fr. Pedro Murillo-Velarde, S.J.; Manila, 1734; dissected engraving on paper mounted on original linen; 1120 x 1200 mm;

hereinafter referred to as the "MAP";

WHEREAS, the DONEE, on behalf of the Republic of the Philippines, has agreed to accept the donation of the MAP by the DONOR and to assume responsibility for the MAP, subject to the terms and conditions of this Deed;

WHEREAS, the DONOR, hereby donate this map to the Filipino people, to be received by the National Museum and remain in its physical custody so every Filipino and foreign guest may view it in a permanent exhibition in its premises and at no cost to the viewer; to be used by the Office of the Solicitor General as evidence of our historical rights over our territories; and to be utilized by the Department of Education and integrated in the school curriculum to educate and instill love of country among the Filipino people;

NOW, THEREFORE, for and in consideration of the foregoing premises and the terms and conditions hereinafter stated, both Parties hereto agree as follows:

1. The DONOR hereby gives to the DONEE the MAP absolutely to hold and own subject to the following conditions:
 - a) The DONEE shall arrange the formal turn over of the MAP to President Rodrigo Roa Duterte on June 12, 2017, or on any day convenient to the President;
 - b) The MAP shall be accessioned to the permanent collection of the DONEE and considered as the property of the National Government of the Republic of the Philippines;
 - c) The DONEE shall maintain possession of the MAP in perpetuity and shall not sell, assign, pledge or otherwise encumber the MAP except as set out in this Deed;
 - d) The DONOR shall arrange for the appropriate packing and transport of the MAP from London, United Kingdom, where it is located at the date of this Deed, to the National Museum, Manila at its address in Manila, Philippines (the "Premises") to arrive on a date agreed between the Parties in writing;
 - e) The DONOR shall be solely responsible for (at its own cost) securing any consents, licenses and other permissions required in connection with the transport of the MAP to the DONEE, including the payment of taxes due to the Government of the United Kingdom, and the transfer of ownership and possession of the MAP to the DONEE;
 - f) The DONEE shall be responsible for the payment of the taxes and duties in connection with the donation of the MAP to the DONEE;

All costs relating to packing the MAP for transport to the Premises and all transport, shipping and related costs incurred in transporting the MAP to the Premises shall be at the expense of the DONOR;

- g) The DONEE shall facilitate, pursuant to pertinent laws and issuances, the declaration of the MAP as a National Cultural Treasure of the Republic of the Philippines;
- h) The DONEE shall place the MAP on public exhibition at the National Museum, on a permanent basis, or at any location as agreed by the Parties to facilitate the widest possible appreciation of the MAP's significance to the Philippines and the Filipino people by the general public.
- i) The Parties acknowledge the great historical significance of the Map to the Philippines.

Thus, the DONOR recognizes that the DONEE may use the Map, as necessary, in future proceedings where its existence and contents would be vital for the interests of the Philippines and the Filipino nation, including its exhibition and reproduction as the circumstances require.

The DONOR likewise recognizes that the DONEE may use the Map, as necessary, for its use and integration in the academic curriculum of Philippine education, including its exhibition and reproduction as the circumstances require. The DONEE shall coordinate with the Department of Education in this regard.

The DONEE shall not reproduce the map for commercial purposes.

- g) The DONEE shall not remove or allow the MAP to be removed from the Premises at any time without the prior written agreement of the DONOR or any of its authorized representatives, except during the Tour provided in the subsequent paragraph, in the event of an emergency circumstance that endangers the MAP, and where it would be impracticable in the reasonable opinion of the DONEE to alert the DONOR in advance;
- h) The DONEE shall procure that the MAP is exhibited, at the entire cost of the DONEE, in the capital cities of eighty (80) provinces in the Philippines within three (3) years from the date of its physical possession of the MAP ("Tour").

The DONEE shall submit details of the Tour to the DONOR for approval in advance and in writing, which the DONEE shall comply with as much as practicable.

The DONEE shall use its best efforts to carry out the Tour. The DONOR may increase the time period for completion of the Tour to six (6) years from the date of the DONEE's physical possession of the MAP.

If the DONEE has limited funding for the said Tour, it shall advise the DONOR of this, and the DONOR shall have the option (at its discretion, and without imposing

any obligation on the DONOR) to shoulder some or all of the costs incurred in the transportation of the MAP for all or part of the Tour.

This provision notwithstanding, DONOR shall have the perpetual right to require the DONEE for no charge to loan the MAP to the DONOR for exhibit at least four (4) times each year, in certain events and/or exhibitions that the DONOR considers may be relevant to the significance of the MAP anywhere in the Philippines or the world. During these exhibitions, all related expenses to the MAP's exhibition – including its display, transportation, safekeeping and maintenance, shall be at the expense of the DONOR. The DONEE shall loan the MAP to the DONOR for these purposes, and shall provide all such assistance as the DONOR may require to enable the DONOR to exhibit the MAP.

The first such event shall be held at the Manila Polo Club on 04 May 2017.

- i) The DONEE shall exercise all reasonable skill and care in safeguarding the MAP and maintaining and keeping the MAP in good condition, in a physically secure and appropriate environment free from injury and from deterioration in its condition when acquired. This obligation continues while the DONEE is complying with its obligations under the terms and conditions of this Deed and while the MAP is displayed at third party premises during the Tour or otherwise. If the DONEE fails to comply with this obligation, the DONEE agrees that it shall, upon written request of the DONOR, transfer physical possession of the MAP for display at another museum or office owned by the Government of the Philippines (such as, but not limited to, the Central Bank of the Philippines) chosen by the DONOR. The DONEE shall require that the relevant transferee undertakes to comply with the obligations of the DONEE under these conditions as though the transferee were the DONEE;
- j) The DONEE recognizes the DONOR's right to reproduction of the MAP, and shall provide the DONOR and the DONOR's representatives, upon written request, with free access to the Premises (and such other venue where the MAP may be displayed during the Tour or otherwise) to make reproductions of the MAP. The DONEE shall provide the DONOR and/or the DONOR's representatives with all reasonable assistance to enable the DONOR to make reproductions of the MAP;
- k) The donation by the DONOR of the MAP shall be prominently acknowledged by the DONEE in perpetuity in accordance with prevailing conventions including on all labels where the MAP is exhibited as "The Gift of Mr. Mel Velasco Velarde to the Filipino People" or as otherwise directed by the DONOR, and the DONEE shall procure that any third party venue where the MAP is displayed during the Tour or otherwise shall comply with this obligation. The DONEE must not use the name of the DONOR in a way which may be reasonably expected to adversely

affect the image of the DONOR or cause any negative publicity or otherwise damage or injure the reputation and standing of the DONOR;

- l) The DONEE must, and shall procure that any relevant third parties including any venue where the MAP is transferred during the Tour or otherwise will refer to the MAP as "1734 Murrillo Velarde Map" (the "Agreed Name") in perpetuity. If the DONEE reasonably deems the Agreed Name to be too long in any circumstances, the DONEE may refer to the MAP as the "1734 Velarde Map";
- m) It is a continuing condition of the gift of the MAP to the DONEE that the DONEE continues to operate the National Museum and that should it closes, the DONEE undertakes to transfer the Map to a museum owned by the National Government of the Republic of the Philippines with a similar reputation and functions,

If the DONEE fails to comply with any of the above conditions, or if the conditions are otherwise breached and such breach, if capable of remedy (in the sole discretion of the DONOR) is not remedied within sixty (60) days of notice from the DONOR requiring the same, the DONOR reserves the right at its sole and absolute discretion to require with immediate effect upon written notice that the full legal and beneficial ownership of the MAP revert to the DONOR.

Where this right is exercised, the DONEE shall promptly transfer physical possession of the MAP to the DONOR (or to the DONOR's representatives as the DONOR may elect). Such reversion of rights shall be automatic upon service of such notice but the DONEE shall (and shall procure that any other necessary person or body shall) execute and sign all such documents and perform all such acts as may be necessary to confirm and evidence the transfer of legal and beneficial ownership to the DONOR.

- n) The DONEE shall immediately notify the DONOR of: (i) any unusual environmental conditions at the Location or any other venue where the MAP is displayed during the Tour or otherwise; (ii) any loss, theft of or damage to the MAP; (iii) any emergency circumstance which endangers the MAP or which the DONEE reasonably deems may endanger the MAP. In addition, the DONEE will supply to the DONOR such information as the DONOR may from time to time require in respect of the MAP;
- o) A climate-controlled casing/receptacle that will be used to store and to display the MAP, that shall bear the insignia of Murillo-Velarde and Velarde families from Spain and from the Philippines respectively, shall be provided by the DONOR;

- p) The DONEE, on behalf of the National Government of the Republic of the Philippines, hereby accepts the donation of the MAP, subject to the terms and conditions enumerated in the preceding paragraphs, from the DONOR.
- q) The DONEE will allow the DONOR and the DONOR's representatives to have such access to the MAP as it may require on an ongoing basis following the transfer of the MAP to the DONEE to satisfy itself that the provisions of this Deed have been, or are being properly complied with. Where the DONOR and/or the DONOR's representatives make any recommendations regarding such matters, the DONEE shall take reasonable steps as may be necessary to comply with these recommendations.
- r) The DONOR states that the donation of the MAP is not made for the purpose of defrauding its creditors and that it has reserved sufficient property and assets to support its legal obligations.
- s) The DONOR represents and warrants that he is the sole owner of the MAP.
- t) The DONEE represents and warrants that the person signing and executing this Deed and any other document/s pursuant to this Deed is duly authorized for the purpose.
- u) The terms and conditions of this Deed shall be binding upon and shall inure to the benefit of the Parties hereto, their successors, legal representatives and assigns.
- v) The DONEE shall keep confidential the terms of this Deed and any other information disclosed to it by the DONOR which is marked as confidential or should reasonably be perceived as being confidential because of its nature and manner of disclosure, and shall not at any time disclose such information except:
 - (i) to its employees, officers, representatives, insurance carriers, attorneys, accountants or advisers who need to know such information for the purpose of carrying out the DONEE's obligations under this Deed, provided that the DONEE ensures that the persons to whom such information is disclosed comply with the terms of paragraph bb; and/or
 - (ii) as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority.
- w) The DONEE shall obtain the prior consent of the DONOR as to the issue, content or timing of any news releases, articles, prepared speeches or other information related to this Deed.
- x) The DONEE shall not assign, transfer, charge or otherwise deal with all or any of its rights and/or obligations pursuant to this Deed or sub-contract the

performance of any of its obligations pursuant to this Deed without the prior written consent of the DONOR.

- y) This Deed may not be amended or varied except by a written agreement with the DONOR or its duly-authorized representatives.
- z) The failure to exercise or delay in exercising a right or remedy under this Deed shall not constitute a waiver of the right or remedy found in this Deed.
- aa) If any part of this Deed is declared unlawful or unenforceable, in whole or part, by a court of competent jurisdiction, such part shall be deleted and the remainder of this Deed shall remain in full force and effect. If the provision that is found to be unlawful or unenforceable is essential to the Deed, the Parties will attempt to substitute it with a valid and enforceable provision that achieves to the greatest extent possible the legal obligations of the unlawful or unenforceable provision.
- bb) This Deed sets out the entire agreement between the Parties in respect of the subject matter of this Deed.
- cc) This Deed and any dispute arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed under English law.
- dd) Notices shall be made to the respective parties at their respective addresses set out on page 1 of this Deed. [and, in the case of the DONOR by email to an address notified by the DONOR to the DONEE].
- ee) Any notice shall be given by (i) hand delivery with acknowledgement of receipt, (ii) overnight courier, (iii) registered or certified mail with acknowledgement of receipt or (iv) by email with acknowledgment of receipt. Any notice required or permitted under this Deed shall be deemed given (i) when personally delivered to any representative of the party to whom it is addressed, (ii) on the actual receipt of the notice or three days following posting of the notice by certified or registered mail or postage prepaid, whichever comes earlier, (iii) upon actual receipt of the notice when sent by overnight delivery service, or (iv) at the time of acknowledgment of receipt in the case of email.
- ff) If any dispute arises out of or in connection with this Deed or the performance by the DONEE of its obligations under this Deed, the Parties will attempt in good faith to resolve any dispute or claim arising out of or related to this Deed promptly (and in any event within sixty (60) days) through negotiations between their representatives.

gg) Any dispute arising out of or in connection with this Deed, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration under the London Court of International Arbitration (LCIA) Rules, which Rules are deemed to be incorporated by reference into this paragraph.

The number of arbitrators shall be one.

The seat, or legal place, of arbitration shall be London, United Kingdom.

hh) The language to be used in the arbitral proceedings shall be English.

THIS DEED has been executed as a deed and delivered by the Parties on the date and at the place first written above.

The DONOR

EXECUTED as a deed By:



**VELARDE, INC. acting by
MEL VELASCO VELARDE**
Chairman of the Board

The DONEE

EXECUTED as a deed By:



**NATIONAL GOVERNMENT OF THE
REPUBLIC OF THE PHILIPPINES acting by
HONORABLE JOSE CALANGGAN CALIDA**
Solicitor General

and

NATIONAL MUSEUM OF THE PHILIPPINES
by
Mr. JEREMY R. BARNES
Director

Signed in the presence of:



Mr. KRISTIAN NOEL A. PURA



HENRY S. ANGELES
Assistant Solicitor General

ACKNOWLEDGMENT

Republic of the Philippines)
City of Manila) S.S.

BEFORE ME, Notary Public in the City of Manila personally appeared Mr. MEL VELASCO VELARDE, with his Philippine Passport No. _____, issued at Pasay City, on _____, HONORABLE JOSE CALANGGAN CALIDA, with his Philippine Passport No. EC5678039 issued at Pasay City, on October 13, 2015, MR. JEREMY R. BARNS, with his _____ issued at _____ on _____ and known to me and to me known to be the same persons who executed the foregoing instrument, and they acknowledged to me that the same are their free act and deed.

This instrument consisting of eight (8) pages, including the page on which this Acknowledgement is written, has been signed on the left margin on each and every page thereof by Mr. MEL VELASCO VELARDE and HONORABLE JOSE CALANGGAN CALIDA, and their witnesses, and sealed with my notarial seal.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the day, year and place first above-written.

NOTARY PUBLIC

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 2017.