



Republic of the Philippines
DEPARTMENT OF AGRICULTURE
Regional Field Office 12
CSA Building, Zulueta Street, Koronadal City
BAC Secretariat Office Tel. / Fax No. 5200564

ITB Reference No. 3465008
Contract No. 2015-876

CONTRACT

KNOW ALL MEN BY THESE PRESENTS:

MAR 11 2016

This contract made and entered this ____ day of _____ by and between the **DEPARTMENT OF AGRICULTURE, REGIONAL FIELD OFFICE 12, KORONADAL CITY**, represented by the **Regional Executive Director, AMALIA J. DATUKAN, MBA** hereinafter called the **First Party** and **PAYO MANUFACTURING CORPORATION** with principal address at **201 Payo Building, Km 7, Bangkal, Davao City**, represented by its **President, EDGAR L. DELIBO**, hereinafter called as the **Second Party**;

WITNESSETH

Whereas, the **First Party** has a project of **Delivery and Installation of Three (3) units Corn Mill** with the **Approved Budget for the Contract of Three Million Nine Hundred Thousand Pesos (Php3,900,000.00)**;

Whereas, a public bidding was conducted on November 3, 2015 with only one (1) participating bidder which was **Payo Manufacturing Corporation** and was awarded the **Delivery and Installation of Three (3) units Corn Mill** in the amount of **Three Million Eight Hundred Forty-Three Thousand Eight Hundred Forty Pesos (Php3,843,840.00)**;

Whereas, the **First Party** has accepted the bid of the **Second Party** in the amount of **Three Million Eight Hundred Forty-Three Thousand Eight Hundred Forty Pesos (Php3,843,840.00)** which shall be completely delivered within **Sixty (60) calendar days** upon receipt of the approved Notice to Proceed with the following specifications, delivery and installation sites, to wit:

- At least 7.5KW electric motor prime mover
- At least 1000kg/hr milling capacity (corn grits)
- 65% product recovery
- Performance, efficiency and workmanship should conform to PAES
- All components and materials should be brand new
- Compact and multi-function with corresponding capacity
- Corn hull: at least 250kg/hr
- Corn flour: at least 300 kg/hr
- With 1 year warranty
- Painted w/ Agri-Pinoy logo on both sides and DA Logo in front (10" diameter)
- Includes operation and maintenance training

DELIVERY AND INSTALLATION SITES:

- LGU-Malungon, Sarangani Province
- Lampayan Farmers Association in Matalam, North Cotabato
- Fareast Multi-Purpose Cooperative in Koronadal City

NOW THEREFORE, for and in consideration of the following premises, the parties hereto agreed as follows:

1. The following documents shall be deemed to form and be interpreted/constructed as part of this agreement, viz:

- (a) Funded and Approved Purchase Request;
- (b) Advertisement;
- (c) Approved Notice of Award;
- (d) Performance Bond;
- (e) Bid form and the Price schedule submitted by the bidder;
- (f) Schedule of requirements;
- (g) Abstract of Bids for Bid project;
- (h) Resolution of the Bids and Awards Committee as the case may be; and
- (i) Other pertinent documents as may be reasonable required by the First Party.

2. The First Party hereby covenants to pay the Second Party in consideration of the provision of the goods and services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the contract at the time and in the manner prescribed by the contract.

3. The obligation of warranty shall be covered by retention money, in an amount equivalent to ten percent (10%) of the total contract price, or a bank guarantee in a form of an irrevocable stand-by letter of credit.

4. Should the Second Party incurred delay, Section 68, Rule XXII of RA 9184, partly states, "Xxx. The amount of the liquidated damages shall be at least equal to one tenth (1/10) of one percent (1%) of the cost of the unperformed portion for every day of delay. Xxx";

5. Other provisions of RA 9184 and its IRR not stipulated in this contract are deemed applicable; and

6. This agreement shall be valid and binding upon approval of both parties.

IN WITNESS WHEREOF, the parties hereto set their respective signatures on the day written above.

Department of Agriculture XII

By:



AMALIA J. DATUKAN, MBA
 Regional Executive Director

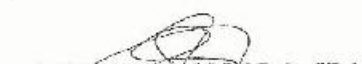
PAYO MANUFACTURING CORP.

By:

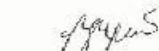

EDGAR L. DELIBO
 President

Reviewed and Witnessed by:


RAY H. EMBAJADOR
 AP Corn Program Focal Person


CARLENE C. SOLDADO, CPA
 BAC Chairman

OK as to allocation of funds:


RAKMA B. BUISAN
 Regional Budget Officer

Funds Available:

ANNA MAE T. SIDIÑO
Administrative Officer V /
Regional Accountant

Verified and found in order:

CARLENE C. COLLADO, CPA
Chief, Administrative and Finance Division

Prepared by:

MONINA M. SALENDAB
Head, BAC Secretariat

ACKNOWLEDGEMENT:

Republic of the Philippines)
City of Koronadal) SS

Before me, a Notary Public for Koronadal City personally appeared the following:

NAME	Res. Cert.	Issued at	Issued on
1. AMALIA J. DATUKAN, MBA	1098321	JAN 20, 2016	KOR. CITY
2. EDGAR L. DELIBO	11669779	DIGOS CITY	1/11/16

Known to me to be the same persons who executed the foregoing documents and acknowledged that the same are their voluntary acts and deeds.

This instrument consists of three (3) pages including this page in which the acknowledgement is written, and signed in the left hand margin of each and every page thereof by parties and their witnesses.

Witness my hand this MAR 11 2016 20 at Koronadal City.

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VERONICA A. DONDEGO
NOTARY PUBLIC
UNTIL DECEMBER 31, 2016
IBP NO. 1013330-01-05-16-GSC
PTR NO. 1330210-01-04-16-KOR.CITY
MCLE EXEMPTION NO. V-000465
ROLL OF ATTY. NO. 30229