



Republic of the Philippines
Department of Finance
BUREAU OF CUSTOMS
XITH Collection District
Port of Zamboanga
Zamboanga City



NOTICE OF PUBLIC AUCTIONSALE

Pursuant to the provisions of Section 2601 to 2607 of the Tariff and Customs Code of the Philippines or the Customs Modernization and Tariff Act of 2016 (CMTA), Section 7, as amended, in relation to CAO 10-2007 and other relevant Customs Memorandum Orders, there will be Public Auction Sale through Sealed Bidding to be conducted by the Auction and Cargo Disposal Committee, Bureau of Customs, Port of Zamboanga on:

Public Auction: July 17, 2018

Start of Auction : 10:30 a.m
Place : Conference Room, ODC, Bureau of Customs Office, Port Area, Zamboanga
Public Viewing of Merchandise and pre-bid conference for all qualified bidders will be on: **July 16, 2018**

<p>Lot No. 05</p> <p>Owner/Claimant: Unknown</p> <p>Proceedings No. 02-2018</p> <p>Seizure date: 24 April 2018</p> <p>Floor Price Php18,057,200.00 @ (Php 28.00/kg.)</p>	<p>Twelve Thousand Eight Hundred Ninety Eight (12,898) yellow bags of Rice (644,900@ 50kgs/bag)</p> <p>Location : Gymnasium, Philippine Navy compound Zamboanga City</p> <p>“AS IS WHERE IS”</p> <p>Additional Requirements :</p> <p>NFA License Wholesaler</p> <p>Representatives from ESS, CIIS and ODC shall be invited to witness the release</p>
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Terms and Conditions of Public Auction:

1. Filing of Notarized Bidder's Registration Form (use Port's prescribed form), together with the latest certified true copy of Income and/or Business Tax Returns duly stamped and received by the Bureau of Internal Revenue (BIR) with a validated tax payment made thereon, at least two (2) days prior to the day of auction.
2. Additional Documents to be submitted together with the Bidder's Registration Form:
 - a) Certified True Copy of 2018 NFA License as Rice Wholesaler
 - b) Notarized Affidavit of Undertaking that the bidder will not or is not representing the consignee or the owner of the lots which are the subject of this Auction Sale
 - c) Sketch Plan of Business (for corporation and partnerships/residential (for individual) and warehouse address with pictures of the building
 - d) Certified and validated copy of latest business registration (SEC, DTI, CDA)
 - e) Certified Copy of 2018 Mayor's/Business Permit with Receipt of Payment
 - f) Certified True Copy of Articles of Incorporation, Joint Venture, Cooperative and/or Partnership
 - g) Certificate of Good Standing from SEC (For Corporation), CDA (for Cooperatives)
 - h) Notarized Special Power of Attorney with Secretary's Certificate giving representatives full authority to represent, tender bid, enter into sales contract and execute all necessary documents for and in behalf of the Corporation, Cooperative, Joint Venture and/or Partnership.
- 2.a Registration on the logbook for registered bidders indicating the name, address and TIN to be made with the Chief, ACDD one (1) day before the date of actual bidding; thereafter registration is closed.
3. Payment of non-refundable Php2,020.00 Registration Fee.

4. Posting of duly receipted bond in cash or manager's check in an amount equivalent as stated in CAO No. 04-2016 (please refer to the table below for the bond). The bond shall be refunded to the losing bidder after the closing of the auction.

FLOOR PRICE		BOND
Not Over	Php10,000.00	None
Over	Php 10,000.00 but not over Php 1,000,000.00	20%
Over	Php 1,000,000.00 but not over Php 2,500,000.00	15%
Over	Php2,500,000.00 but not over Php 5,000,000.00	10%
Over	Php 5,000,000.00	5%

5. Payment of highest bidder in cash or manager's check at least fifty percent (50%) of the bid price on the spot upon announcement of the winning bid as duly certified to by the Auction Committee and the COA representative. The remaining balance of 50% shall be paid on the succeeding business day.
6. Payment with Cashier's/Manager's Check/Cash to the BOC/Port of Zamboanga shall be paid to the order of Land Bank of the Philippines-BOC, Port of Zamboanga City.
7. The auction shall be conducted through sealed bids, which shall be submitted and opened in public by the Auction Committee at a time, date and place specified in the Notice of Auction Sale.
8. The highest bid shall be declared as the winner except when clustering occurs. Clustering occurs when the difference between the highest and the second highest bid is within ten percent (10%) of the highest bid. In such case, an open-bidding shall be conducted among the bidders of the particular sale lot who are present with the highest bid serving as the new floor price. Only bids raised by three percent (3%) more than the new floor price shall be considered and the highest bid in the open-bidding shall be declared as the winner. Otherwise, the highest sealed bid shall be declared as the winner.
9. A failed bidding shall be declared by the Auction Committee when any of the following circumstances occurs:
- When there is only one sealed bid the same shall not be opened;
 - When there are two sealed bids but there is only one bid higher than the floor price.
 - When highest bidder fails to comply with any of the payments required in Section 9 thereof, said bidder shall be disqualified from participating further in the auction sale and when applicable, the negotiated sale thereof without prejudice to the forfeiture of the cash bond and any payment made and imposition of other sanctions as may be warranted.
10. When a failed bidding is declared, the sale lot shall be offered in a second auction to be held on the first business day after the first failed auction at the same floor price without need of further advertisement/posting. In case of perishable goods, the second auction shall be conducted on the first business day following the first failed bidding.
11. The sale lots subject of magna scale weighing or number of bags shall be released only after they have undergone such weighing. Should the result of the magna scale weighing for a particular sale lot differ from the approximate weight of the said sale lot stated in this Notice, the following rules shall take effect:

A. Any weight found in excess of the count/inventory of the sale lot shall not be considered part of the sale lot offered for auction; provided, however, that in case it is determined that there is excess weight, the winning bidder may purchase the excess weight at the pro-rated bid price per kilo of the winning bidder, provided further that the winning bidder shall purchase the whole weight of the excess article and indicate his intention to do so within one day from the discovery of the excess.

B. Pro-rated bid price per kilo shall mean the total bid amount given by the winning bidder during the bidding process divided by the published approximate weight of the sale lot. To compute for the total price to be paid for purchasing the whole sale lot, the formula to be used is as follows.

$$b.1 \quad \text{Total Amount to be Paid} = \frac{\text{Total Bid Amount}}{\text{Approximate Weight}} \times \text{Actual Weight}$$

To illustrate: Assuming that the winning bid price for Sale Lot 0xx-2015, which has a published approximate weight of 1,872,000 kilograms, is Php 50,000,000.00. If the sale lot, after being subjected to magna scale weighing, is determined to be heavier, say 1,900,000 kilograms, and the winning bidder wishes to acquire the excess, he would have to pay a total of Php 50,747,863.25. The total amount has been arrived at by using the aforesaid formula, thus

B. Pro-rated bid price per kilo shall mean the total bid amount given by the winning bidder during the bidding process divided by the published approximate weight of the sale lot. To compute for the total price to be paid for purchasing the whole sale lot, the formula to be used is as follows.

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To illustrate: Assuming that the winning bid price for Sale Lot 0xx-2015, which has a published approximate weight of 1,872,000 kilograms, is Php 50,000,000.00. If the sale lot, after being subjected to magna scale weighing, is determined to be heavier, say 1,900,000 kilograms, and the winning bidder wishes to acquire the excess, he would have to pay a total of Php 50,747,863.25. The total amount has been arrived at by using the aforesaid formula, thus

$$\text{Total Amount to be Paid} = \frac{\text{Php } 50,000,000.00}{1,872,000 \text{ kgs}} \times 1,900,000 \text{ kgs}$$

$$\text{Total Amount to be Paid} = \text{Php } 50,747,863.25$$

b.2 Should the winning bidder decide to purchase the excess weight, he shall pay the amount for the excess weight within five (5) days from demand thereof by the District Collector, or his duly authorized representative; otherwise, the excess quantity shall not be considered to have been sold and shall be offered for sale in the next public auction of the port.

12. In case the quantity determined after the magna scale weighing is less than the approximate weight in this Notice, the winning bidder shall be entitled to a proportionate adjustment of bid amount based on the actual weight. The same formula as illustrated in 11.b.2 shall be used in computing for the adjustment in the bid amount based on the actual weight.

13. Compliance of terms & conditions of the release of cargo by winning bidder like weighing, final counting, etc.

14. Non-compliance with any of the terms and conditions of the Notice of Public Auction shall result in the forfeiture of any payments made by the winning bidder without prejudice to the forfeiture of the subject shipments in favor of the Government.

For further details, please contact **ROBERT M. MILLARES**, Chairman, Auction and Cargo Disposal Committee BOC, Port of Zamboanga Tel. No. (062) 992-6844/991-0109.


ATTY. LYCEO C. MARTINEZ
District Collector