



MARKETING AGREEMENT (For Field Canvasser/s)

KNOW ALL MEN BY THESE PRESENTS:

This **AGREEMENT** executed and entered into this _____ day of _____ 20____, in Quezon City, Metro Manila, Philippines, by and between:

_____, of legal age, Filipino citizen, with residence address at _____, hereinafter referred to as the **FIELD CANVASSER (FC)**;

-and-

The **TOBACCO FARMERS**, with their respective addresses, area coverage and circumstances, as listed in Annex “A”, hereinafter referred to as the **FARMER-SELLER (FS)**;

WITNESSETH:

WHEREAS, the **FC**, with the objective of getting the tobacco leaf supply it needs; and the **FSs**, of having a ready market and package of assistance/services for their tobacco production, have conveyed their desire to participate in the above undertaking;

WHEREAS, the **FC** and **FS** agree to embark collectively on the National Tobacco Administration’s (NTA) Market Driven Quality Tobacco Production, to make the local tobacco leaf competitive in the local and global markets, thereby increasing the income of farmers, generating additional employment and revenue to the Government;

NOW, THEREFORE, for and in consideration of the above premises, herein **PARTIES**, hereby agree to embark collectively in this agreement, in accordance with the terms, conditions and stipulations, as follows:

SECTION I. PROJECT SCOPE/COVERAGE.

This agreement, the following tobacco types/sub-types, with corresponding area and locational coverage:

Tobacco Type/Sub-Type	No. of FCs	Area (ha)	Brgy/Municipality/Province	Amount of Production Assistance (PhP)
Virginia- Improved Flavor				
Burley- Improved Flavor				
Native- Batek				
Total				

SECTION II. FUNDING REQUIREMENT.

The **FC** shall provide, in full or in part, the funding requirements of the **FS** in the production of leaf tobacco based on the package of technology recommended by the NTA and/or the Buying Station with whom the **FC** have marketing tie-up.

SECTION III. TECHNOLOGY PACKAGE.

The technology package, to produce the quality of leaf as targeted, given agro-climatic condition / location specific consideration, shall be in accordance with that prescribed / recommended by the **NTA/BS**.

SECTION IV. MAXIMUM PRODUCTION ASSISTANCE (Loanable Amount) PER HECTARE.

Based on the requirement for the proper application of technology, the maximum loanable amount/production assistance per hectare, per tobacco type/sub-type is as follows:

Tobacco Type/Sub-Type	Amount / Per Hectare (Php)
Virginia-Improved Flavor	
Burley- Improved Flavor	
Native- Batek	

SECTION V. OBLIGATION OF THE PARTIES.

A. The **FC** shall –

- a. Be duly licensed by the NTA to buy leaf tobacco;
- b. Comply strictly with the NTA Trading Rules and Regulations;
- c. Provide the funding requirements in the amount of PhP_____, payable in ____ months at the rate of _____, per annum; and
- d. Pay the FS the equivalent amount of tobacco accepted and other incentives, after deducting the amount advanced including the interests.

B. The **FS** shall –

- 1. Make available a parcel of suitable land for the project;
- 2. Follow strictly the prescribed tobacco production technology particularly relating to seed bedding, land preparation, transplanting, fertilization, harvesting, curing, sorting, classification, grading, baling and delivery of tobacco produce;
- 3. Provide the necessary farm equipment and labor required by the project in the production of quality tobacco;
- 4. Use the production assistance exclusively for the project;
- 5. Sell the tobacco produce, duly classified according to preset standards, **desired moisture content, SLOB and NTRM FREE** to the **FC** according to pre-agreed delivery schedule of payment (Annex “B”) as agreed upon;
- 6. Undertake to perform its obligations under this Agreement, jointly and severally, between and among the Cluster Members; and
- 7. Perform such other activities that may be determined/prescribed by the NTA and/or the FC as may be necessary in the proper, efficient and effective implementation of the project.

SECTION VI. DELIVERY/MARKETING OF FARMERS' PRODUCE.

1. The **FS** shall be obliged to make available/deliver all his produce, duly classified, SLOB, NTRM FREE at desired moisture content to the **FC** at pre-agreed delivery schedule;
2. The **FC** shall buy all **FS** produce at prevailing market prices, but in no case lower than the floor prices per grade set by the government, thru the NTA, and
3. To motivate good performance, the **FC** may offer additional incentives to **FS**, for good performance/compliance to good agricultural practices, productivity, quality, classification, 100% delivery, 100% repayment, NTRM, among others.

SECTION VII. VIOLATION OF ANY UNDERTAKINGS.

Violation of any provision/s of this **AGREEMENT** shall subject the violator/s to the following sanctions/penalties;

1. On the Part of the FC:
 - a) Blacklisting from participation in any future project/s of **NTA**;
 - b) Immediate suspension of Certificate of Authority (COA)/License to buy tobacco; and
 - c) Revocation/cancellation of COA/License.
2. On the Part of the FS:
 - a) Blacklisting from future participation in any production assistance projects;
 - b) No acceptance or right of refusal by the FC to purchase of delivered tobacco produce;
 - c) Immediate payment of production assistance including interest charges, which becomes immediately due and demandable; and

The foregoing sanctions/penalties shall be without prejudice to the filing of case/s, by the aggrieved party/ies, to protect, preserve and/or promote their interest/s under the circumstances.

SECTION VIII. APPROVAL AND EFFECTIVITY.

This **AGREEMENT** shall be effective upon the signing of the **PARTIES** concerned and shall continue to be in full force and effect for the tobacco Crop Year 20__-20__.

IN WITNESS WHEREOF, the **PARTIES** hereto, through their respective representatives, have hereunto set their hands on the date and at the place first above written.

FIELD CANVASSER

FARMER SELLER
(Refer Annex "A")

SIGNED IN THE PRESENCE OF:

Witness of the FC

Witness of the FS

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
_____, _____) S.S.

BEFORE ME, a Notary Public, in and for the above jurisdiction, this _____ day of _____, 20__, personally appeared the following persons with their respective Community Tax Certificates, to wit:

NAME	COM. TAX CERT. NO.	DATE/PLACE OF ISSUE
_____ (Field Canvasser)	_____	_____

FARMER-SELLERS (as appearing in Annex "A", hereof)

known to me and to me known to be the same persons who executed the foregoing instrument of "**MARKETING AGREEMENT**" and they acknowledged to me that the same is their free and voluntary act and deed.

This instrument, consisting of four (4) pages, including this page on which this Acknowledgement is written, has been duly signed by the **PARTIES**, by themselves or by their respective representatives and their instrumental witnesses on each and every page thereof.

WITNESS MY HAND AND SEAL on the date and at the place first above written.

Notary Public
Until 31, December 20____
PTR No. _____
Issued on _____

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 20__.



Annex “B”

PROMISSORY NOTE AND SCHEDULE OF PAYMENT

I, _____, Filipino, of legal age,
 (Name of Farmer Seller)
 a resident of _____,
 (Barangay) (Town/City)
 _____ has been granted a production loan by the FC under
 (Province)
 a Marketing Agreement, in the amount of _____ pesos (PhP _____). I promise to use the monetary amount solely for the production of tobacco leaf, and to pay therefore specified amount. An interest of ___ % per annum based on diminishing balance shall be pre-computed and spread in scheduled amortizations and shall be collected on the due date of loan payment as hereunder indicated. If full amount is not made on or before the due date as hereunder shown, a penalty of 1% per month, shall be collected on the unpaid amount which shall be computed from the date the assistance was released.

Period	% of Loan Payment	Date	Principal (Php)	Interest (Php)	Penalty/ Other Fees/ Charges (Php)	Total (Php)
1 st Trading	25 %					
2 nd Trading	25 %					
3 rd Trading	25 %					
4 th Trading	25 %					
Total						

With my consent:

 (Date)

 (Signature over Printed Name of FS)

Witness/es : _____

DISTRIBUTION :
 cc: Farmer Seller
 Field Canvasser