Contract Agreement

THIS AGREEMENT made this __________ day_________ by JAN 30 2019 between

GOVERNMENT ARSENAL, Camp General Antonio Luna, Limay, Bataan of the Philippines
(hereinafter called “the Entity”) of the one part and UP-TOWN INDUSTRIAL SALES, INC. of 56-
58 Up-Town Building, Madison Street, Mandaluyong City (hereinafter called “the Supplier”) of
the other part:

WHEREAS the Entity invited Bids for certain goods and ancillary services, viz.,
Procurement of Materials for Wire Bound Crate, IB Nr. GA-BAC-2019DP-008 and has
accepted a Bid by the Supplier for the supply of those goods and services in the sum of THREE
MILLION ONE HUNDRED FIFTY NINE THOUSAND ONE HUNDRED SEVENTY FIVE PESOS
(Php3,159,175.00) only (hereinafter called “the Contract Price”).

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this agreement words and expressions shall have the same meanings as are
respectively assigned to them in the Conditions of Contract referred to.

2. The following documents shall be deemed to form and be read and construed as part of
this Agreement, viz.:

(a) Bid Form and the Price Schedule submitted by the Bidder;
(b) Schedule of Requirements;
(c) Technical Specifications;
(d) General Conditions of Contract;
(e) Special Conditions of Contract; and
(f) Entity’s Notification of Award

3. In consideration of the payments to be made by the Entity to the Supplier as hereinafter
mentioned, the Supplier hereby covenants with the Entity to provide the goods and services and
to remedy defects therein in conformity in all respects with the provisions of the Contract.

4. The Entity hereby covenants to pay the Supplier in consideration of the provision of the
goods and services and the remedy 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.

IN WITNESS whereof the parties thereto have caused this Agreement to be executed in
accordance with the laws of the Republic of the Philippines on the day and year first before
written.

Signed, sealed, delivered by:

DANIEL R CASABAR JR
Director
Government Arsenal

MS. DAISY M. VILLAFAUER
Manager – Indent & Forward Sales Division
Up-Town Industrial Sales, Inc.
SIGNED IN THE PRESENCE OF:

MS. ROWEENA G. BASA
Superintendent
Planning & Logistics Division

MR. JAYSON S. ROCÉLA
Hardware Field Salesman
Up-Town Industrial Sales, Inc.

ATTY. ABEGAIL C. GABRIEL
Arsenal Legal Officer

MS. ALLECIAH D. CARREON
Chief Accountant

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES
CITY OF BALANGA, BATAAN ) s.s.

BEFORE ME, a Notary Public for and in Balanga City, Bataan, Philippines, on this day 

JAN 30, 2019

2019 personally appeared:

DANIEL R CASABAR JR
MS. DAISY M. VILLAFUERTE
MR. JAYSON S. ROCÉLA
MS. ROWEENA G. BASA
ATTY. ABEGAIL C. GABRIEL
MS. ALLECIAH D. CARREON

Valid Identification Card No.

T I N 120-449-129
SSS No. 03-4431670-6
T I N 222-864-263
T I N 196-041-509
T I N 406-648-758
T I N 432-710-749

known to me and to me known to be the same persons who executed the foregoing instrument
and acknowledged to me that the same is their free and voluntary deed.

WITNESS MY HAND AND SEAL on the date and place above written:

ATTY. DINDO O. BEBER
VITAL PUBLIC OFFICE IN THE PROVINCE OF BATAAN
Notarial Commission No. 355-10
Until December 2019
Bacolod No. 62224
PRR No. 27172596/01-03-19/Barangay City, Bataan
IBP No. 061357-01-11-01-1
MCLE Compliance No. V01-1
Patricia B. Rios, PRC No. 1 P.R. Rios
Balangka City, Bataan

Doc. No. 109
Page No. 25
Book No. 10
Series of 2019
NOTICE TO PROCEED

24 JAN 2019
(Date)

MS. DAISY M. VILLAFUERTE
Manager – Indent & Forward Sales Division
UP-TOWN INDUSTRIAL SALES, INC.
56-58 Up-Town Building, Madison Street,
Mandaluyong City

Dear Ms. Villafuerte,

The attached Contract Agreement having been approved, notice is hereby given to UP-TOWN INDUSTRIAL SALES, INC. that work may commence for the supply and delivery of Materials for Wire-bound Crates under ITD # GA-BAC-2019DP-09 for the Government Arsenal, DND upon receipt of this notice provided that the specification will be strictly complied with during delivery.

Upon receipt of this notice, you are responsible for performing the services under the terms and conditions of the Agreement and in accordance with the Implementation Schedule.

Please acknowledge receipt and acceptance of this notice by signing both copies in the space provided below. Keep one copy and return the other to the Arsenal, DND.

Very truly yours,

[Signature]
DANIEL R CASABAR JR
Director

I acknowledge receipt of this Notice on
Name of the Representative of the Bidder
Authorized Signature

[Signature]
Jan. 24, 2019

[Signature]
PURCHASE ORDER

GOVERNMENT ARSENAL

Supplier: UP-TOWN INDUSTRIAL SALES, INC.
Address: 56-58 Up-Town Building, Madison Street,
Mandaluyong City
TIN: 000-062-769-000

P. O. No.: 2019-01-002
Date: 14 JAN 2019
Mode of Procurement: Public Bidding

Gentlemen:
Please furnish this Office the following articles subject to the terms and conditions contained herein:

Place of Delivery: Government Arsenal, Laoag, Iloilo, Bataan
Delivery Term: DAP Camp General Antonio Luna,
Laoag, Iloilo, Bataan

Date of Delivery: Within sixty (60) calendar days from the receipt of Notice to Proceed (NTP)
Payment Term: 

<table>
<thead>
<tr>
<th>Stock/ Property No.</th>
<th>Unit</th>
<th>Description</th>
<th>Qty</th>
<th>Unit Cost</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>pc</td>
<td></td>
<td>Materials for Wire-bound crate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>pc</td>
<td>Plywood Marine, 5mm thickness x 1220mm width x 2440mm length</td>
<td>1,765</td>
<td>P 499.85</td>
<td>882,235.20</td>
</tr>
<tr>
<td>pc</td>
<td></td>
<td>Lumber, Phil Tanguile, all sides dressed, kiln-dried with 12% maximum moisture content; 1-1/8&quot; T x 1-1/2&quot; W x 10' L (Commercial size applicable/available)</td>
<td>9,423</td>
<td>233.25</td>
<td>2,197,914.77</td>
</tr>
<tr>
<td>kg</td>
<td></td>
<td>G.J Tie Wire Ga. 16</td>
<td>1,000</td>
<td>60.50</td>
<td>60,500.00</td>
</tr>
<tr>
<td>kg</td>
<td></td>
<td>Common Wire Nail, 1&quot;</td>
<td>325</td>
<td>57.00</td>
<td>18,525.00</td>
</tr>
</tbody>
</table>

***** nothing follows *****

BASIS: Cartridge Assembly and Packaging Division

REF: PR No. 2018-10-396, APP 2019, Page 2, item D-I-E;

PURPOSE: For use in the fabrication of wire-bound crates for 5.56mm M855 and 7.62mm Linked Ammunitions

TERM OF PAYMENT:
The terms of payment shall be as follows:

Payment of ninety-five percent (95%) for each delivery shall be made thru Check/ Disbursement Voucher (DV) or Domestic Letter of Credit (LC) after delivery and acceptance at the Government Arsenal and presentation of Certificate of Acceptance Inspection.
The remaining five percent (5%) shall be retained to cover warranty obligations, to be released after three (3) months or upon submission of an equivalent special bank guarantee.

(Total Amount in Words): THREE MILLION ONE HUNDRED FIFTY NINE THOUSAND ONE HUNDRED SEVENTY FIVE PESOS only

In case of failure to make the full delivery within the time specified above, a penalty of one-tenth (1/10) of one percent for every day of delay shall be imposed on the undelivered items.

Conforme:

**Ms. Daisy M. Villafuerte**
Signature over Printed Name

Jan. 24, 2019

Date

Very truly yours,

**Daniel R. Casablanca Jr.**
Director

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**Ms. Alleciah D. Carreon, CPA**
Chief Accountant

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Fund Cluster: 101101
Funds Available: PHP 3,159,175.00

ORS/BURS No.: 02-101101-2019-01-0043
Date of the ORS/BURS: 18 Jan 2019
Amount: PHP 3,159,175.00