Contract Agreement

THIS AGREEMENT made this ______ day of _______ between
GOVERNMENT ARSENAL, Camp General Antonio Luna, Limay, Bataan of the Philippines
(hereinafter called "the Entity") of the one part and ALCRO ELECTRONICS, INC. of Unit
508/510, Page 1 Building, 1215 Acacia Avenue, Ayala Alabang, Muntinlupa City (hereinafter
called "the Supplier") of the other part:

WHEREAS the Entity invited Bids for certain goods and ancillary services, viz.,
Procurement of One (1) Lot Tools and Dies for M855 Bullet Assembly, IB Nr. GA-BAC-
2018C-IA-24 and has accepted a Bid by the Supplier for the supply of those goods and services
in the sum of NINE HUNDRED THOUSAND EIGHT HUNDRED FORTY FOUR PESOS
(PhP900,844.00) 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 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.

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:

[Signature]
DANIEL R CASABAR JR
Director
Government Arsenal

[Signature]
MR. MARK VINCENT U. PAULE
Sales Engineer
Alcro Electronics, Inc.
ACKNOWLEDGEMENT

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

I, ________________________, a Notary Public for and in Balanga City, Bataan, Philippines, on this day of ________________________ 2019 personally appeared:

DANIEL R. CASABAR JR
MR. MARK VINCENT U. PAULE
MS. ROCHELLE L. ONGCHAP
MS. AVELINA C. ALIANGAN
ATTY. ABEGAIL C. GABRIEL
MS. ALLECIAH D. CARREON

Valid Identification Card No.

T I N  120-449-129
PRC ID No.  0098269
T I N  239-592-371
T I N  112-799-761
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:

FLAVIANO T. AGUANTA
NOTARY PUBLIC
UNTIL DECEMBER 31, 2019

I.B.P. O.R. 070-234/1-15419
NOTICE TO PROCEED

04 SEP 2019
(Date)

MR. MARK VINCENT U. PAULE
Sales Engineer
ALCRO ELECTRONICS, INC.
Unit 508/510, Page 1 Building, 1215 Acacia Avenue,
Ayala Alabang, Muntinlupa City

Dear Mr. Paule:

The attached Contract Agreement having been approved, notice is hereby given to ALCRO ELECTRONICS, INC. that work may commence for the supply and delivery of 1 Lot, Tools and Dies for M855 Bullet Assembly, under ITB # GA-BAC-2018C-1A-24-R 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 September 04, 2019
Name of the Representative of the Bidder
Mark Vincent U. Paule
Authorized Signature
# PURCHASE ORDER

## GOVERNMENT ARSENAL

**Entity Name**

<table>
<thead>
<tr>
<th>Supplier:</th>
<th>ALCRO ELECTRONICS INC.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td>Unit 508/510, Page 1 Building, 1215 Acacia Avenue</td>
</tr>
<tr>
<td></td>
<td>Ayala Alabang, Muntinlupa City</td>
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<tr>
<td>TIN:</td>
<td>006-731-129-000</td>
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**P. O. No.:** 2019-08-179  
**Date:** August 23, 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, Lamao, Limay, Bataan  
**Date of Delivery:** Within ninety (90) calendar days from the receipt of Notice to Proceed (NTP)

**Delivery Term:** DAP Camp General Antonio Luna,  
**Payment Term:** Lamao, Limay, Bataan

### Stock/Property No.  
<table>
<thead>
<tr>
<th>Description</th>
<th>Qty</th>
<th>Unit Cost</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>One (1) Lot Tools and Dies for M855 Bullet Assembly Machine</td>
<td></td>
<td>900,844.00</td>
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**Offer:**  
**Material:** Steel M2 unharden; H-13 Steel; GC 209; GC 320; CALDIE; Carbide C13  
**On part tip:** Steel A2  
**Brand:** ASSAB and GENERAL CARBIDE

**Tools & Dies**

<table>
<thead>
<tr>
<th>Description</th>
<th>Drawing No.</th>
<th>Qty</th>
<th>Unit Cost</th>
<th>Amount</th>
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<tbody>
<tr>
<td>1st Draw Punch (Station #2)</td>
<td>AM855T2 - 02a</td>
<td>3</td>
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<td>3rd Point Punch (Station #6)</td>
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<td>4th Point Die (Station #7)</td>
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<td>Tools &amp; Dies</td>
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</table>

****nothing follows****

**BASIS:** Case and Bullet Division

**REF:** PR No. 2019-02-092

**Chargeability:** Continuing Appropriations CY 2018, Page 2 II A # 2

**Purpose:** For 5.56mm (M855) Bullet Assembly Machine (Waterbury Farrel)

**TERMS OF PAYMENT:**

The terms of payment shall be as follows:

Payment of ninety-five percent (95%) shall be made thru:

Modified Disbursement Scheme (MDS) Checks or Direct Payment Scheme via bank debit system through issuance of Advice to Debit Account (ADA) of Supplier (DBM Circular 2013-16 dated December 23, 2013) after delivery and acceptance at the Government Arsenal.

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) NINE HUNDRED THOUSAND EIGHT HUNDRED FORTY FOUR PESOS only P 900,844.00

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:

MR. MARK VINCENT U. PAULE
Signature over Printed Name

Very truly yours,

DANIEL R. CASABAR, JR
Director

Fund Cluster: 101101
Funds Available: PHP 900,844.00

ORS/BURS No.: 02-101101-2019-08-136
Date of the ORS/BURS: Aug 2, 2019
Amount: PHP 900,844.00

MS. ALLECEIAH D. CARREON, CPA
Chief Accountant