Project Reference Number: GA-047-2015-4A—11  
Name of the Project: Procurement of Weapons, Parts and Ballistic Supplies

**PURCHASE ORDER**

**GOVERNMENT ARSENAL**

**Entity Name**

<table>
<thead>
<tr>
<th>Supplier:</th>
<th>PROTOTYPA – ZM, S.R.O.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td>Hudcova Brno, Czech Republic</td>
</tr>
<tr>
<td>TIN:</td>
<td>432-742-512-000</td>
</tr>
<tr>
<td>P. O. No.:</td>
<td>2018-11-241</td>
</tr>
<tr>
<td>Date:</td>
<td>26 NOV 2018</td>
</tr>
<tr>
<td>Mode of Procurement:</td>
<td>Public Bidding</td>
</tr>
</tbody>
</table>

**Gentlemen:**

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

<table>
<thead>
<tr>
<th>Place of Delivery:</th>
<th>Government Arsenal, Limay, Bataan, Philippines</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date of Delivery:</td>
<td>Within one hundred eighty (180) calendar days after the receipt of Notice to Proceed (NTP)</td>
</tr>
<tr>
<td>Delivery Term:</td>
<td>DAP, Government Arsenal, Limay, Bataan, Philippines</td>
</tr>
<tr>
<td>Payment Term:</td>
<td>Letter of Credit (LC)</td>
</tr>
</tbody>
</table>

<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>LOT II - BALLISTIC SUPPLIES</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Copper Pressure Cylinders</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Pistol Copper Pressure Cylinders (Uncompressed) with Tarage Table for use with 1/30 square inch Piston Area</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Mean length = 0.4010 inch</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Mean diameter = 0.1465 inch</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Drawing No.: GNP501a</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- 500 pieces per box</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>box</td>
<td>100</td>
<td>P</td>
<td>99,950.00</td>
<td>9,995,000.00</td>
<td></td>
</tr>
<tr>
<td>2. Small Arms Copper Pressure Cylinders (uncompressed) with Tarage Table for use with 1/30 square inch Piston Area &amp; 1/60 square inch Piston Area</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Mean L = 0.401 inch</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Mean D = 0.2265 inch</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Drawing No: GNP501b</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- 500 pieces per box</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>box</td>
<td>100</td>
<td></td>
<td>118,950.00</td>
<td>11,895,000.00</td>
<td></td>
</tr>
</tbody>
</table>

****nothing follows****

**BASIS:** Quality Assurance Division

**REF:** PR No. 2018-05-092, APP CY 2018, Page 2 - F

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

Payment of ninety-nine percent (99%) shall be made thru:

a) 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; or
b) Letter of Credit (LC) after delivery and presentation of Inspection Acceptance Report (IAR) duly signed by the Inspection Acceptance Committee and written advice of payment duly signed by the Director, Government Arsenal.

The remaining one percent (1%) shall be retained to cover warranty obligations, to be released after three (3) months or upon submission of an equivalent special bank guarantee, and for LC, upon written advice of payment duly signed by the Director, Government Arsenal.

All charges for the opening of LC and/or incidental expenses thereto (i.e. bank commission, documentary stamp, tax, cable, etc.) shall be for the account of the supplier.

(Total Amount in Words) TWENTY ONE MILLION EIGHT HUNDRED NINETY THOUSAND PESOS only

P 21,890,000.00

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. SAMUEL ADAM AL MUFREH
Signature over Printed Name

JAN 3 2019
Date

Very truly yours,

DANIEL R. CASABAR JR
Director

Fund Cluster: 101101
Funds Available: PHP 21,890,000.00

ORS/ BURS No.: 02-101101-2018-12-2072
Date of the ORS/BURS: DEC 11, 2018

Amount: PHP 21,890,000.00

MS. ALLECIAH D. CARREON, CPA
Chief Accountant
NOTICE TO PROCEED

14 DEC 2018
(Date)

MR. SAMUEL ADAM AL MUFREH
Authorized Representative
PROTOTYPA – ZM, S.R.O.
Hudcova Brno, Czech Republic

Dear Mr. Mufreh,

The attached Contract Agreement having been approved, notice is hereby given to PROTOTYPA – ZM, S.R.O. that work may commence for the supply and delivery One (1) lot Copper Pressure Cylinders of Lot II – Ballistic Supplies, under ITB # CA-BAC-2018 IA-11 for the Government Arsenál, 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 JAN 3 2019
Name of the Representative of the Bidder SAMUEL ADAM AL MUFREH
Authorized Signature

[Signature]
Contract Agreement

THIS AGREEMENT made this day of DEC 28 2018, between GOVERNMENT ARSENAL, Camp General Antonio Luna, Limay, Bataan of the Philippines (hereinafter called “the Entity”) of the one part and PROTOTYPA – ZM, S.R.O. of Hudcova Brno, Czech Republic (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 Copper Pressure Cylinders of Lot II – Ballistic Supplies, Lot 2 GA BAC 2018-IA-11 and has accepted a Bid by the Supplier for the supply of those goods and services in the sum of TWENTY ONE MILLION EIGHT HUNDRED NINETY THOUSAND PESOS (PhP21.890,000.00) 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;
   (f) Entity’s Notification of Award; and
   (g) Supplemental Bulletin

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. SAMUEL ADAM AL MUFREH
Authorized Representative
Prototypa – ZM, s.r.o.
SIGNED IN THE PRESENCE OF:

MS. ROWEENA G. BASA
Superintendent
Planning & Logistics Division

MS. EDNA L. BENAVIDEZ
Corporate Secretary
Stone of David Corporation

ATTY. ABEGAIL C. GABRIEL
Arsenal Legal Officer

MS. ALLECIH 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 of ___________2019 personally appeared:

DANIEL R CASABAR JR
MR. SAMUEL ADAM AL MUFEHI
MS. EDNA L. BENAVIDEZ
MS. ROWEENA G. BASA
ATTY. ABEGAIL C. GABRIEL
MS. ALLECIH D. CARREON

Valid Identification Card No.

TIN 120-449-129

IN 196-041-509

IN 406-648-758

IN 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:

Doc. No. 468
Page No. 2
Book No. XXIII
Series of 2018

ATTY. JULIET SANGILANG SALARIA
NOTARY PUBLIC
FOR AND IN THE PROVINCE OF BATAAN
Notarial Commission No. 345-10
Until December 31, 2018
3rd Floor Chungking Bldg., Balanga City, Bataan
ROLL NO. 34430
RUP License No. T-2013-083, BATAAN
PTR No. 20522610, OIJAB, Balanga City, Bataan