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 hundred fifty (150) pieces Prime Pusher for 5.56mm Primer Insertion
Machine (Lot II), IB Nr. GA-BAC-2019-IA-12 and has accepted a Bid by the Supplier for the
supply of those goods and services in the sum of ONE HUNDRED FORTY FOUR THOUSAND
FOUR HUNDRED EIGHTY PESOS (PhP144,480.00) 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:

DANIEL R. CASABAR JR
Director
Government Arsenal

MR. MARK VINCENT U. PAULE
Sales Engineer
Alcro Electronics, Inc.
SIGN IN THE PRESENCE OF:

MS. ROWEENA G. BASA
Superintendent
Planning & Logistics Division

MS. ROCHELLE L. ONGCHAP
Corporate Secretary
Aloro Electronics, Inc.

ATTY. ABEAGAL 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 of May 2019 personally appeared:

DANIEL R CASABAR JR
Director

MR. MARK VINCENT U. PAULE

MS. ROCHELLE L. ONGCHAP

MS. ROWEENA G. BASA

ATTY. ABEAGAL C. GABRIEL

MS. ALLECIAH D. CARREON

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:

Valid Identification Card No.

T I N 120-449-129
PRC ID No. 0098269

T I N 239-592-371
T I N 196-041-509
T I N 406-648-758
T I N 432-710-749

Doc. No. #74
Page No. #48
Book No. #X-11
Series of 2019
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, NSB ENGINEERING DESIGN AND
FABRICATION of No. 309 M.L. Quezon Street, Purok 4, Lower Bicutan, Taguig City, Metro
Manila (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 (Lot 1), IB Nr. GABAC-2019-IA-12
and has accepted a Bid by the Supplier for the supply of those goods and
services in the sum of SIX MILLION FOUR HUNDRED FORTY SEVEN THOUSAND SIX
HUNDRED TWENTY FOUR PESOS (PhP6,447,624.00) 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:

DANIEL R CASABAR JR
Director
Government Arsenal

MS. CHARIS ANNE R. FRANCISCO
Marketing Representative
NSB Engineering Design & Fabrication
SIGNED IN THE PRESENCE OF:

MS. ROWEENA G. BASA
Superintendent
Planning & Logistics Division

Mr. WILBERTO C. BELLEZA
Marketing Representative
NSB Engineering Design & Fabrication

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 of May 2019 personally appeared:

DANIEL R CASABAR JR
MS. CHARIS ANNE R. FRANCISCO
MR. WILBERTO C. BELLEZA
MS. ROWEENA G. BASA
ATTY. ABEGAIL C. GABRIEL
MS. ALLECIAH D. CARREON

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. 477
Page No. 44
Book No. 040
Series of 2019

Valid Identification Card No.
TIN 120-449-129
Postal ID No. E63170204391
UMID ID No. CRN-0033-575-2055-3
TIN 196-041-509
TIN 406-648-758
TIN 432-710-749

Daniel T. Abanata
Notary Public
11/27/2019
NOTICE TO PROCEED

30 APR 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 one hundred fifty (150) pieces Primer Pusher for 5.56mm Primer Insertion Machine (Lot II), under ITB # GA-BAC-2019-IA-12 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]
NOTICE TO PROCEED

30 APR 2019
(Date)

MS. CHARIS ANNE R. FRANCISCO
Marketing Representative
NSB ENGINEERING DESIGN & FABRICATION
No. 309 M.L. Quezon Street, Purok 4,
Lower Bicutan, Taguig City

Dear Ms. Francisco,

The attached Contract Agreement having been approved, notice is hereby given to NSB ENGINEERING DESIGN & FABRICATION that work may commence for the supply and delivery one (1) lot, Tools and Dies for M855 Bullet Assembly (Lot 1), under ITB # GA-BAC-2019-IA-12 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,

DANIEL R CASABAR JR
Director

I acknowledge receipt of this Notice on
Name of the Representative of the Bidder
Authorized Signature
PURCHASE ORDER
GOVERNMENT ARSENAL

Supplier: ALCRO ELECTRONICS, INC.
Address: Unit 508/510, Page 1 Building, 1215 Acacia Avenue
Ayala Alabang, Muntinlupa City
TIN: 008-731-129-000

P. O. No.: 2019-04-091
Date: April 4, 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 one hundred twenty (120) calendar days from the receipt of Notice to Proceed (NTP)

Delivery Term: DAP Camp General Antonio Luna, Lamao, Limay, Bataan
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>
</table>
| pc                |      | Lot II – Tools and Dies for Primer Insertion Machine
Primer Pusher for 5.56mm Primer Insertion Machine
(Drawing No. CM-1516-01), Offer: Material: Steel D2 (HR 50-52)
****only item****
BASIS: Cartridge Assembly & Packaging Division
REF: PR No. 2018-11-431, APP 2018 Page 2, II B # 2/
TERM OF PAYMENT:
The terms of payment shall be as follows:
Payment of ninety-five percent (95%) 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 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, 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) ONE HUNDRED FORTY FOUR THOUSAND FOUR HUNDRED EIGHTY PESOS only

P 144,480.00

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 item/s.

Conforme: MR. MARK VINCENT U. PAULE
Signature over Printed Name
May 02, 2019
Date

Very truly yours,
DANIEL R. CASABAR, JR
Director

Fund Cluster: 101101
Funds Available: 144,480.00/

ORS/BURS No.: 02-101101-2019-04-0049
Date of the ORS/BURS: APR 24, 2019
Amount: PHP 144,480.00

MS. ALLEGIAH D. CARREON, CPA
Chief Accountant
# PURCHASE ORDER

## GOVERNMENT ARSENAL

### NSB ENGINEERING DESIGN AND FABRICATION

<table>
<thead>
<tr>
<th>Supplier</th>
<th>Address</th>
<th>TIN</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>#309 ML Quezon Street, Purok 4 Lower Bicutan, Taguig City</td>
<td>165-226-163-000</td>
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<th>P. O. No.</th>
<th>Date</th>
<th>Mode of Procurement</th>
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<tr>
<td>2019-04-090</td>
<td>April 4, 2019</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>Stock/ Property No.</th>
<th>Unit</th>
<th>Description</th>
<th>Qty</th>
<th>Unit Cost</th>
<th>Amount</th>
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<tr>
<td>Lot I – Tools and Dies for M855 Bullet Assembly</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Offer: Material: STEEL A2, STEEL M2, H-13 STEEL, GC 209 &amp; GC 320 and CALDIE</td>
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</table>

<table>
<thead>
<tr>
<th>Tools &amp; Dies</th>
<th>Drawing No.</th>
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<tbody>
<tr>
<td>1st draw punch</td>
<td>AM855T2A - 01c</td>
<td>15</td>
</tr>
<tr>
<td>1st draw lower die</td>
<td>AM855T2A - 01b</td>
<td>15</td>
</tr>
<tr>
<td>1st draw upper die</td>
<td>AM855T2A - 01a</td>
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<tr>
<td>2nd draw punch</td>
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<td>AM855T2A - 02a</td>
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<td>1st point punch</td>
<td>AM855T2A - 03b</td>
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<tr>
<td>1st point die</td>
<td>AM855T2A - 03a</td>
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<td>2nd point punch</td>
<td>AM855T2A - 04b</td>
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<tr>
<td>2nd point die</td>
<td>AM855T2A - 04a</td>
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<td>3rd point punch</td>
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<td>3rd point die</td>
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<td>4th point punch</td>
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<td>4th point die</td>
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<td>pinch trim punch</td>
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<td>pinch trim die</td>
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<td>steel insert punch</td>
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<td>steel inserting die</td>
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<td>leadcore inserting punch</td>
<td>AM855T2A - 10b</td>
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<tr>
<td>curling punch body</td>
<td>AM855T2A - 12b</td>
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<tr>
<td>boat tail punch</td>
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<td>boat tail punch chuck body</td>
<td>AM855T2A - 13c</td>
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<tr>
<td>1st sizing punch</td>
<td>AM855T2A - 14c</td>
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P /6,447,624.00
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<tr>
<th>Description</th>
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<th>Unit Cost</th>
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<tr>
<td>2nd sizing lower die</td>
<td>AM855T2A - 16a</td>
<td>15</td>
<td>9,877.00</td>
<td>148,150.00</td>
</tr>
</tbody>
</table>

****nothing follows****

**BASIS:** Case and Bullet Division

**REF:** PR No. 2018-11-431, APP 2019 Page 2, II B # 2

**TERM OF PAYMENT:**

The terms of payment shall be as follows:

Payment of ninety-five percent (95%) 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 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, 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) SIX MILLION FOUR HUNDRED FORTY SEVEN THOUSAND SIX HUNDRED TWENTY FOUR 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 item/s.

Conforme:

MS. CHARIS ANNE R. FRANCISCO
Signature over Printed Name
May 02 / 19

Very truly yours,

DANIEL R. CASABAR, JR
Director

Fund Cluster: 101101
Funds Available: PHP 6,447,624.00

ORS/BURS No.: 02-101101-2019-04-DS-12
Date of the ORS/BURS: APR 24, 2019
Amount: PHP 6,447,624.00

MS. ALLECHIAH D. CARREON, CPA
Chief Accountant