NOTICE OF AWARD

DCT 12 2018
(Date)

Mr. Ki Suk Hahn
Authorized Representative
Poongsan Corporation
Yung Sung Industrial Philippines, Inc.
E1901B PSE Center, Exchange Rd.
Ortigas Complex, Pasig City

Dear Mr. Ki Suk Hahn:

We are pleased to inform you that your Bid dated 17 August 2018 for the supply and delivery of Metallic Raw Materials under IB Nr. GA-BAC-2018DP-15 with a Contract Price equivalent to THIRTY SIX MILLION SIX HUNDRED EIGHT THOUSAND EIGHT HUNDRED FOUR PESOS and 80/100 (PhP36,608,804.80), in accordance with the Instructions to Bidders is hereby accepted.

You are hereby required to provide within ten (10) days from receipt hereof the performance security in any of the following form and amount:

<table>
<thead>
<tr>
<th>FORM</th>
<th>% of Total Contract Price</th>
<th>AMOUNT (PhP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank payable to National Treasury for the account of Government Arsenal</td>
<td>5%</td>
<td>1,830,440.24</td>
</tr>
<tr>
<td>b) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank</td>
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<tr>
<td>c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission or authorized to issue such security</td>
<td>30%</td>
<td>10,982,641.44</td>
</tr>
</tbody>
</table>

Failure to provide the performance security shall constitute sufficient ground for cancellation of the award and forfeiture of the bid security.

Very truly yours,

[Signature]

DANIEL R. CASABAR, JR
Director

Conforme:

MR. KI SUK HAHN
Date: ____________________________