

PURCHASE ORDER
GOVERNMENT ARSENAL

Entity Name

Supplier: COMPANHIA BRASILEIRA DE CARTUCHOS	P. O. No.: 2018-09-206
Address: <u>Av. Humberto de Campos, 3220-09426-900</u> <u>Ribeirao Pires, Sao Paulo, Brazil</u>	Date: <u>September 17, 2018</u>
TIN: <u>250-726-383-000</u>	Mode of Procurement: <u>Public Bidding</u>
Represented by: <u>Firepower Defense Contractors, Inc.</u> <u>Unit C-305 Lopez Bldg., Session Road, Baguio City</u>	

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

Place of Delivery: <u>Government Arsenal, Lamao, Limay, Bataan</u>	Delivery Term: <u>DAP Camp General Antonio Luna, Lamao, Limay, Bataan</u>
Date of Delivery: <u>Within one hundred eighty (180) calendar days from the receipt of Notice to Proceed (NTP)</u>	Payment Term: _____

Stock/Property No.	Unit	Description	Qty	Unit Cost	Amount
	pc	One (1) Lot 9mm Case and Bullet a. 9mm Case 1. Workmanship The case shall be free from defects such as scaly metal, draw scratch, dents, splits, bevelled underside of head and other defects which will render it unsuitable for the purpose intended. The case shall be free of corrosion, stains, discolorations, dirt, and smears of lacquer. 2. Dimensional and Marking (Head Stamp) Use Drawing No. NPC101N-07 as reference for dimension only but the Head Stamp shall be as indicated in the drawing. 3. Residual Stress Should conform to US or NATO Standard 4. Function and Casualty Test The cartridge shall function using Pistol, 9mm and Sub-Machine Gun without casualty at ambient temperatures, at -54°C ± 2°C and at 52°C ± 2°C. 5. For Visual and Dimensional Inspection Sampling plan is based on ANSI/ASQ Z1.4-2003 using Double Sampling Plan (Normal) and General Inspection Level II. The AQL for Critical (Visual), Major and Minor defects shall be 0.01%, 0.25% and 1.50%, respectively. Quality conformance examination for defects shall be based on MIL-C-70508 (AR) Amendment 8; Military Specification for 9mm Cartridge, Ball, NATO, XM882. 6. Manufacturing Requirement The cartridge case shall be manufactured by a single manufacturer only, within one (1) year from date of award, with the manufacturing date indicated on the packaging.	4,320,000	P 4.99	P 42,292,800.00
	pc	b. 9mm Bullet 1. Workmanship The bullet shall be free from such defects as dent, scratch, split bullet jacket, scaly metal, upset (crooked) point, exposed steel (clad jacket), flat point and other defects which will render it unsuitable for the purpose intended. The bullet shall be clean and free from corrosion, stain, dirt, oil and other foreign matter. 2. Dimensional and Weight Use Drawing No. NPC 201N-04 for reference only.	4,320,000	4.80	

Stock/ Property No.	Unit	Description	Qty	Unit Cost	Amount
		<p>3. Accuracy The average mean radii of all targets of the sample cartridges fired over a range of 25 yards (23m) shall not exceed 3 inches (76mm).</p> <p>4. Bullet Integrity The jacket of the bullet, or any part thereof, shall not strip from the slug when the cartridge is fired.</p> <p>5. For Visual and Dimensional Inspection Sampling plan is based on ANSI/ASQ Z1.4-2003 using Double Sampling Plan (Normal) and General Inspection Level II. The AQL for Major and Minor defects shall be 0.25% and 1.50%, respectively. Quality conformance examination for defects shall be based on MIL-C-70508 (AR) Amendment 8, Military Specification for 9mm Cartridge, Ball, NATO, XM882.</p> <p>6. Manufacturing Requirement The cartridge bullet shall be manufactured by a single manufacturer only, within one (1) year from date of award, with the manufacturing date indicated on the packaging. *****nothing follows*****</p> <p>BASIS: Case and Bullet Division ✓ REF: PR No. 2018-07-228, APP 2018 1st Revision Page 1, D-I-B ✓ PURPOSE: For assembly of 9mm Ammunition ✓ PAYMENT TERM: 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 Shipping Documents, Pre-Delivery Inspection (PDI) Report signed by the Inspection Acceptance Committee and written advice 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 from final acceptance or upon submission of an equivalent special bank guarantee, and for LC payment, additional requirement of 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.</p>			

(Total Amount in Words) FORTY TWO MILLION TWO HUNDRED NINETY TWO THOUSAND EIGHT HUNDRED PESOS only

P 42,292,800.00

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:

Very truly yours,


MR. JERUEL G. SANCHEZ


DANIEL R. CASABAR JR


Atty-In-Fact for CBC
Signature over Printed Name

Director

Date

Fund Cluster: 101101
Funds Available: PHP 42,292,800.00

ORS/BURS No.: 02-101101-2018-09-1632
Date of the ORS/BURS: SEPT 18, 2018
Amount: PHP 42,292,800.00


MS. ALLECIAH D. CARREON, CPA
Chief Accountant