



PROJECT: Supply and Delivery of School Furniture for Elementary, Junior, Senior High Schools CY 2021 School Furniture Program

CONTRACT NO.: 2021c-AdmS4(001to005&014)-BI-CB-031- c200

CONTRACT AGREEMENT

THIS AGREEMENT made and entered into this 9th day of March 2021 2021 by and between DEPARTMENT OF EDUCATION, located at DepEd Complex, Meralco Avenue, Pasig City, Philippines, represented herein by its Secretary, LEONOR MAGTOLIS BRIONES, as per Department Order No. 023, s. 2021 (hereinafter referred to as "DEPED"); and HANDICAPPED PERSONS PRODUCERS COOPERATIVE, represented herein by its authorized representative, REYNALDO C. PALLON, with office address at Munar St., Poblacion West, Sta. Maria, Pangasinan, Philippines (hereinafter referred to as "HAPPC").

DEPED and HAPPC are collectively called "PARTIES."

WHEREAS, DEPED invited bids for the Supply and Delivery of School Furniture for Elementary, Junior, Senior High Schools CY 2021 School Furniture Program consisting of eighteen (18) lots, and received bids from fifteen (15) bidders; DEPED opened, read, and evaluated the bids of the fifteen (15) bidders and declared HAPPC as having the lowest calculated bid for the above-captioned project for Lot No. 17; after evaluation, DEPED post-qualified and declared the bid of HAPPC as the lowest calculated responsive bid for Lot No. 17 in the sum of PHILIPPINE PESOS ONE HUNDRED THREE MILLION, SEVENTY-NINE THOUSAND, TWO HUNDRED TEN and 00/100 (PhP 103,079,210.00) ONLY, (hereinafter called the "Contract Price") detailed as follows:

Lot No.	Region	Items	Quantity	Amount (PhP)
17	NCR, Region II, III and IV-A	Elem. Individual Learner Table	16,020	103,079,210.00
		JHS Individual Learner Table	22,500	
		SHS Individual Learner Table	1,640	
		Elem. Individual Learner Chair	16,020	
		JHS Individual Learner Chair	22,500	
		SHS Individual Learner Chair	1,640	

Agumed
Azel Gamaol
 HAPPC's Witness

REYNALDO C. PALLON
 HAPPC

[Signature]
 HAPPC's Witness
 Chief, DepEd-EFD

LEONOR MAGTOLIS BRIONES
 Department of Education



		Teacher's Table	897	
		Teacher's Chair	897	

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 as required by the 2016 Revised Implementing Rules and Regulations of Republic Act No. 9184 shall be deemed to form and be read and construed as part of this Agreement, viz:
 - i. Philippine Bidding Documents (PBD);
 - a. Schedule of Requirements;
 - b. Technical Specifications;
 - c. General and Special Conditions of the Contract; and
 - d. Bid Bulletin No. 1 dated November 22, 2021.
 - ii. HAPPC's bid, including the Eligibility Requirements, Technical and Financial Proposals, and all other documents or statements submitted;
 - iii. Performance Security;
 - iv. Notice of Award of Contract and HAPPC's conforme thereto; and
 - v. Other contract documents required by existing laws and/or DepEd in the PBD. HAPPC agrees that additional contract documents or information prescribed by the GPPB that are subsequently required for submission after the contract execution, such as the Notice to Proceed, Variation Order, and Warranty Security, shall form part of the Contract.
3. The goods supplied by HAPPC under this Contract shall be picked-up or hauled by the third-party logistics provider designated by DEPED. Risk and title to the Goods shall pass from HAPPC to DEPED upon receipt and final acceptance at HAPPC's warehouse.
4. The goods shall be ready for pick-up or hauling by the third-party logistics provider on or before **March 15, 2022** from receipt of HAPPC of Notice to Proceed (NTP) or within the period as may be prescribed in the NTP.
5. HAPPC shall post a Performance Security within ten (10) calendar days from receipt of the Notice of Award in the form and amount prescribed therein. The performance security shall be posted in favor of DEPED, and shall be forfeited in the event it is established that HAPPC is in default of any of its obligation under this contract. HAPPC shall be responsible for the extension of its performance security and/or undertake to renew its performance security whenever

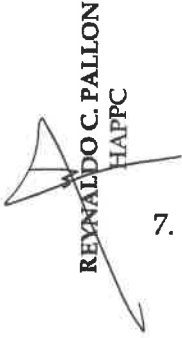
Azel Gammad
 HAPPC's Witness

Reynaldo C. Pallon
 REYNALDO C. PALLON
 HAPPC

Engr. Annabelle N. Pangan
 DEPED's Witness
 ENGR. ANNABELLE N. PANGAN
 Chief, DepEd-EFD

Leonor Magtolis Briones
 LEONOR MAGTOLIS BRIONES
 Department of Education


Hazel Gammed
HAPPC's Witness


REYNALDO C. FALLON
HAPPC


ENGR. ARABELLE N. PANGAN
Chief, DepEd-EPDO


LEONOR MAGTOLIS BRIONES
Department of Education

necessary, and without need of prior notice or instruction from the **DEPED**, to ensure that it is in force and effect for the whole duration of the contract and until a Certificate of Final Acceptance is duly issued.

6. The goods supplied under this Contract should conform to and comply with the standards mentioned in Section VI. Schedule of Requirements of the Bidding Documents, as amended by Bid Bulletin No. 1 dated 22 November 2021, and must be in accordance with the technical specifications of the items, a copy of which is hereto attached as Annex "A" and made an integral part hereof. Any proposal to deliver items of equivalent, higher, or superior technical specifications in lieu of those of the approved bids or samples shall be discretionary to **DEPED** and is subject to the evaluation and recommendation of the end-user or implementing units and the approval of the herein authorized representative and signatory.

7. Goods with defects or non-compliant with the required specifications shall be rejected by **DEPED** and replaced by **HAPPC**. **DEPED** shall have the option to inspect **HAPPC**'s premises covered by the Contract, at any time or stage of contract implementation, to monitor and assess **HAPPC**'s capacity to discharge its contractual obligations.

The procured goods or items contemplated under this Contract shall be inspected by the duly designated **DEPED** Inspectorate Team prior to hauling by the third-party logistics provider in accordance with the Special Conditions of the Contract and the applicable provisions of DepEd Inspection and Acceptance Protocols (DepEd Order No. 041, s. 2021).

9. In case **HAPPC** encounters condition(s) impeding timely delivery of the goods, **HAPPC** shall promptly notify **DEPED** in writing of such condition(s). As a rule and on account of the emergency nature of this project, no work suspensions and/or contract delivery period extension shall be allowed.

10. The Contract Price shall be paid to **HAPPC** in accordance with the following disbursement procedures:

10.1 An advance payment not to exceed fifteen percent (15%) of the Contract Price shall be allowed and paid within sixty (60) calendar days from the signing of the contract. An irrevocable Letter of Credit or Bank Guarantee of an equivalent amount must be submitted and shall remain valid until the goods are delivered and accompanied by a claim for advance payment.

10.2 HAPPC may submit a request for payment based on Progress Reports which shall be attached to the progress billing and include the following: (i) cumulative quantities of items delivered based on the schedule of deliveries and other relevant terms and conditions of the Contract; (ii) Inspection and Acceptance Reports (IARs), including certification by HAPPC duly signed and dated by the authorized representative of the DEPED indicating that the items have been delivered in accordance with the Contract. Other documents in support of a request for payment may be prescribed by DEPED pursuant to existing disbursement, accounting and auditing rules and procedures.

10.3 Subject to recoupment of the advance payment contemplated in Clause 10.1. above, and retention contemplated in the immediately succeeding clause, payment shall be made to HAPPC within sixty (60) days from submission of the documents specified in SCC Clause 2.2 and other documents as may be prescribed by DEPED, in the following manner:

10.3.1. For the initial progress payment, a minimum of twenty-five percent (25%) of the Contract Price shall be paid to HAPPC upon a minimum of twenty-five percent (25%) delivery and acceptance of the items by DEPED's authorized representative;

10.3.2. Final payment shall constitute a release of the retention money in case of expiry of the warranty period, or in case of use in part of the retention money by reason of a call upon the warranty, the final payment shall constitute the release of the balance amount.

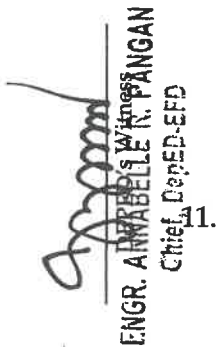
11. Payments shall be subject to the "Warranty" provision in the form of either retention money in an amount equivalent to at least three percent (3%) of every progress payment, or a Special Bank Guarantee in the amount equal to at least three percent (3%) of the Contract Price as required under Section 62 of R.A. 9184 and its revised IRR.

11.1 A comprehensive and onsite warranty of one (1) year for durability based on stress test and of two (2) years against woodborer for the procured items will be applied. The said warranty periods shall reckon from the date of issuance of Certificate of Final Acceptance by the DEPED.

12. HAPPC shall be liable for liquidated damages for the delay in its performance in an amount equal to one-tenth (1/10) of one percent (1%) of the cost of the delayed goods scheduled for delivery, for every day of delay until such goods are finally delivered and accepted by DEPED. DEPED shall deduct the liquidated damages from any money due or which may become due to HAPPC,


Hazel Gammad
HAPPC's Witness


REYNALDO C. PALLON
HAPPC


ENGR. ANNABELLE N. PANGAN
Chief, DepED-EPD


LEONOR MAGTULIS BRIONES
Department of Education

or collect from any of the securities or warranties posted by HAPPC, whichever is convenient to DEPED. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the Contract Price, DEPED may rescind or terminate the Contract without prejudice to other courses of action and remedies available under the circumstances.

13. The PARTIES shall make every effort to resolve amicably and by mutual consultation any and all disputes or differences arising between the Parties in connection with the implementation of the Agreement. Should such dispute not be resolved amicably, it shall be submitted to arbitration in the Philippines according to the provisions of Presidential Decree No. 242 and Executive Order No. 292. Provided, however, that by mutual agreement, the Parties may agree in writing to resort to other alternative modes of dispute resolution.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in accordance with governing laws on the day and year first above written.

SIGNED, SEALED AND DELIVERED BY:


LEONOR MAGTOLIS BRIONES
Department of Education



REYNALDO C. PALLON
Handicapped Persons
Producers Cooperative

SIGNED IN THE PRESENCE OF:


ENGR. ANNABELLE E. TRANGAN
Chief, DepED-EFD


HAPPC's Witness

CERTIFIED FUNDS AVAILABLE: ₱ 103,079,210 -


MA. RHUNNA L. CATALAN
Chief Accountant

REPUBLIC OF THE PHILIPPINES)
PASIG CITY, METRO MANILA) S.S

Hazel Gammod
HAPPCC's Witness

ACKNOWLEDGMENT

BEFORE ME, a Notary Public in and for PASIG CITY, Philippines,
this ___ day of 09 MAY 2022 2022 personally appeared:

NAME GOVERNMENT ISSUED ID
(Number, Issued On, Issued By)

LEONOR MAGTOLIS BRIONES
Department of Education

Reynaldo C. Pallon
REYNALDO C. PALLON
HAPPCC

REYNALDO C. PALLON
Handicapped Persons Producers Cooperative - Tin 218-299-226-000
Date: 11-19-2012 / Q-C.

Known to me and to me known to be the same persons who executed the foregoing instrument and acknowledge to me that the same is the free and voluntary act and deed of the entities which they respectively represent.

The foregoing instrument is a CONTRACT consisting of six (6) pages (exclusive of attachments), including this page on which this acknowledgment is written and signed by the parties hereto and their instrument witness on the left-hand margin of each and every page hereof.

Engr. Annabelle R. Fangan
ENGR. ANNABELLE R. FANGAN
Chief, DepED-EFD

WITNESS MY HAND AND SEAL on the date and place first above written.

Doc. No. 359;
Page No. 73;
Book No. 37;
Series of 2022.

Lifrendo M. Gonzales
ATTY. LIFRENDO M. GONZALES
NOTARY PUBLIC
ROLL NO. 56526
IBP NO. 144023 / 05 JANUARY 2021
PTR NO. 7176224 / PASIG CITY / 05 JANUARY 2021
MCLE NO. VI - 0026760,05/24/2019 UNTIL 04/14/2022
COMMISSION VALID UNTIL DECEMBER 2022

Leonor Magtolis Briones
LEONOR MAGTOLIS BRIONES
Department of Education



DETAILED TECHNICAL SPECIFICATIONS

**Wood and Steel (Learner's Table and Teacher's Table)
Plastic and Steel (Learner's Chair and Teacher's Chair)**

I. Learner's Table (Elementary)

A. COMPLIANCE WITH MATERIAL SPECIFICATIONS		
COMPONENT		BIDDER'S OFFER
1	Table Top Board	18mm thick Marine Plywood (1 side 1.0mm THK High Pressure Laminate HPL / 1 side Varnish finishes on Marine Plywood)
2	Table Top Edging	1mm thk PVC Edging
3	Shelf	Metal WIRE Mesh 4mm THK x50mm x 50mm
4	Front Cover	6 mm thick Marine Plywood (1 side 1.0mm THK High Pressure Laminate HPL / 1 side Varnish finishes on Marine Plywood)
5	Main Frame	20mm x 40mm x 1.0mm steel tubular
6	Secondary Frame	20mm x 20mm x 1.0mm Steel Tubular
7	Adjustable Leveler	8mm Φ Thread with 38mm Φ Plastic base
8	Connector/ FLAT BAR	1mm thk x 25mm x 50mm steel flat bar
9	Connection	4- M5x 12mm length screw
		Full weld
B. SCHEDULE OF FINISHES		
1	Top Board	1 side 1.0mm THK HPL/ 1 side Varnish finish
2	Edging	1.0mm PVC Edging
3	Front Cover	1 side 1.0mm THK HPL/ 1 side Varnish finish
4	Steel Frame	Powder Coated, Black

	Finish	
5	Higg Pressure Laminate (HPL)	Pantone 729C
C. COMPLIANCE WITH DIMENSIONS (mm) +/-10mm		
DIMENSION		BIDDER'S OFFER
1	Table Height	670
2	Table Length	600
3	Table Width	400
D. WORKMANSHIP		
COMPONENT		BIDDER'S OFFER
1	Connection of Steel components	Steel connections and joints are properly welded
2	Connection of Wood to Steel	Wood components are securely fastened to steel frames
3	Paint Finish	Steel components are smoothly painted
4	Wood Finish	HPL securely bonded with the plywood with no signs of bubbles
5	Edging	Edging are properly glued on the sides of the plywood

II. Learner's Chair (Elementary)

A. COMPLIANCE WITH MATERIAL SPECIFICATIONS		
COMPONENT		BIDDER'S OFFER
1	Seat	Blow molded High-Density Polyethylene (HDPE) Plastic
2	Back Rest	Blow molded High-Density Polyethylene (HDPE) Plastic WITH DEPED LOGO SPECIFICATIONS
3	Lower Seat Support	Sq. Tube 1.0mm x 20mm x 20mm
4	Back Support	B.l pipe Tube 1.0 mm x 22mm ϕ
5	Seat Support	B.l pipe Tube 1.0 mm x 20mm ϕ

6	Front leg	B.I pipe Tube 1.0 mm x 22mm Φ
7	Back leg	B.I pipe Tube 1.0 mm x 22mm Φ
8	Metal Filler	13 mm THK
9	Pipe End Cover/ Cap	Plastic Glide
10	Connectors (HDPE to STEEL)	Back HDPE to Steel – Self tapping screw
		Seat HDPE to Steel – 1mm THK 25mmx30mm FLAT BAR, M6x12 Bolt
11	HDPE COLOR	Pantone 4665C
B. SCHEDULE OF FINISHES		
1	High Density Polyethylene (HDPE) Plastic	Pantone 4665C
2	Steel Frame Finish	Powder Coated Paint
C. COMPLIANCE WITH DIMENSIONS (mm) +/-		
DIMENSION		BIDDER'S OFFER
1	Seat Height	395
2	Seat Depth	385
3	Seat Width	375
4	Backrest Height	795
5	Backrest Width	415
D. WORKMANSHIP		
COMPONENT		BIDDER'S OFFER
1	Connections of Steel frames	Steel frame connections and joints are properly and fully welded
2	Connections of HDPE to Steel frames	HDPE Plastic components are neatly attached to steel frames
3	Paint Finish	Steel components are smoothly painted
4	HDPE Plastic	Smoothly contoured

III. Learner's Chair (Secondary) and Teacher's Chair



A. COMPLIANCE WITH MATERIAL SPECIFICATIONS		
COMPONENT		BIDDER'S OFFER
1	Seat	Blow molded High-Density Polyethylene (HDPE) Plastic
2	Back Rest	Blow molded High-Density Polyethylene (HDPE) Plastic WITH DEPED LOGO SPECIFICATIONS
3	Lower Seat Support	Sq. Tube 1.0mm x 19mm x 19mm
4	Back Support	B.I pipe Tube 1.0 mm x 22mm Φ
5	Seat Support	B.I pipe Tube 1.0 mm x 20mm Φ
6	Front leg	B.I pipe Tube 1.0 mm x 22mm Φ
7	Back leg	B.I pipe Tube 1.0 mm x 22mm Φ
8	Metal Filler	13 mm THK
9	Pipe End Cover/ Cap	Plastic Glide
10	Connectors (HDPE to STEEL)	Back HDPE to Steel - Self Tapping screw
		Seat HDPE to STEEL - 1mm THK 25mmx30mm FLAT BAR, M6x12 Bolt
11	HDPE COLOR	Pantone 4665C
B. SCHEDULE OF FINISHES		
1	High Density Polyethylene (HDPE) Plastic	Pantone 4665C
2	Steel Frame Finish	Powder Coated Paint
C. COMPLIANCE WITH DIMENSIONS (mm) +/-		
DIMENSION		BIDDER'S OFFER
1	Seat Height	412
2	Seat Depth	380

3	Seat Width	370
4	Backrest Height	800
5	Backrest Width	410
D. WORKMANSHIP		
COMPONENT		BIDDER'S OFFER
1	Connections of Steel frames	Steel frame connections and joints are properly and fully welded
2	Connections of HDPE to Steel	HDPE Plastic components are neatly attached to steel frames
3	Paint Finish	Steel components are smoothly painted
4	HDPE Plastic Finished	Smoothly contoured

IV. Learner's Table (Secondary)

A. COMPLIANCE WITH MATERIAL SPECIFICATIONS		
COMPONENT		BIDDER'S OFFER
1	Table Top Board	18mm thick Marine Plywood (1 side 1.0mm THK High Pressure Laminate HPL / 1 side Varnish finishes on Marine Plywood)
3	Table Top Edging	1mm thk PVC Edging
4	Shelf	Metal WIRE Mesh 4mm THK x50mm x 50mm
5	Front Cover	6 mm thick Marine Plywood (1 side 1.0mm THK High Pressure Laminate HPL / 1 side Varnish finishes on Marine Plywood)
6	Main Frame	20mm x 40mm x 1.0mm steel tubular
7	Secondary Frame	20mm x 20mm x 1.0mm Steel Tubular
8	Adjustable Leveler	8mm ϕ Thread with 38mm ϕ Plastic base
9	Connector/ FLAT BAR	1mm thk x 25mm x 50mm steel flat bar
10	Connection	Wood to steel: screw: M5x 12mm length screw & blind rivet
		Steel to steel: Full weld for tubular to flat bar connection

B. SCHEDULE OF FINISHES		
1	Top Board	1 side 1.0mm THK HPL/ 1 side Varnish finish
2	Edging	1.0mm PVC Edging
3	Front Cover	1 side 1.0mm THK HPL/ 1 side Varnish finish
4	Steel Frame Finish	Powder Coated, Black
5	High Pressure Laminate (HPL)	Pantone 729C
C. COMPLIANCE WITH DIMENSIONS (mm) +/- 10mm		
COMPONENT		BIDDER'S OFFER
1	Table Height	705
2	Table Length	600
3	Table Width	400
D. WORKMANSHIP		
COMPONENT		BIDDER'S OFFER
1	Connection of Steel components	Steel connections and joints are properly and fully welded
2	Connection of Wood to Steel	Wood components are securely fastened to steel frames
3	Paint Finish	Steel components are smooth and evenly painted
4	Wood Finish	HPL are securely bonded with the plywood with no signs of bubbles
5	Edging	Edging are properly glued on the sides of the plywood

V. Teacher's Table

A. COMPLIANCE WITH MATERIAL SPECIFICATIONS		
COMPONENT		BIDDER'S OFFER
1	Table Top Board	19mm thick Marine Plywood (1 side 1.0mm THK High Pressure Laminate HPL / 1 side Varnish finishes on Marine Plywood)
2	Table Top Edging	2.0mm thk PVC edging

3	Front Cover	1.0mm Thk Cold Roll steel
4	Side Covers	1.0mm Thk Cold Roll steel
5	Main Frame	1.0mm THK x 31mm x 30mm STEEL TUBULAR
6	Secondary Frame	1.0mm THK x 30mm x 30mm STEEL TUBULAR
7	Adjustable Leveler	8mm ϕ Thread with 38mm ϕ Plastic base
8	PULL OUT DRAWER	Drawer Face: 1 side 1.0mm thk HPL laminate/1 side varnished finish on 18mm Thk MARINE PLYWOOD
		Drawer box: 0.6 mm Thk Cold Roll Steel
		Drawer lock: 1 lock per table
9	Connectors	Wood to steel: Wood Screws
		Steel to steel: Full weld
B. SCHEDULE OF FINISHES		
1	Top Board	1 side 1.0mm THK HPL/ 1 side Varnish finish
2	Edging	2.0mm thk PVC edging
3	Front/Side Covers	Powder Coated, Black
4	Steel Frame	Powder Coated, Black
5	Drawer Box	Powder Coated, Black
6	High Pressure Laminate (HPL)	Pantone 729C
C. COMPLIANCE WITH DIMENSIONS (mm) +/- 10mm		
DIMENSION		BIDDER'S OFFER
1	Table Height	750
2	Table Length	1203
3	Table Width	603
D. WORKMANSHIP		
COMPONENT		BIDDER'S OFFER
1	Connection of Steel Frames (Main and Secondary)	Steel connections and joints are properly and fully welded

2	Connection of Steel Frames (Main and Secondary)	Wood components are securely fastened to steel frames
3	Connection of Metal Sheets (Front and Side Cover) to Main Frame	The connection of the metal sheets did not follow the required connections
4	Paint Finish	Steel frame and metal sheets are smooth and evenly painted
5	Wood Finish	HPL are securely bonded with the plywood with no signs of bubbles
6	Edging	Edging are properly glued on the sides of the plywood

