

RENEWAL OF CONSULTANCY AGREEMENT

KNOWN ALL MEN BY THESE PRESENTS:

This Renewal of Consultancy Agreement (the "Agreement") is entered into by and between:

The **ADVANCED SCIENCE AND TECHNOLOGY INSTITUTE (ASTI)**, a research and development agency attached to the **Department of Science and Technology (DOST)** of the government of the Philippines with principal office at ASTI Bldg., UP Technology Park Complex, CP Garcia Ave., Diliman, Quezon City, represented by its Director, **Dr. FRANZ A. DE LEON**, hereinafter referred to as the "**DOST-ASTI**";

-and-

Dr. JOSE ILDEFONSO U. RUBRICO with address at Avida Towers Davao, CM Recto St., Brgy. 34-D, Poblacion District, 8000 Davao City, hereinafter referred to as the "**Consultant**".

The DOST-ASTI and the Consultant are collectively called "**PARTIES**" and individually called "**PARTY**".

WITNESSETH: THAT-

WHEREAS, the DOST-ASTI, in line with its mandate, continually undertakes Research and Development (R&D) activities aimed at strengthening and modernizing Information and Communications Technology and microelectronics to fully attain its goals and objectives;

WHEREAS, there is a need for a technical expert or consultant who shall assist the DOST-ASTI with the conceptualization and implementation of the Automated labeling Machine – Large-Scale Initiative (ALAM-LSI), one of its flagship R&D initiatives, to provide leadership, mentorship, direction, and decision-making for continued implementation of its tasks and deliverables;

WHEREAS, procuring entities may contract the services of a technical expert or consultant in accordance with the provisions of Republic Act (RA) No. 9184, or the Government Procurement Reform Act, and its 2016 revised Implementing Rules and Regulations (IRR);

WHEREAS, Section 53 of the 2016 revised IRR of RA 9184 provides:

"Negotiated Procurement is a method of procurement of Goods, Infrastructure Projects and Consulting services, whereby the Procuring Entity directly negotiates a contract with a technically, legally, and financially capable supplier, contractor or consultant in any of the following cases:

[...]

53.7 Highly Technical Consultants. *In the case of individual consultants hired to do work that is (i) **highly technical or proprietary**; or (ii) primarily confidential or policy determining, where trust and confidence are the primary consideration for the hiring of the consultant: Provided, however, that the term individual consultants shall, at the most, be on a six-month basis, renewable at the option of the appointing HoPE, but in no case shall exceed the term of the latter."*

WHEREAS, the DOST-ASTI Bids and Awards Committee (BAC) conducted the requisite procurement activities, and recommended engaging the services of the Consultant by negotiated procurement in accordance with Section 53.7 of the 2016 revised IRR of RA No. 9184 through BAC Resolution No. 23-12-257 dated 18 December 2023;

WHEREAS, the Director of the DOST-ASTI approved the recommendation of the DOST-ASTI BAC to avail of the technical expertise of the Consultant to assist DOST-ASTI in the implementation of ALAM-LSI Project;

WHEREAS, the DOST-ASTI engaged the services of the Consultant as evidenced by a Consultancy Agreement dated 28 December 2023 setting forth the terms and conditions for the activities to be undertaken by the Consultant. A copy is attached hereto as **Annex "A"**;

WHEREAS, the Contract was renewed twice, specifically from 28 June 2024 to 27 September 2024 and 28 September 2024 to 31 December 2024. Copies are attached hereto as **Annexes "B" and "C"**;

WHEREAS, due to the satisfactory performance of the Consultant in assisting DOST-ASTI in attaining its objective and considering that the service of the Consultant is still needed to cover the remaining period of project implementation of ALaM-LSI until 31 March 2025, the DOST-ASTI decided to renew the services of the Consultant;

NOW, THEREFORE, for and in consideration of the foregoing premises, the DOST-ASTI renews the Contract with the Consultant under the following conditions:

I. OBLIGATIONS OF THE CONSULTANT

The Consultant hereby agrees that he shall continue to devote his technical skills and expertise efficiently and effectively, undivided attention and the best of his ability in the performance of the enumerated hereunder:

1. Provide direction and guidance on the technical development and implementation of the Artificial Intelligence initiative;
2. Serve as a technical consultant and attend meetings during consultations and progress meetings with the researchers, stakeholders, and other relevant institutions and agencies, as applicable;

3. Recruit or assemble a team with the necessary technical expertise in artificial intelligence and robotics;
4. Develop a strategic action plan that outlines the steps and milestones necessary in achieving the objectives of the initiatives in its third year of project implementation;
5. Foster collaboration with relevant stakeholders and interested parties; and
6. Perform other tasks as may be required in relation to the conduct and completion of this project.

II. DELIVERABLES

The Consultant shall continue to submit the following to the DOST-ASTI and its monitoring agency:

1. Three (3) monthly accomplishment reports;
2. Workplan for the initiatives; and
3. Quarterly and/or annual progress reports.

III. COMPENSATION

The total engagement fee for the Consultant is **Four Hundred Ninety-Five Thousand Pesos Only (P495,000.00)** inclusive of government taxes and other charges.

A monthly payment of **One Hundred Sixty-Five Thousand Pesos (P165,000.00)** shall be made on a monthly basis upon submission of his accomplishment report/s.

IV. PERIOD OF ENGAGEMENT

The engagement shall be valid for three (3) months, from 01 January 2025 to 31 March 2025, and renewable at the sole option of DOST-ASTI, after review by the DOST-ASTI Management of the Consultant's performance under this Contract.

V. OWNERSHIP OF MATERIAL

All Intellectual Property (IP) rights arising from the individual intellectual contribution of the Consultant during the contract period shall be recognized as his invention and/or creation under the project. The IP management and other technology transfer initiatives relevant thereto shall be covered by the following rules and policies:

1. Joint DOST-IPOPhil Administrative Order (AO) No. 001, s. 2019, amending the Implementing Rules and Regulations of RA No. 10055;
2. DOST Policy on Intellectual Property as amended, AO No. 016, s. 2019;

3. The Technology Transfer Protocol of the DOST R&D institutes as amended, AO No. 017, s. 2019; and
4. The Intellectual Property Management Protocol of DOST as amended, AO No. 018, s. 2019.

The Consultant agrees to disclose and assign its IP rights to DOST-ASTI to avail of the benefits of an inventor and/or author, as stipulated in the above rules and policies.

VI. NO EMPLOYER-EMPLOYEE RELATIONSHIP

It is expressly agreed that there is no employer-employee relationship between the DOST-ASTI and the Consultant, it being understood that the Consultant is an independent contractor.

VII. LIQUIDATED DAMAGES

Except when it is attributable to the DOST-ASTI's fault or to force majeure, the Consultant's failure to perform his obligations within the period shall be required by the DOST-ASTI for the submission of deliverables enumerated in Section II of this Contract shall make him liable for damages for the delay and shall be imposed of liquidated damages pursuant to RA No. 9184 and its 2016 revised IRR.

VIII. FORCE MAJEURE

Neither party shall be in breach of Contract if there is any partial or total failure by it of its obligations, which is occasioned by force majeure, any act of God, fire, act of the Government, war, commotion, insurrection, embargo, prevention from or hindrance in obtaining any material, energy or other supplies, labor disputes of whatever nature or any other reason beyond its control if such reasons continue and thereby prevent the performance of obligations under said circumstances.

IX. MISCELLANEOUS

In case any one or more of the provisions contained in this Contract or any document executed in connection herewith shall be invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality, and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired.

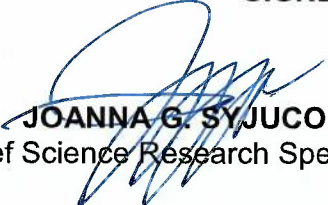
The DOST-ASTI reserves the right to amend any of the above terms and conditions upon written notice to the Consultant. Such changes shall become effective and binding upon the Consultant in the event he does not object or reply to such written notice within a period of ten (10) calendar days from receipt of the notice.

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


FRANZ A. DE LEON, Ph.D.
Director, DOST-ASTI

JOSE ILDEFONSO U. RUBRICO, Ph.D.
Consultant

SIGNED IN THE PRESENCE OF:


JOANNA G. SYJUCO
Chief Science Research Specialist

CERTIFIED FUNDS AVAILABLE:

BURS 022086012025 -02 -000012
FEBRUARY 05, 2025
Php 495,000.00


GAY CONCEPCION S. BUGAGAO
Accountant III

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
_____) S.S.

BEFORE ME, a Notary Public for and in the _____, Philippines, this
_____, personally came and appeared:

NAME	IDENTIFICATION	DATE OF ISSUANCE	PLACE OF ISSUE
Franz A. de Leon	S0033689A (Passport)	08 March 2024	DFA, Manila
Jose Ildefonso U. Rubrico	N02-93-227477 (Driver's License)	07 May 2022	Davao City

Known to me and to me known to be the same persons who executed the foregoing instrument, and they acknowledge to me that the same is their own free and voluntary act and deed and that of the corporation which they hereby represent.

The instrument, consisting of six (6) page/s including the page on which this acknowledgment is written, has been signed on each and every page thereof by the parties and their witnesses.

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

NOTARY PUBLIC

Doc. No. _____
Page No. _____
Book No. _____
Series of _____.