

**UNIVERSITY OF PUERTO RICO
RIO PIEDRAS CAMPUS**

ANNEX A

PROFESSIONAL SERVICES CONTRACT BY DIRECT PAYMENT

APPEARING

THE FIRST PARTY, the **Rio Piedras Campus of the University of Puerto Rico** (from here on, the CAMPUS), represented in this act by its Chancellor _____, of legal age, _____, resident of _____.
(*marital status*)

THE SECOND PARTY, _____, represented in this act by _____, of legal age, _____, resident of _____,
(*if applicable*) (*marital status*)
_____, and _____ by profession.

BOTH PARTIES consent to the present contract in accordance to the following:

TERMS AND CONDITIONS

FIRST: THE SECOND PARTY recognizes that the services rendered under this contract shall be carried out as an independent contractor and that the present contract does not grant THE SECOND PARTY, his employees or agents the rights or prerogatives that the applicable laws or regulations provide for CAMPUS regular employees.

THE PARTIES expressly recognize that by subscribing the present contract it does not imply that it shall be extended further than the expiration date established herein or create any expectation of renewal. Neither does it imply the appointment of THE SECOND PARTY to a regular position in its broadest sense.

If the funds designated for the payment of the services agreed upon this contract are not recurring funds or come from external resources, the duration of this contract will be subject to the sufficiency and availability of said funds. If during the contract period the funds become insufficient to pay the contracted services, THE CAMPUS may resolve this contract by giving written notification to that effect.

SECOND: PUBLIC SERVICE PENSIONERS

If THE SECOND PARTY has retired on a pension because of his age or years of service under any annuity or pension system of the Government of Puerto Rico or of any of its agencies or instrumentalities, or under any retirement or pension fund heretofore or hereafter created under the laws of Puerto Rico, including the Retirement System of the University of Puerto Rico, the following clauses shall apply:

Please select the applicable option:

A. *Applicable to those cases where THE SECOND PARTY shall continue to receive its pension.*

THE SECOND PARTY shall receive an adequate compensation for the services rendered to the CAMPUS, as established in this contract, without detriment to the pension he may be receiving, provided their workday and retribution do not exceed the limits established by Law No. 40 of June 15, 1959, as amended, or by Law No. 10 of April 20, 1967, as amended, whichever is applicable.

B. *Applicable to those cases where THE SECOND PARTY shall suspend his/her pension benefit.*

THE SECOND PARTY certifies that it has provided evidence of the suspension of pension benefits for the present contract period, and therefore it is able to provide services to the CAMPUS without being subjected to the limits relating to their workload and retribution as established by Law No. 40 of June 15, 1959, as amended, or by Law No. 10 of April 20, 1967, as amended, whichever is applicable.

C. *Applicable to both cases described in sub sections A and B, before.*

In those cases where THE SECOND PARTY is an ex certifies that two (2) years have elapsed since the date its retirement became effective. In its defect, THE SECOND PARTY certifies that it is authorized by the Executive Director of the Office of Puerto Rico Government Ethics to render the services herein contracted, as established by Law No. 1-2012, and has provided evidence to that effect.

Additionally, THE SECOND PARTY agrees, as a necessary condition for the granting of the present contract, to provide the following documents and certifications:

Place an X next to the certifications and documents that have been included with this contract:

a. Medical certificate accrediting that the pensioners physical and mental health allow him/her to execute their duties satisfactorily (not required in those cases exempted by the Certification No. 19 (1988-89) of the Counsel of Higher Education).

b. Certification describing the nature of the services rendered by THE SECOND PARTY outside of the CAMPUS, or a certification that THE SECOND PARTY does not render any other services.

c. Certification establishing the starting date and current pension amount, provided by the retirement or pension system of which THE SECOND PARTY is a participant.

d. Certification provided by the personnel office of the public agency or instrumentality, or institutional unit of the UNIVERSITY OF PUERTO RICO where THE SECOND PARTY provided services at the time of his/her retirement that states the position they previously held, as well as the salary they were earning, and the payments made in respect of accumulated ordinary and sick leaves.

THE SECOND PARTY expressly acknowledges that this is an essential condition for the present contract, and that if these certifications are not submitted or are misleading in whole or in part, it will constitute sufficient cause for the termination of this contract by the CAMPUS.

THIRD: THE SECOND PARTY acknowledges this contract does not make him/her eligible to accumulate any ordinary or sick leave, nor does it entitle THE SECOND PARTY to any other rights, with the exception of the required employer's contributions.

FOURTH: Unless THE PARTIES agree to the contrary and so state it in the section titled "OTHER EXPENSES TO BE PAID" (clause number 8) of the "SERVICE CONTRACT BY DIRECT PAYMENT" (Model 251), THE SECOND PARTY shall assume their own costs of transportation, food or housing when providing the services agreed upon in the present contract.

UNIFORM AND MANDATORY CONTRACT CLAUSES

FIFTH: The following are uniform and mandatory contract clauses established by the President of the University of Puerto Rico in his Circular Letter 95-07, as amended, that are hereby incorporate as part of this contract, of which only those pertinent to the present matter shall be binding to BOTH PARTIES, leaving them exempt of those that are inapplicable:

I. INCOME TAX CLAUSE

Select the applicable option(s).

A. *If THE SECOND PARTY is required to pay income taxes to the Commonwealth of Puerto Rico.*

THE SECOND PARTY certifies and guaranties that at the moment of signing this contract it has filed its income tax returns during the previous five (5) years and does not owe the Commonwealth of Puerto Rico any taxes or is otherwise subscribed to a payment plan and is in compliance with the terms and conditions of that plan. THE

SECOND PARTY also certifies, in the same respect, that at the moment of signing this contract it does not owe any taxes concerning its real estate or personal property.

B. *If THE SECOND PARTY is not required to pay income taxes to the Commonwealth of Puerto Rico.*

In the event that, for the reasons mentioned in the Puerto Rico Income Tax Code of 2011, Law No. 1-2011, THE SECOND PARTY is not obligated to file income tax returns during **all** or **part** of the five (5) year period previous to the signing of this contract, then THE SECOND PARTY shall complete **Form SC 2781**, where it shall explain those reasons and it shall submit it duly sworn.

C. *If the contract amount exceeds **sixteen thousand dollars (\$16,000)** per tax year.*

THE SECOND PARTY commits to presenting the following certifications, as a necessary condition for the approval of this contract.

Place an X next to the certifications that have been included with this contract:

a. Certification of Filing Tax Returns (Form SC-2888), issued by the Treasury Department, Internal Revenue Services.

b. Negative Certification of Outstanding Debts (Form SC-6096); or evidence of a payment plan, issued by the Treasury Department of the Commonwealth of Puerto Rico.

c. Negative Certification of Outstanding Debts; or evidence of a payment plan, issued by the Municipal Revenue Collection Center (a.k.a. in Spanish, Centro de Recaudación de Ingresos Municipales, CRIM).

d. Negative Certification of Outstanding Debts; or evidence of a payment plan, issued by the Administration for the Sustenance of Minors (a.k.a. in Spanish, Administración para el Sustento de Menores, ASUME).

e. Negative Certification of Outstanding Debts issued by the Social Security Bureau for Chauffer of the Department of Labor and Human Resources (if applicable).

f. Negative Certification of Outstanding Debts of Unemployment and Incapacity Insurance, issued by the Department of Labor and Human Resources (if applicable).

Instead of submitting the above certifications herein requested, THE SECOND PARTY may evidence its status by submitting the Ideal Certification issued by the Puerto Rico Trade and Export Company.

If THE SECOND PARTY is unable to submit the required certifications, the CAMPUS may proceed with this agreement by accepting a **copy of the schedule or form requesting the certifications with the seal and official signature of the agency that is processing the request.** The SECOND PARTY commits to presenting the following certifications during the **sixty (60) days following the signing of this agreement.** Nevertheless, THE CAMPUS SHALL NOT DISBURSE ANY PAYMENT FOR SERVICES RENDERED UNDER THIS CONTRACT UNTIL THE SECOND PARTY HAS PROVIDED THE REQUIRED DOCUMENTATION. If the above certifications are not submitted in the stated period, it will constitute sufficient cause for the immediate termination of this contract by the CAMPUS.

If the Certifications of Outstanding Debts reflects that THE SECOND PARTY has any outstanding tax debt, but said debt is in the process of being revised or adjusted, THE SECOND PARTY shall state it in writing during the process of signing this contract, certifying that if the revision or adjustment does not proceed, s/he agrees to satisfy said debt through retentions made to the payments to which s/he has the right to receive under this contract, subject to the requirements of the Salary Payment Act, Law No. 17 of April 17, 1931, as amended.

The CAMPUS may terminate the contract immediately if the certifications provided by THE SECOND PARTY reveal that s/he did not submit his/her annual contributions or tax payments during the five (5) years previous to this contract. If THE SECOND PARTY has any tax debt and does not have a payment plan, s/he may continue to render services, only if THE SECOND PARTY accepts and authorizes the retention of the debt amount from the income generated by this contract. If THE SECOND PARTY does not agree, this contract shall be terminated immediately.

Regarding the Negative Certification of Outstanding Debts issued by the Municipal Revenue Collection Center, THE SECOND PARTY has a duty to require from its subcontractors, having said been already authorized by the CAMPUS to carry

out the duties here contracted, to also provide and certify the information requested in this subsection and to notify the CAMPUS accordingly. Following the signing of this agreement and during its term, THE SECOND PARTY shall not subcontract with third parties to perform the duties here contracted, unless the CAMPUS has provided its written authorization. Professionals or technicians hired by the SECOND PARTY shall be considered as subcontractors for purposes of this contract.

D. Applicable to all cases described in sub sections A, B and C, before.

THE PARTIES expressly acknowledge that the duties and conditions established in subsections A, B and C of the present section, are essential conditions for the approval of present agreement, and that if these certifications are not submitted or are misleading in whole or in part, it will constitute sufficient cause for the termination of this contract by the CAMPUS and, as a result, THE SECOND PARTY will have to reimburse any compensation disbursed by the CAMPUS under the present contract.

II. INCOME TAX RETENTIONS AND DISCOUNTS

A. INITIAL RETENTIONS FROM PAYMENTS FOR RENDERED SERVICES.

THE SECOND PARTY authorizes the CAMPUS to apply the corresponding discounts and retentions from the amounts earned for rendered services, as required by the Puerto Rico Internal Revenue Code of 2011, Law No. 1-2011, and in accordance with the Rulings and Regulations issued by the Secretary of the Department of Treasury of the Commonwealth of Puerto Rico. THE SECOND PARTY commits to presenting the certifications, releases and documents that credit its taxing situation, as required by THE FIRST PARTY or its authorized representative, as an essential condition for the approval of this agreement.

Additionally, the CAMPUS shall retain one point five percent (1.5%) of the total amount owed to THE SECOND PARTY for the services rendered as a result of this contract, in respect of the special contribution for professional and consultancy services, as provided by Law No. 48-2013.

B. INCOME TAX RETENTIONS IN THE CASE OF NON-RESIDENT FOREIGN INDIVIDUALS AND CORPORATIONS OR FOREIGN SOCIETIES.

If THE SECOND PARTY is a nonresident individual or a foreign society or corporation, it agrees to pay the government of the Commonwealth of Puerto Rico the required income taxes for the profits, benefits, annual or periodic earnings that it receives as compensation for the services rendered pursuant to this agreement.

Select the applicable option.

a. **FOREIGNER**

The CAMPUS shall retain twenty nine percent (29%) from the payments due to THE SECOND PARTY for the services rendered as a result of this contract, in accordance with Section 1062.08 of Law No. 1-2011, also known as The Puerto Rico Internal Revenue Code of 2011, as amended, and in accordance with the Rules and Regulations established by the Secretary of Treasury.

b. **NON- RESIDENT UNITED STATES OF AMERICA CITIZEN**

The CAMPUS shall retain twenty percent (20%) from the payments due to THE SEOCND PARTY for the services rendered as a result of this contract, in accordance with Section 1062.08 of the Law No. 1-2011, also known as The Puerto Rico Internal Revenue Code of 2011, as amended, and in accordance with the Rules and Regulations established by the Secretary of Treasury.

The retentions mentioned in this clause shall not be applied if the services in whole are not rendered inside the jurisdiction of the Commonwealth of Puerto Rico. If for any reason THE SECOND PARTY has to render some or all of the services in the Commonwealth of Puerto Rico, it shall notify the CAMPUS immediately in order to apply the corresponding retentions, as required by law.

III. TAXES FOR UNEMPLOYMENT INSURANCE, TEMPORARY DISABILITY AND CONTRIBUTIONS TO THE STATE INSURANCE FUND CORPORATION, AND SOCIAL SECURITY FOR CHAUFFER

Select the applicable option(s).

THE SECOND PARTY certifies and guaranties that it does not owe any payments of State Insurance Fund Corporation premiums, Unemployment Insurance, Temporary Disability and Social Security for Chauffer; or that it is subscribed to a payment plan whose terms and conditions it is complying with.

THE SECOND PARTY certifies and guaranties that it has no obligation to pay the above mentioned taxes because it does not have employees.

In either case, THE SECOND PARTY recognizes that this is an essential condition for the approval of this contract and that in the event that the aforementioned certifications and guaranties are not correct in total or in part, it shall constitute sufficient cause for the termination of this agreement by THE FIRST PARTY, and, as a result, THE SECOND PARTY will have to reimburse any compensation disbursed by THE FIRST PARTY under the present contract.

IV. CONFLICT OF INTERESTS

This contract does not limit THE SECOND PARTIES ability to freely practice their profession, nor to engage in legitimate business as any other business person, but **THE SECOND PARTY expressly recognizes its duty to not accept any professional or personal interest in any matter that may represent a conflict of interests between THE SECOND PARTY and the CAMPUS.**

THE SECOND PARTY acknowledges that, in fulfilling the obligations herein contracted it has a duty of complete loyalty to the CAMPUS, which includes not having adverse interests towards the CAMPUS. Those adverse interests include, but are not limited to, the representation of clients that have or could have conflicting interests against the CAMPUS. This duty also includes THE SECOND PARTY's continuing obligation to notify the CAMPUS all the circumstances surrounding its relationships with clients and third parties, and any interest that might influence the CAMPUS at the moment of subscribing this agreement and during its term.

THE SECOND PARTY represents conflicting interests when, in benefit of one client, it has a duty to promote something over which it has a duty to oppose to in fulfilling its obligations to a previous, present or potential client. In addition, THE SECOND PARTY represents conflicting interests when its conduct is considered to be in conflict of interest according to the rules of ethics of its profession or the laws and regulations of the Commonwealth of Puerto Rico. When contracting with corporations, societies, firms, a violation of this Section will occur when one of its directors, associates, or employees incurs in the conduct herein described. THE SECOND PARTY will avoid even the appearance of an existence of conflict of interests.

THE SECOND PARTY acknowledges the CAMPUS' inspection powers, regarding the observance of the prohibitions of this Section. In the event that the CAMPUS understands that adverse interests exist or that have resulted, it shall notify in writing its findings and its intention to resolve this contract to THE SECOND PARTY within thirty (30). During this period, THE SECOND PARTY may request a meeting with the CAMPUS, which shall be granted in all cases, to present its arguments in response to the determination of a conflict of interest. If a meeting is not requested during said term or if the controversy is not resolved satisfactorily during the meeting, the agreement shall be resolved without more, **effective when notice of the determination to resolve is issued.**

V. COMPLIANCE WITH LAW NO. 1-2012, THE GOVERNMENTAL ETHICS ACT

THE SECOND PARTY accredits having received copy of The Governmental Ethics Act of Puerto Rico, Law No. 1-2012, and agrees to comply with its dispositions.

THE SECOND PARTY states that no CAMPUS representative, employee or public official has any pecuniary interest, direct or indirect, in the celebration of this contract, in accordance with Law No. 1-2012, known as the Governmental Ethics Act of Puerto Rico. In the same respect, the CAMPUS' authorized representative for this act, certifies that it has no pecuniary interest in the execution of this contract.

THE SECOND PARTY accredits it knows and will act in accordance with the ethical norms of his/her profession and that s/he assumes the consequences of his/her actions.

VI. COMPLIANCE WITH THE CODE OF ETHICS FOR CONTRACTORS SUPPLIERS OF GOODS AND SERVICES AND APPLICANTS FOR ECONOMIC INCENTIVES OF THE EXECUTIVE AGENCIES OF THE COMMONWEALTH OF PUERTO RICO

The SECOND PARTY accredits having received a copy of Law No. 84-2002, as amended, known as the Code of Ethics for Contractors, Suppliers of Goods and Services, and Applicants for Economic Incentives of The Executive Agencies of The Commonwealth of Puerto Rico and agrees to comply with its provisions.

Payments shall be made following a certification that the services have been rendered in the corresponding stages; said certification shall be incorporated in every invoice and it shall read as follows:

Under penalty of absolute nullity we certify that no official employee of the University of Puerto Rico, is a party or has any interest in the profits or benefits derived from the services performed under the contract pursuant to which this bill is issued and in the event that it is a party or has an interest in the profits or the benefits derived from the services rendered under said contract, a previous exemption has been mediated. The only consideration given for supplying goods or services covered by the contract has been the payment agreed to by the authorized representative acting on behalf of the University of Puerto Rico on said contract. The amount of this bill is fair and correct. The works have been performed, the services have been rendered, the products or deliverables have been delivered and have not been paid for.

THE PARTIES STIPULATE THAT IN ABSENCE OF THE PREVIOUS CERTIFICATION, THE INVOICE WILL NOT BE PROCESSED NOR WILL IT BE PAID BY THE CAMPUS.

VII. DOCUMENT RETENTION

THE SECOND PARTY agrees to retain and safeguard any reports, working and assistance sheets and other documentation related to the services rendered pursuant to this agreement so that they may be examined or copied by the Office of the Internal Auditors of the University of Puerto Rico, by external auditors firms hired by the University of Puerto Rico or by the Office of the Comptroller of Puerto Rico while intervening with the CAMPUS. Audits shall be performed on reasonable dates during the course of the services or after them in accordance with generally recognized auditing standards. Said documents shall be kept for a period of no less than six (6) years or until the Office of the Comptroller of Puerto Rico concludes its investigation, whichever occurs first.

VIII. NO DISCRIMINATION

BOTH PARTIES certify that they will not engage in any discriminatory practices related to race, color, sex, sexual orientation or gender identity, birth, age, origin or social condition, ascendance, marital status, ideas or religious or political beliefs, nationality, ethnic origin, veteran status of the Armed Forces or physical or mental disability in its employment, contracting and subcontracting practices.

IX. DECLARATION OF NOT RECEIVING PAYMENT OR COMPENSATION FOR SERVICES RENDERED TO ANOTHER AGENCY

Select the applicable option.

THE SECOND PARTY certifies that it does not occupy any regular or position of trust in any instrumentality of the Commonwealth of Puerto Rico and that it does not receive payment or compensation for regular services rendered under appointment or a professional services contract with an agency or department of the Commonwealth of Puerto Rico, except for those cases expressly authorized by law. THE SECOND PARTY also certifies it does not render any services to any municipality of the Commonwealth of Puerto Rico.

THE SECOND PARTY certifies that it has a contract with the UNIVERSITY OF PUERTO RICO or with an agency or department or municipality of the Commonwealth of Puerto Rico, in accordance with the exemptions authorized by law and it also guarantees that no incompatibility exists between both contracts. THE SECOND PARTY is aware that, if s/he is an employee of any public agency, s/he shall not render any services to the CAMPUS until the Nominating Authority of said agency provides the required authorization, as established by Law No. 100 of June 27, 1959.

The last time that THE SECOND PARTY worked for a public entity or agency or for the University of Puerto Rico was on _____.
Date

If THE SECOND PARTY is a current employee of the UNIVERSITY OF PUERTO RICO:

THE PARTIES clarify that THE SECOND PARTY is a professor or employee of the UNIVERSITY OF PUERTO RICO, (unit) _____, and that this agreement is subscribed in accordance with CAMPUS rules and proceedings for the contracting of its employees. In addition, the CAMPUS' authorized representative, in this agreement, certifies that it has no pecuniary interest in the same.

If THE SECOND PARTY (or a member of family unit within the fourth degree of consanguinity or second of affinity) is or has been an employee of the UNIVERSITY OF PUERTO RICO system during the two (2) years previous to the signing of this contract, THE SECOND PARTY certifies that it is authorized by the Executive Director of the Office of Puerto Rico Governmental Ethics to render the services herein contracted, as established by Law No. 1-2012, and has provided evidence to that effect.

X. COMPLIANCE WITH THE CHILD SUPPORT ACT AND ELDERLY SUPPORT ACT

Select the applicable option(s).

1. Individual

The SECOND PARTY certifies and guarantees that at the time of signing this contract, s/he is up to date with his/her child or elderly support payments or is subscribed to a payment plan and is in compliance with the terms and conditions of said plan.

THE SECOND PARTY certifies and guarantees s/he does not have an obligation to pay child or elderly support.

2. Legal entity

In the event that THE SECOND PARTY is a legal entity it certifies and guarantees that it is in compliance with the orders, if any, addressed to its attention as an employer requiring THE SECOND PARTY to retain from the salaries of its employees the amounts corresponding to child or elderly support payments.

3. In all cases

THE SECOND PARTY acknowledges that the aforementioned certifications and guarantees are essential conditions for the approval of this agreement and that in the event that THE SECOND PARTY's certifications and guarantees are untrue or misleading, it will constitute sufficient cause for the termination of this contract by the CAMPUS, in which case, THE SECOND PARTY will have to reimburse the CAMPUS all sums of money received under the present contract. (*see* Article 30 of Act No. 86 of August 17th, 1994; Article 2 of Law No. 3-2014).

XI. NO CONVICTION FOR OFFENSES AGAINST THE PUBLIC INTEREST

THE SECOND PARTY certifies and guarantees that it has not been convicted or found guilty, neither in the courts of the Commonwealth of Puerto Rico nor in federal courts, of any offense against public funds, functions and trust or of an offense that involve state or federal public funds or property. THE SECOND PARTY acknowledges that the aforementioned certification and guarantee is an essential condition for the approval of this contract and that in the event that it were untrue, this will constitute sufficient cause for termination of this contract by the CAMPUS, in which case, THE

SECOND PARTY will have to reimburse the CAMPUS all sums of money received under the present contract.

If this contract is for the hiring of non-personal services, THE SECOND PARTY has to hand over a sworn declaration before a Notary Public, where it gives notice of any convictions or has pleaded guilty of any of the offenses enumerated in Article 3 of Law No. 458-2000, as amended, or if it is under any investigation relating to a legislative, administrative or judicial proceeding, either in Puerto Rico, the United States or in any other country. If the information is in the affirmative, THE SECOND PARTY shall specify the offenses for which it was convicted or pleaded guilty to.

XII. COMPLIANCE WITH THE INVESTMENT IN THE PUERTORICAN INDUSTRY ACT

In those applicable instance and pursuant to Law No. 14 -2004, THE SECOND PARTY agrees, while rendering the services here contracted, to utilize articles extracted, produced, assembled or distributed in Puerto Rico, by companies with operations in Puerto Rico or distributed by agents established in Puerto Rico, so long as they are available.

XIII. COMPLIANCE WITH LAWS

THE SECOND PARTY shall dully comply with all the laws and regulations of the Commonwealth of Puerto Rico and the United States of America, as applicable, as well as, with the University of Puerto Rico Act and its regulations. Also, THE SECOND PARTY stipulates that this contract shall be governed and interpreted in accordance with the laws of Commonwealth of Puerto Rico and that the court with jurisdiction to address any claims relating to the execution of this contract shall be the General Court of Justice, Trial Court, San Juan Court Room. THE SECOND PARTY stipulates it renounces any defense preached under the doctrine of conflicting laws.

XIV. COMPLIANCE WITH LAW NO. 18 OF OCTOBER 30, 1975, AS AMENDED

BOTH PARTIES stipulate that, in accordance with Law No. 18 of October 30, 1975, as amended, 2 PR Stats § 97 - §98, no performance or remuneration subject to this contract shall be demanded until after this agreement has been filed for registration with the Office of the Comptroller of Puerto Rico. THE PARTIES accept and acknowledge that in the event that the Office of the Comptroller of Puerto

Rico notifies any objection to the content of this contract, THE PARTIES shall have thirty (30) days to rectify it.

XV. NO RENDERING SERVICES WITHOUT WRITTEN AMENDMENT

BOTH PARTIES stipulate that any amendment, alteration or change they agree upon in regards to the terms and conditions of this contract shall be incorporated to the same through a written amendment and in accordance with the rules and regulations for the contracting of professional services established by the UNIVERSITY OF PUERTO RICO. Also, THE PARTIES stipulate that no services will be rendered once the term of the present contract has expired. NO SERVICES RENDERED IN VIOLATION TO THIS CLAUSE SHALL BE PAID. Any employee who requires or accepts THE SECOND PARTY's services in violation to this clause, does so without any legal authority.

XVI. THE CAMPUS NAME

THE SECOND PARTY shall neither use the name of the CAMPUS, nor the abbreviation "UPRRP", the stamps, logos, shields nor any distinctive trademark of the Rio Piedras Campus of the University of Puerto Rico, in any imprint or electronic means currently in existence or later created, without the prior written consent of the CAMPUS.

XVII. COPYRIGHTS

THE SECOND PARTY agrees that, in relation to this contract, any work of authorship that is commissioned or results from the execution of the present contract (the "works") shall be considered "work for hire", as defined by the federal Copyrights Act. To the extent that any of those works is not a work for hire to be owned by the CAMPUS, THE SECOND PARTY grants and transfers to the CAMPUS all rights THE SECOND PARTY owns or may acquire over said works. THE SECOND PARTY agrees to hand over and sign in favor of the CAMPUS, be it during or after the term of this contract, any documents the CAMPUS deems convenient to serve as evidence of the copyrights transfer.

XVIII. TRANSFER OR CESSION OF RIGHTS OR PAYMENTS

THE SECOND PARTY's rights under this contract shall not be transferred or ceded to third parties without the CAMPUS's prior written consent.

XIX. CERTIFICATE OF GOOD STANDING AND EXISTENCE

If THE SECOND PARTY is a corporation registered with the Corporations Registry of the Puerto Rico State Department, it shall provide evidence of its good standing and its incorporation by presenting a Certificate of Good Standing and its Certificate of Existence, issued by said governmental entity.

If THE SECOND PARTY is a foreign corporation and if the services are to be rendered in Puerto Rico, THE SECOND PARTY shall only be required to present evidence of its Certification of Authorization to Conduct Business in the Commonwealth of Puerto Rico, issued by the Single Service Center of the Puerto Rico State Department.

THE SECOND PARTY may evidence its status by submitting the Ideal Certification issued by the Puerto Rico Commerce and Exportation Company, in lieu of the aforementioned certifications.

If THE SECOND PARTY is a corporation, its authorized representative certifies it has provided the CAMPUS with a corporate resolution in order to evidence his/her capacity to represent THE SECOND PARTY in this act.

THE SECOND PARTY acknowledges that the aforementioned certifications and guarantees are essential conditions for the approval of this contract and that in the event that THE SECOND PARTY's certifications and guarantees are untrue, it will constitute sufficient cause for the termination of this contract by the CAMPUS, in which case the SECOND PARTY will have to reimburse the CAMPUS all sums of money received under the present contract.

XX. UNIVERSITY OF PUERTO RICO AS AN EXEMPT ENTITY

THE UNIVERSITY OF PUERTO RICO carries out a public service of the Commonwealth of Puerto Rico and, as a result, it is exempt from the payment of income taxes for which reason it will not assume any payment related thereto, as provided in Law No. 1 of January 20 of 1966, as amended (18 P.R. Stats. §612(f)).

XXI. WAIVER

THE SECOND PARTY shall be liable for any judicial and/or extrajudicial and/or administrative claim, and shall provide compensation for any damages and/or injuries and/or emotional or moral anguish suffered by any person or legal entity, caused by the actions or omission of THE SECOND PARTY, its agents, employees or persons s/he is responsible for, when said damages occur partially or in whole during or as a result of the

execution of the works or services here contracted, releasing and exonerating the CAMPUS of any liability.

XXII. TERMINATION

The CAMPUS may terminate this contract by providing THE SECOND PARTY with a written notice thirty (30) calendar days prior to its resolution, except in the case of teaching staff, for which this contract may not be resolved during its term, but only for extraordinary circumstances. Additionally, the CAMPUS may immediately terminate this contract without previous notice if THE SECOND PARTY incurs in negligence, violation or breach of any of its clauses.

This contract shall be rescinded if during its execution THE SECOND PARTY is found guilty of crimes against public funds, functions and trust, or where state or federal government funds or property are involved.

In the event of the rescission or resolution of this contract under this clause, the only remedy TH SECOND PARTY shall be entitled to shall be the collection of the amounts due for services rendered to and accepted by the CAMPUS up to the date the contract resolution or rescission was notified.

ACCEPTANCE

In witness whereof, the PARTIES sign this contract and place their initials on all its pages; in San Juan, Puerto Rico, on the date stated below.

SECOND PARTY

**CAMPUS – CHANCELLOR
or Authorized Representative**

Name in print letter

Name in print letter

Signature

Signature

Social Security Number (foreigners:
passport, visa o number assigned by the
Puerto Rico Treasury Department)

Employer Social Security Number

Contract date
(To be complete by the Office of the Chancellor)