

AGREEMENT BETWEEN
THE UNIVERSITY OF PUERTO RICO-MAYAGÜEZ
AND THE PUERTO RICO ELECTRIC POWER AUTHORITY
ON THE MATTER OF INEL 6077
OFFERED VIA INTERNET BROADCAST

The Puerto Rico Electric Power Authority, hereinafter referred to as "PREPA", a public corporation and government instrumentality of the Commonwealth of Puerto Rico, created by Act of May 2, 1941, No. 83, as amended, employer's
represented in this act by its Executive
Director, Edwin Rivera Serrano,

The University of Puerto Rico, Mayagüez Campus, hereinafter referred to as "UPRM", an institution of higher education, located in Mayagüez, Puerto Rico,
represented in this act by its
Chancellor, Dr. Jorge Iván Vélez Arocho

UPRM and PREPA agree as follows:

1. UPRM will offer PREPA the course INEL 6077-Electric Power System Transients, hereinafter referred to as "the course", via Internet broadcast as a professional development course. This academic offer will be regulated by all pertinent Academic and Administrative Regulations of the University of Puerto Rico and University of Puerto Rico Mayagüez.
2. UPRM and the professor of the course, Dr. Lionel R. Orama-Exclusa, will hold the copyrights of the course. PREPA and the engineers attending the course agree that all course material created by the professor of the course, materials such as but not limited to: electronic and printed copies of presentations, summaries, examples, exams, projects and homework will be used only by the engineers officially registered in the course and will only be used for the purpose of learning the course material, and for the performance of the engineers' duties and responsibilities directly related to their work in PREPA. Any other use, such as teaching a similar course or topics covered in the course to a third party, is expressly forbidden.
3. The course will be recorded as it is being offered and videotapes will be provided to PREPA to be used as course aid material by those engineers officially registered in the course. PREPA and the engineers attending the course agree not to make copies, in video or any other format, of these tapes. The tapes are the property of UPRM and must be returned to UPRM by noon December 22nd, 2005.
4. This Agreement shall be in effect from August 8, 2005 to December 22, 2005. The course will be given Monday and Wednesday from 4:30 pm to 6:00 pm. Or on another three (3) hours a week format as agreed by both parties.

Notwithstanding anything to the contrary in this Contract regarding its term, PREPA may, at any moment, terminate, cancel or accelerate its

expiration, after giving UPRM a not less than thirty (30) days prior notice, when in PREPA's judgment such action responds to PREPA's best interests. Provided that, in the event the UPRM fails to comply with any of its obligations under the Contract, PREPA may declare an immediate contract termination, cancellation or rescission, without prior notice to UPRM. The exercise of its right to terminate, cancel or rescind the Contract shall not be understood as a waiver by PREPA to any other remedy it may have under this Contract or under the law for delays or breach incurred by the UPRM in the performance of its obligations under the Contract.

5. In accordance with the terms and conditions contained herein, PREPA agrees to pay and the UPR accepts, as full payment for the complete performance of this Agreement, the firm price of \$4,176.00, plus any additional amount to be paid due to extra work ordered by PREPA.
6. UPRM has an agreement with the Canadian/American EMTP User Group (CanAmUG) under which CanAmUG has provided UPRM with a royalty-free university site license agreement for the PC version of the Alternative Transients Program (ATP). Under such agreement UPRM can do research using ATP as well as use it for teaching. Since persons officially registered in the course are required to use the ATP software to solve homework problems and projects PREPA must maintain an equivalent license agreement for the use of ATP with the CanAmUG.
7. UPRM, at its own expense, shall defend any suit or action brought against the Authority based on a claim that any equipment or part thereof, copyright or uncopyrighted composition, secret process, patented or unpatented invention, article, or appliance manufactured or used in the performance of this Contract, including their use by the Authority, constitutes an infringement of any patents or copyrights of the United States, if notified promptly in writing by the Authority, and given the authority, information, and assistance for the defense of the same, and the UPRM shall pay all damages and costs awarded therein against the Authority. If, in such suit, the equipment or any part thereof, of the composition, secret process, invention, article or appliance, is held to constitute infringement and its use is enjoined, the UPRM, at its option and expense, shall either procure for the Authority the right to continue using the same for the performance of this Contract. Also, can replace it with non-fringing equipment, composition, secret process, invention, article or appliance, or modify it so it becomes non-infringing.
8. PREPA understands that providing the course material to a third party or use of the program beyond what has been previously stated may cause irreparable and substantial loss or damage to UPRM. In the event PREPA does not comply with this agreement, UPRM may undertake administrative or legal actions that it deems necessary to obtain adequate reparation to the damages inflicted by PREPA. In this case, PREPA shall indemnify UPRM all damages and losses that this infringement

94.

may cause and will reimburse all costs and legal fees incurred by UPRM to obtain the reparation of those damages.

9. The conditions previously established are applicable to PREPA, its employees, administrators, representatives, agents or successors. The obligations described in this agreement will not be transferred by PREPA to third parties.
10. PREPA agrees to take all necessary measures to ensure its employees, administrators, advisors or any of its agents that have access to the material and software described in this agreement comply with the terms previously established.
11. PREPA and UPRM agree that their respective responsibilities for damages related to the terms and conditions will follow the Civil Code of Puerto Rico and the jurisprudence of the Supreme Court of Puerto Rico.
12. If a court of competent jurisdiction declares any of the Contract provisions as null or invalid, such holding will not affect the validity and effectiveness of the remaining provisions of the Contract and the parties agree to comply with their respective obligations under such provisions not included by the judicial declaration.
13. Any notice to be given hereunder shall be in writing and will be sufficiently served when delivered in person or properly mailed to the following addresses:

TO PREPA: PUERTO RICO ELECTRIC POWER AUTHORITY
PO Box 364267
San Juan, Puerto Rico 00936-4267

Attention: Mr. Edwin Rivera Serrano
Executive Director

To UPRM : Universidad de Puerto Rico - Mayagüez
Oficina del Rector
P.O. Box 9000
Mayagüez, Puerto Rico 00681-9000

Attention: Dr. Jorge I. Vélez Arocho
Chancellor

14. The parties hereto shall be excused from performing hereunder and shall not be liable in damages or otherwise, if and only to the extent that they shall be unable to perform, or are prevented from performing by a Force Majeure event. For purposes of this Contract, Force Majeure means any cause without the fault or negligence, and beyond the reasonable control of, the party claiming the occurrence of a Force Majeure event. Force

Majeure may include, but not be limited to, the following: Acts of God, industrial disturbances, acts of the public enemy, war, blockages, boycotts, riots, insurrections, epidemics, earthquakes, storms, floods, civil disturbances, lockouts, fires, explosions, interruptions of service due to the acts or failure to act of any governmental authority, provided that these events, or any other claimed as a Force Majeure event, and/or its effects, are beyond the reasonable control and without the fault or negligence of the party claiming the Force Majeure, and that such party, within ten (10) days after the occurrence of the alleged Force Majeure, gives the other party written notice describing the particulars of the occurrence and its estimated duration. The burden of proof as to whether a Force Majeure has occurred shall be on the party claiming the Force Majeure.

15. This Agreement shall be governed and construed in accordance with the laws of the Commonwealth of Puerto Rico. The parties will attempt to settle all disputes arising under or in connection with this Agreement through consultation and negotiation in good faith and a spirit of mutual cooperation. If those attempts fail, all claims or disputes arising out of or in connection with this Agreement shall be resolved by mediation or arbitration according to the laws of the Commonwealth of Puerto Rico.

16. The parties agree that the provisions of paragraphs 2, 3, 8 and 9 shall survive termination or expiration of this Agreement.

IN WITNESS WHEREOF this Agreement has been executed by each of the Parties and is effective as of the Effective Date. In San Juan, Puerto Rico, the 15 day of ~~July~~, 2005.

August

Ing. Edwin Rivera Serrano
Executive Director
Puerto Rico Electric Power Authority
San Juan, Puerto Rico

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Dr. Jorge Iván Vélez Arocho
Chancellor
University of Puerto Rico at Mayagüez
Mayagüez, Puerto Rico