

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
UNIVERSITY OF PUERTO RICO AT MAYAGUEZ
AND
PATHSTONE CORPORATION**

THIS MEMORANDUM OF UNDERSTANDING is made by and between the University of Puerto Rico at Mayaguez (UPRM), a land-grant public institution of higher learning located in the Commonwealth of Puerto Rico, here represented by its Acting Chancellor Lucas Noé Avilés Rodríguez,

in exercise of the duties and powers conferred upon him by the Law of the University of Puerto Rico, established by University Rules and regulations, approved January 20, 1966 and PathStone Corporation (known as PathStone), a non-profit organization that has been established pursuant to non-profit law, incorporated in NYS, and approved to do business in Puerto Rico and Puerto Rico, here represented by its PathStone Enterprise Center President, Hubert VanTol,

WHEREAS, UPRM and PathStone are aware that high quality education, training, knowledge dissemination, service and outreach are the basis for the economic well-being and development of Puerto Rico;

WEREAS, UPRM and PathStone are concerned with the issues of assessment and understanding, the advancement of knowledge, and the development of human resources as basic elements necessary for redressing economic underdevelopment;

WEREAS, UPRM and PathStone are concerned with issues of continued and sustainable development of entrepreneurship, and the need for creative, competent entrepreneurial technical assistance and capital investment in Puerto Rico;

WHEREAS, collaboration between the two institutions which share economic, and human development goals is highly desirable;

NOW, THEREFORE, in consideration of the mutual understandings set forth, the Parties do hereby mutually agree as follows:

I. PURPOSE

- a. This Memorandum of Understanding is intended to facilitate all exchanges and cooperative initiatives between UPRM and PathStone in economic development activities in Puerto Rico, including but not limited to the west-central region of

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Puerto Rico through technical assistance, curriculum based trainings services to entrepreneurs.

- b. This Memorandum of Understanding sets forth a basis for future agreements between UPRM and PathStone to seek funding from federal and state government sources, and to engage in the joint preparation of proposals for such funding.

II. IMPLEMENTATION

The intent of this Memorandum of Understanding shall be implemented by collaborative planning, development, proposals and implementation of joint interdisciplinary programs in the areas of economic development. UPRM and PathStone shall each appoint a program manager to be charged with implementing the terms of this Memorandum of Understanding.

III. SUPPLEMENTAL AGREEMENTS

This memorandum of understanding may be supplemented by agreements for specific projects signed by authorized representatives of UPRM and PathStone.

Each agreement shall specify:

- a) Objectives;
- b) Implementation plan;
- c) Responsibilities of each institution;
- d) Budget and sources(s) of funding;
- e) Timetables and evaluation criteria;
- f) Effective dates; and
- g) When applicable, the cost apportioned to each institution.

IV. OTHER TERMS AND CONDITIONS

- a. UPRM and PathStone shall be responsible for their respective costs associated with the activities in this Memorandum of Understanding. Payments for costs associated with future agreements will be subject to negotiations between UPRM and PathStone.
- b. Nothing in this Memorandum of Understanding shall obligate UPRM and PathStone, individually or collectively, to any current or future expenditure of resources in advance of the availability of appropriations through their respective fiscal authorization procedures.
- c. UPRM and PathStone are to share the confidential information jointly developed, under the terms of this Memorandum of Understanding.

V. PERIOD OF AGREEMENT

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This Memorandum of Understanding shall be effective immediately when signed by authorized representatives of both UPRM and PathStone and shall remain in force for five (5) years from the date unless terminated according to the provisions of paragraph VIII (Termination) below. This Memorandum of Understanding shall be renewable for additional time periods as mutually agreed upon by representatives of UPRM and PathStone.

VI. EQUAL OPPORUNITY

UPRM and PathStone subscribe to the policy of Equal Opportunity and will not discriminate on the basis of race, sex, age, political orientation, ethnicity, religion, or national origin. UPRM and PathStone shall abide by these principles in the administration of this Memorandum of Understanding, and neither entity or any of its representatives shall knowingly impose criteria for the exchange of scholars, staff or students that would violate the principles of nondiscrimination.

VII. MODIFICATION

This Memorandum of Understanding may be modified only in writing by authorized representatives of UPRM and PathStone. Modifications shall be incorporated by reference and made a part of this Memorandum of Understanding.

VIII. TERMINATION

This Memorandum of Understanding may be terminated at any time by written mutual agreement of upon sixty (60) days advance notice by either Party. Each party shall be responsible for its own costs incurred during the preparation and execution of this Memorandum of Understanding.

IX. FINAL DISPOSITONS

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1) The two parties are committed to maintaining records of all reports of timesheets for jobs, communications and all other documents related to the coordination of activities discussed in this agreement in order that they be available for examination or copying by the Office of Internal Auditors of the University of Puerto Rico, by a firm of outside auditors hired by the University of Puerto Rico, by the Office of the Comptroller of Puerto Rico in its auditing of the University of Puerto Rico as required by law. Audits will be carried out at reasonable times during the course of the services or after their completion, in accordance with generally recognized auditing practices. Said documents will be kept for a period of no less than six (6) years or until the Office of the Controller of Puerto Rico has made its investigation, whichever occurs first.

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2) Neither party shall use the name of the other institution, its initials, stamp, logos, seal, or any other identifying emblem or distinctive symbol of the other institution without the express written authorization of the institution to which said objects belong.

3) Neither the parties shall assume any liabilities to each other. As to liability to each other the parties do not waive any defense as a result of this agreement. Likewise, this provision shall not be construed to limit the parties' rights, claims or defenses which arise as a matter of law pursuant to any provisions of this agreement. Additionally, this agreement shall not be construed to limit the sovereign immunity of the Government of Puerto Rico and the University of Puerto Rico.

4) Each of the parties consents to exempt and exonerate the other party from responsibility in the case of any judicial or extrajudicial claim, and to provide indemnity for damages and/or mental or moral anguish that may be suffered by any person or legal entity, when said damages are alleged to have been caused by the negligent, reckless, and/or culpable actions, conduct, or omissions of each party, its agents or employees, when such damages shall have occurred totally or partially during the realization of this Agreement.

5) This Memorandum of Understanding shall be constructed and governed under the laws and regulations of the Commonwealth of Puerto Rico.

6) LAW 127 OF MAY 31, 2004 CLAUSE- No service shall be rendered or received based on the terms of this memorandum of understanding until it is presented for registry in the Office of the Controller of the Commonwealth of Puerto Rico according to Law No. 18, dated October 30, 1975.

7) INDEPENDENT CONTRACTOR CLAUSE: In performing activities under this Memorandum of Understanding, PathStone shall be considered as an independent contractor and shall not be entitled to any benefits applicable to employees of UPRM. The employees of PathStone shall not be considered as employees of the UPRM. Nothing in this Memorandum of Understanding will be deemed to create an employer-employee or principal-agent relationship between UPRM and PathStone employees, consultants, agents or independent contractors.

8) FORCE MAJEURE. In the event that the performance of the obligations under this Memorandum are impeded by reason of Force Majeure, the parties shall be released from their obligations and neither party shall be responsible for any damage sustained and have no further recourse against the other party. Force Majeure shall mean accident before and after the installation of the equipment, fire, earthquake, hurricane, flood, Act of God or natural disaster, epidemics or pandemics, nuclear explosions, strike, work stoppages, or other labor disturbance, riots or civil commotions, vandalism, war or other act of any nation, terrorism, power

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of government, or government agency, or any other cause which is beyond the control of the parties.

9) This Memorandum of Understanding may be terminated at any time by written mutual agreement or upon 60 days advanced notice by either Party.

In Mayagüez, Puerto Rico.

SIGNATURES



Lucas N. Avilés Rodríguez
Acting Chancellor *pro*
University of Puerto Rico
Mayaguez Campus

Date: May 30, 2014



Hubert Van Tol
President
PathStone Enterprise Center

Date: 5/20/2014