

REGISTRO DE CONTRATOS  
TOMO 23 PAGINA 53  
CONTRATO NUM. 2014-000283  
Integral

COMMONWEALTH OF PUERTO RICO  
Traffic Safety Commission  
PO Box 41289 – Minillas Station  
Santurce, Puerto Rico 00940

CONTRATO NUM. 2014-000045

AGREEMENT OF CONDITIONS

---In the city of San Juan, Puerto Rico, this 27th day of January, 2014.---


APPEARS

---As The First Part: The PUERTO RICO TRAFFIC SAFETY COMMISSION, located at Roberto Sánchez Vilella Government Center, South Building, 5th Floor, Santurce, Puerto Rico, herein represented by José A. Delgado Ortiz, of legal age,  
in her capacity as Executive Director (hereinafter referred to as "PRTSC"), and; -----

---As The Second Part: UPR- MAYAGUEZ CAMPUS, the applicant agency for itself, its assignees and successors in interest, which is a Puerto Rico governmental entity, with principal offices located at Mayaguez, Puerto Rico, represented by Prof. Lucas N. Avilés Rodríguez, of legal  
with full capacity and authority  
to sign this Agreement FIESTA- UPR Mayaguez.-----

RECITALS

---WHEREAS, the Agency submitted an application for the project titled FIESTA VI- UPR Mayaguez;----- Project number 14-02-05; that has been approved for federal fiscal year 2013-2014 and authorization to proceed with this highway safety project is granted subject to the Commonwealth and Federal laws and regulations applicable to the PRTSC and the conditions stated below:

- 
1. The amount of funds assigned for this project totaled \$61,872.00 as per the attached approved Project Proposal. The total cost for the professional services, fees and expenses performed by the "Agency" under this Agreement will not exceed the amount of dollars assigned for this project, as defined and described in the proposal dated June 28, 2013 (EXHIBIT "A"), which is attached hereto and made an integral part of this Agreement.
  2. This project is funded under 23 USC Section 154. Specifically, these funds can be used only to conduct activities contained in this project agreement and **only for alcohol-impaired driving countermeasures, or the enforcement of laws prohibiting driving while intoxicated.** Any other use is in violation of Federal statutes and regulation.
  3. The term of this Agreement of Conditions runs from January 27, 2014 to September 30, 2014.
  4. Unless otherwise directed, applicants must submit quarterly reports and a final report to the PRTSC, which reflect the status of project implementation and attainment of stated goals. Each progress report shall describe the project status quarterly and shall be submitted to the PRTSC no later than fifteen (15) days subsequent to the termination of each quarter. A final accomplishment report must be submitted to the PRTSC within thirty (30) days of completion of the project unless otherwise directed. All contractors that are delinquent in submitting quarterly and/or final accomplishment reports, or reports that lack sufficient detail of progress during the period in question will be subject to having reimbursement requests withheld. Both Quarterly Reports and Final Reports must include the following for their respective reporting periods:

1. A description of project activities. Include milestones or deliverables such as when studies were completed or when equipment was acquired and installed;

2. A comparison of actual accomplishments and outcomes to original objectives;
3. Favorable developments which enable meeting timelines and objectives sooner or at less cost than anticipated;
4. A narrative describing problems, delays, or adverse conditions which materially impair the ability to meet project objectives;
5. A summary of expenditures and reasons for cost overruns or high unit costs;
6. Copies of publications, training reports, and any statistical data generated in project execution (if applicable);
7. Third party performance reports (if applicable).

Frequency - A quarterly report must be submitted to the PRTSC office within fifteen (15) calendar days after the end of the reporting calendar quarter as follows:

1<sup>st</sup> Qtr: October 1 – December 31 Due January 15

2<sup>nd</sup> Qtr: January 1 – March 31 Due April 15

3<sup>rd</sup> Qtr: April 1 – June 30 Due July 15


4<sup>th</sup> Qtr: July 1 – September 30 Due October 15

Final request for reimbursement must be submitted by October 31, 2014.

A report is required even if there has been no activity on the project.

Reimbursement will be withheld if grantees do not meet the content and frequency requirements for project reports.

Under certain conditions, the PRTSC may require special project reports. The content and frequency of special reports will be detailed in formal correspondence from the PRTSC.

- 
5. A written time certification statement must be completed and submitted semi annually to the PRTSC by Projects covering *compensation for personnel services*, as required under 2 CFR part 225 Appendix B 8(h)(3). Anyone else who splits time between the project and any other activity must submit in the request of funds an actual time and attendance records.
  6. Applicants making purchases or entering into agreements as provided for by this project must adhere to the policies and procedures of all pertinent governmental agencies.
  7. Progress payments, based upon actual allowable costs may be made upon receipt of an itemized invoice from the Agency on forms provided by the PRTSC. The itemized invoice shall be supported by documentation of costs as prescribed by the PRTSC. PRTSC shall approve the itemized invoice prior to payment.
  8. Final reimbursement claims must be received by the PRTSC within 30 days following the close of the approved agreement period. Project funds not claimed by this date are subject to reversion.
  9. All out-of-state travel must have prior approval of the P.R. Traffic Safety Commission. Requests for approval should be submitted to the PRTSC at least forty-five (45) days prior to the intended date of travel.
  10. All out-of-state travel requests must include a copy of the Agency's travel policy, to include allowances for lodging, meals, and other travel-related expenses.
  11. Applicants shall account for program income. Program income earned during the agreement period shall be retained by the applicant and added to the funds committed to the project by the PRTSC and used to further eligible program objectives.

12. Any printed material must contain the name and/or logo of the P.R. Traffic Safety Commission.
13. Any reports, publication, promotional or other materials developed using funds from this agreement must be reviewed and approved by the PRTSC prior to their production.
14. The Agency agrees to comply with the provisions cited in Law No. 78 of June 1, 2011 as amended, also known as "Electoral Code of Puerto Rico".
15. Prior approval is required for changes to project scope, objectives, or budget.
16. All payments under this Agreement shall be made against Project Number and must comply with the federal provision that funds this contract as establish in article 2.
17. The Agency agrees to comply with the provisions of the 18 C.F.R Part 18.32, Equipment. The Agency shall maintain and inventory all property and equipment purchased under this contract. The property and equipment purchased under this contract must be utilized by the Agency for the sole purpose of furthering the traffic safety efforts of the Agency for the entire useful life of the property or equipment. No equipment purchased under an approved PRTSC grant will be conveyed, sold, salvaged, or transferred without written approval from the PRTSC. Equipment acquired under this agreement for use in highway safety program areas shall be used and kept in operation for highway safety purposes by the Agency, or the Agency, by formal agreement with appropriate officials of a political subdivision or State agency, shall cause such equipment to be used and kept in operation for highway safety purposes (23 CFR 1200.21). Equipment with a cost equal or in excess of \$5,000.00 requires the prior approval of the PRTSC. All equipment will be purchased during the two (2) first quarters of the Proposal period, once the Proposal is approved.
18. The parties will comply with 49 CFR § Sec. 18.42, Retention and access requirements for records. Financial and programmatic records as well as other supporting documents or statistical records must be maintained for a period of three years. The retention period for these records begins on the day the single or last expenditure report of the Federal Fiscal year is submitted to the PRTSC.
19. The PRTSC has the right to access any pertinent books, document, papers or other records in order to make audits, examination, excerpts, and transcripts. The right of access is not limited to the required retention period but must last as long as the records are retained.
20. Applicants are required to submit to PRTSC a copy of the audit report required under the federal Single Audit Act 31 U.S.C. 7502 and/or the Commonwealth Single Audit Policy established by OMB circular 98-07. An applicant who expends a total amount of a Federal award of \$500,000 and more in its fiscal year are required to obtain an annual audit in accordance with the Single Audit Act of 1996, OMB Circular A-133. If total expense is less than \$500,000 in its fiscal year applicants are exempt from federal single audit requirements, but will be required to certify the total amount of federal assistance expended during the fiscal year and may also be required under the State Single Audit Policy established by OMB Circular 98-07 to have a single audit or a financial statement audit or a program specific audit performed.
21. The Agency will agree to comply with all Federal and Local statutes and implementing regulations relating to nondiscrimination concerning race, color, sex, religion, national origin, handicaps, age, and others included but not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin (and 49 CFR Part 21); (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§ 1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps (and 49 CFR Part 27); (d) the Age Discrimination Act of 1975, as amended (42U.S.C. §§ 6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970(P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse of alcoholism; (g) §§ 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§ 290 dd-3 and 290

ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

22. The Agency agrees to comply with the provisions cited in the Drug-Free Workplace Act of 1988 (49 CFR Part 29 Sub-part F; 41 U.S.C. 702).
23. The Agency agrees to comply with the restrictions of lobbying members of Congress, 18 USC, Section 1913; Section 326 of the FY 2000 DOT Applications Act, prohibiting the use of USDOT Federal funds for "grass roots" lobbying campaigns to encourage third parties, members of special interest groups, or the general public to urge members of a State legislature to support or oppose a pending legislative or appropriations matter.
24. All provisions outlined in the PRTSC uniform requirements for the administration's reporting of expenditures will be adhered to.
25. Policies and procedures of the following will be, if applicable, adhered to:
  - 49 CFR Part 18-DOT implementation of Common Grant Rule;
  - CFR Title 23-Part 1200 – Uniform Procedures for State Highway Safety Programs;
  - CFR Title 2, Part 225-Cost Principles for state, local and Indian Tribal Governments;
  - OMB Circular A-21, OMB Circular A-110;
  - OMB Circular A-122; and,
  - OMB Circular A-133.
26. The parties will comply with all applicable State procurement procedures and will maintain a financial management system that complies with the minimum requirements of 49 CFR 18.20.
27. The Agency will comply with the provisions of the Hatch Act, which, in general, establishes that state and local employees may not be candidates for public office in a partisan election; or, use official authority or influence to interfere with or affect the results of an election or nomination; or directly or indirectly coerce, attempt to coerce, command, or advise a state or local officer or employee to pay, lend, or contribute anything of value to a party, committee, organization, agency, or person for political purposes. State and local employees subject to the Hatch Act should note that an election is partisan if any candidate is to be nominated or elected as representing a political party.
28. The State will comply with the Buy America Act (49 U.S.C. 5323(j)), which contains the following requirements: Only steel, iron and manufactured products in the United States may be purchased with Federal funds unless the Secretary of Transportation determines that such domestic purchases would be inconsistent with the public interest; that such materials are not reasonably available and of satisfactory quality; or that inclusion of domestic materials will increase the cost of the overall project contract by more than 25 percent. Clear justification for the purchase of non-domestic items must be in the form of a waiver request submitted to and approved by the Secretary of Transportation.
29. Projects submitted by the Applicant will comply with the provisions of the National Environmental Policy Act (NEPA).
30. The parties will adhere to the following laws, policies and procedures, if applicable:
  - Cash drawdowns will be initiated only when actually needed for disbursement. 49 CFR 18.20
  - Cash disbursements and balances will be reported in a timely manner as required by NHTSA. 49 CFR 18.21.
  - The same standards of timing and amount, including the reporting of cash disbursement and balances, will be imposed upon any secondary recipient organizations. 49 CFR 18.41.
  - Failure to adhere to these provisions may result in the termination of drawdown privileges.

31. The parties will comply with FFATA guidance, OMB Guidance on FFATA Subaward and Executive Compensation Reporting, August 27, 2010, ([https://www.fsrs.gov/documents/OMB\\_Guidance\\_on\\_FFATA\\_Subaward\\_and\\_Executive\\_Compensation\\_Reporting\\_08272010.pdf](https://www.fsrs.gov/documents/OMB_Guidance_on_FFATA_Subaward_and_Executive_Compensation_Reporting_08272010.pdf)) by reporting to FSRS.gov for each sub-grant awarded:

- Name of the entity receiving the award;
- Amount of the award;
- Information on the award including transaction type, funding agency, the North American Industry Classification System code or Catalog of Federal Domestic Assistance number (where applicable), program source;
- Location of the entity receiving the award and the primary location of performance under the award, including the city, State, congressional district, and country; , and an award title descriptive of the purpose of each funding action;
- A unique identifier (DUNS);
- The names and total compensation of the five most highly compensated officers of the entity if-- of the entity receiving the award and of the parent entity of the recipient, should the entity be owned by another entity;

(i) the entity in the preceding fiscal year received—

(I) 80 percent or more of its annual gross revenues in Federal awards; and(II) \$25,000,000 or more in annual gross revenues from Federal awards; and(ii) the public does not have access to information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986;

Other relevant information specified by OMB guidance.

The noncompliance with any of the said laws, rules, regulations, orders, conditions or requirements will entail to serious sanctions, which could include the suspension of a part or all the federal funds.

CERTIFICATION REGARDING DEBARMENT AND SUSPENSION: The P.R. Traffic Safety Commission (PRTSC) must require a debarment and suspension certification as a condition of a federally-funded subgrant or procurement agreement awarded by the PRTSC. When entering into "covered" non-procurement transactions, the PRTSC must ensure the participants in that transaction complies with 49 C.F.R. Part 29, stated below:

In general, Part 29 prohibits non-federal entities from using federal DOT monies to enter into non-procurement transactions and procurement transaction for goods or services with parties that are suspended or debarred or whose principals are suspended or debarred. Non-procurement transactions include subgrant awards. All sub-recipients receiving grant funds equal to or exceeding \$25,000 is required to submit the following certification.

Instructions for Lower Tier Certification

1. By signing and submitting this proposal, the prospective lower tier participants are providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notification to the person to whom this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.

4. The terms *covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily exclude*, as used in this clause, have the meaning set out in the Definition and Coverage sections of 49 CFR Part 29. You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR Part 9 subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transaction", without modification, in all lower tier covered transaction and in all solicitations for lower tier covered transaction. (see below)
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR Part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Non-procurement Programs.
8. Nothing contained in the foregoing shall be construed to require establishment of a systems of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR Part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification Regarding Debarment, Suspension, Ineligibility And Voluntary Exclusion – Lower Tier Covered Transactions:

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statement in this certification, such prospective participants shall attach an explanation to this proposal.

CERTIFICATION REGARDING FEDERAL LOBBYING. The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all sub-award at all tiers (including subcontracts, subgrants, and contracts under grant, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

RESTRICTION ON STATE LOBBYING. None of the funds under this program will be used for any activity specifically designed to urge or influence a State or local legislator to favor or oppose the adoption of any specific legislative proposal pending before any State or local legislative body. Such activities include both direct and indirect (e.g., "grassroots") lobbying activities, with one exception. This does not preclude a State official whose salary is supported with NHTSA funds from engaging in direct communications with State or local legislative officials, in accordance with customary State practice, even if such communications urge legislative officials to favor or oppose the adoption of a specific pending legislative proposal.

POLICY TO BAN TEXT MESSAGING WHILE DRIVING. In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving, and DOT Order 3902.10, Text Messaging While Driving, States are encouraged to:

- g
- (1) Adopt and enforce workplace safety policies to decrease crashes caused by distracted driving including policies to ban text messaging while driving—
    - a. Company-owned or –rented vehicles, or Government-owned, leased or rented vehicles; or
    - b. Privately-owned when on official Government business or when performing any work on or behalf of the Government.
  - (2) Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as –
    - a. Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving; and
    - b. Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.

CONTRACT REGISTRATION. PRTSC will submit copy of this Agreement to the Office of the Comptroller, in accordance with the dispositions established in Law No. 18 of October 18, 1975, as amended and to the Treasury Department of Puerto Rico, in accordance with Circular 1300-26-08. No service, reciprocal obligation or consideration to this contract may be required until the execution of the contract has been presented to the Office of the Comptroller.

AMENDMENTS, MODIFICATIONS, AND/OR ALTERATIONS. This Agreement may be amended, modified, and/or altered by mutual agreement of the Parties herein, except as herein provided, and subject to the approval of the pertinent authorities.

FORM FOR ALL ALTERATIONS, AMENDMENTS, MODIFICATIONS AND/OR RENEWALS. Any and all alterations, amendments, modifications and/or renewals shall be in writing and signed by the appearing Parties.

SIGNATURE OF APPEARING PARTIES. The signatures of the appearing Parties shall and must be that of the duly authorized representatives who have sufficient power, authority, and capacity to bind the Parties heretofore.

REPRESENTATIONS AND WARRANTIES OF THE "PRTSC". The "PRTSC" represents and warrants to the "Applicant" as follows:

(a) The "PRTSC" is a public agency of the Government of Puerto Rico; has all the necessary power, authority and capacity to own its properties, to carry on its business as presently conducted and to execute, deliver, enter into and perform the transactions contemplated in this Agreement.

(b) The execution, delivery and performance of this Agreement has been duly authorized by all necessary actions, and do not, and shall not, conflict with the Laws, Rules, and Regulations or constitute a default under any resolution, agreement, or other instrument to which "PRTSC" is a party of, or by which "PRTSC" may be bound or affected.

(c) This Agreement constitutes a legal, valid and binding obligation of the "PRTSC", enforceable against the "PRTSC" in accordance with its respective terms.

(d) All consents, approval, permits, clearances, endorsements, authorizations, and orders of qualifications with any governmental or regulatory authorities, which are required to be obtained by "PRTSC" for consummation of the transactions contemplated by the Agreement, have been or will be duly and validly obtained or performed on. As to those already obtained, they are all in full force and no default exists there under.

(e) The "PRTSC" hereby warrants that no officer, employee, advisor or Agency of "PRTSC" nor any member of the immediate family, has any direct or indirect economic interest in this Agreement and that no officer, employee, advisor or Agency of the executive branch of the Government of Puerto Rico nor any member of their immediate family has any interest and/or participation in the economic benefits or earnings related to this Agreement.

DUPLICATION OF FEES AND EXPENSES. The "Agency" shall and will not charge "PRTSC" more than once for any service, labor, effort, endeavor, item, expense, expenditure, and/or cost that may be compensated as result of the performance of the "Agency's" duties, obligations, and responsibilities under the terms of this Agreement. "Agency" shall and will not charge "PRTSC" for any amount in excess of the total cost for this Agreement.

#### INDEMNITY

(a) The "Agency" hereby agrees to indemnify and save and hold "PRTSC" harmless from any and all liability or damages, including legal and Agency's fees and expenses resulting from, but not limited to, death, bodily injury, damage, and loss and reduction of value of real and personal property, which may arise from the "Agency's" negligent action, or omission or willful misconduct under this Agreement, to the proportion such negligent action or omission or willful misconduct contributed to the damages, injury or omission or willful misconduct by the "Agency".

(b) The "Agency" shall defend any claim or suit brought against "PRTSC" based upon any such injury, death, damage or loss or reduction in value of real or personal property, caused by the "Agency's" negligent action or omission or willful misconduct and shall pay all costs and expenses (including legal and Agency's fees and expenses) in connection with such claim or suit, provided that "PRTSC" shall give the "Agency" prompt notice of such claim or suit, and shall provide such reasonable assistance in connection therewith as the "Agency" may request.

(c) The "Agency" hereby specifically releases, indemnifies, defends, saves and hold harmless "PRTSC", its directors, officers, employees, agents and representatives from any and all liabilities, obligations, lawsuits, judgments, claims, demands, causes of action, fines, penalties, damages, including legal and Agency's fees and expenses, losses, costs and expenses of any kind arising from any violation by the "Agency" of any federal, state, local or municipal law, rule, regulation, ordinance and/or other governmental requirements that are related to the protection of the public and the employees' health and safety and the environment.

#### TERMINATION

(a) This Agreement may be terminated by the "PRTSC", at its convenience or without reason or cause, upon thirty (30) days written notice to the "Agency", without any further payment, except all payments due to the "Agency" up to the date of termination, except as herein provided. The



"Agency" will be responsible to render all documents related to this Agreement before its termination date.

(b) In the event that in the "PRTSC"'s sole judgment fails to comply with any provision of this Agreement, or if in the "PRTSC"'s sole judgment the progress or quality of the services to be provided by the "Agency" hereunder are unsatisfactory to "PRTSC" for any other reason, "PRTSC" may terminate this Agreement by written notification thereof to the "Agency".

#### CONFLICT OF INTEREST

(a) The "Agency" acknowledges, recognizes, accepts, and acquiesces to the resolution of this Agreement by "PRTSC", as soon as a conflict of interest arises with "PRTSC", as herein defined, or "PRTSC" comes into knowledge of it.

(b) The "Agency" shall have the burden of proof that a conflict of interest does not exist with "PRTSC".

(c) The "Agency" acknowledges, recognizes and accepts that he shall observe the dispositions established in the "Code of Ethics", Law No. 84 of June 18, 2002.

FORCE MAJEURE. If a force majeure event occurs which causes delays or the reasonable likelihood of delay in the achievement of the requirements of this Agreement, the "Agency" shall immediately notify "PRTSC", orally, and shall, within twelve (12) hours, or sooner, if the circumstances so warrant it, notify "PRTSC" in writing of the anticipated length and cause of delay, the measures taken and/or to be taken to minimize the delay, and the timetable by which the "Agency" intends to implement these measures.

(a) A force majeure event shall be an act of God, earthquake, landslide, tidal wave, tornado, hurricane, lightning storm, storm, flood, epidemic, strike, act of the public enemy, sabotage, terrorism, war, blockade, insurrection, general unrest, restraint of government and people or civil disturbance, public riot, fire, explosion, and any other cause, whether of the kind specifically enumerated herein or otherwise, which is not reasonably within the sole control of the "Agency".

(b) A force majeure event shall exclude, will not include nor encompass, any and all strikes and/or other activities and/or demonstrations by "PRTSC"'s and/or the "Agency's" personnel and/or a lockout by "PRTSC" and/or the "Agency".

(c) The burden of proving that an event is beyond the control of the "Agency" shall remain with the "Agency" within the term mentioned in Section 25.

(d) A force majeure event shall excuse the timely performance by the "Agency" of any obligation which may directly or indirectly be affected by such force majeure, but only to the extent and/or for the period necessary to rectify the force majeure event, as hereinabove stated and approved in writing by "PRTSC".

DISPUTE RESOLUTION. In the event of any dispute or controversy arising between the "Agency" and the "PRTSC", relative to the legal obligations and responsibilities of the respective Parties, the same will be resolved by submission of the complete documented dispute to "PRTSC"'s Secretary or her duly authorized agent for an administrative determination.

#### CHANGE IN LAW

(a) For purposes of the Agreement, "Change in Law" shall mean the enactment, adoption, promulgation, modification or repeal by any legislative, regulatory, executive or administrative body of the Government of Puerto Rico or of the United States of America of any law, ordinance, code, rule or regulation or any change or amendment to any law, ordinance, code, rule or regulation in force as of the date of this Agreement, or any change in the interpretation thereof not subject to administrative or judicial review, or if subject to administrative or judicial review the validity or interpretation of which has been sustained by final judgment, which cannot be complied with by the Parties without incurring in additional costs, such as but not limited to, capital expenditures, remediation, or corrective action.

(b) Cooperation Between "PRTSC" and the "Agency"- Upon the occurrence or threat of occurrence of a Change in Law, "PRTSC" and the "Agency" may cooperate actively with each other as herein provided to remove or reduce its effect by taking such judicial or other action,

which may be convenient, necessary or proper for such purposes. If notwithstanding, the foregoing actions such Change in Law occurs or persists, the Parties shall negotiate diligently, reasonably and in good faith the modification or the termination of this Agreement.

SUBCONTRACTS. The "Agency" shall and will not have the right to subcontract any part of the Scope of Work to any person, firm, or the "Agency's" related entities, except as established hereinafter:

(a) The "Agency" shall perform and furnish all of the services required by this Agreement, but shall have the right, after obtaining the prior expressed written approval and consent of "PRTSC", to subcontract any part of the Scope of Services to any person, firm, or the "Agency's" related entities.

(b) The "Agency" hereby warrants and guarantees to "PRTSC" compliance by such persons, firms, or the "Agency's" related entities with the duties, obligations, responsibilities, and liabilities herein assume by the "Agency".

(c) The "Agency" agrees that "PRTSC" will incur in no duplication of costs and expenses as a result of any such subcontract.

(d) In no case shall "PRTSC"'s approval of any subcontract relieve the "Agency" of any of its duties, obligations, responsibilities, and liabilities under this Agreement.

#### MISCELLANEOUS PROVISIONS

(a) Entire Agreement. This Agreement contains the entire understanding among the Parties hereto with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings, inducements, and conditions, expressed or implied, oral or written, except as herein contained. This Agreement may not be modified, altered, or amended other than by an agreement in writing, signed by the Parties hereto.

(b) Severability. If any part of this Agreement is found to be invalid or unenforceable by a court having proper jurisdiction, such finding shall not invalidate the remaining portions hereof, but such provisions shall remain in full force and effect, provided, however, that the Parties may immediately renegotiate, reasonably and in good faith, the term(s) and provision(s) found to be invalid, as well as any other term(s) and provision(s) as necessary to achieve as nearly as possible the Parties' original contractual intent as evidenced hereby, and in a manner which protects and preserves the Parties procedural, economic and remedial expectation as set forth herein.

(c) Prevailing Text between this Agreement and Exhibits and/or Schedules. If there should be a difference between the text of this Agreement and the Exhibits and/or Schedules that may be or are attached hereto, then the text of this Agreement shall always prevail.

(d) Prevailing Text between the Name or Word of a Number and the Figure or Symbol of the Same Number. If there should be a difference in the text between the name or word that identifies a number and the figure or symbol of the same number, then the name or word that identifies said number shall always prevail.

(e) Heading. The heading contained in the Agreement is used solely for convenience and not constitute a part of the Agreement between the Parties hereto, nor should they be used to aid in any manner in the construction of the Agreement.

(f) Governing Law. This Agreement and all questions relating to it, to its validity, performance, interpretation and enforcement, shall be governed in all respect by and shall be construed in accordance with the Laws of Puerto Rico. In carrying out its services hereunder the "Agency" shall abide by all Applicable Law pertaining to the provision of its services hereunder and the "Agency" shall ensure that any Subcontractor utilized in the performance of the "Agency's" duties hereunder shall also abides by such Applicable Laws.

(g) Choice of Forum. All legal actions that are initiated concerning this Agreement shall be brought only and exclusively in the General Court of Justice of Puerto Rico, Court of First Instance, San Juan Part, as to which court the "Agency" hereby irrevocably submits itself and its properties.

(h) Notices. All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing, unless otherwise provided herein, and shall be deemed to have been received when delivered against receipt or on the third business day following the mailing by U.S. Postal Service registered or certified mail, postage prepaid, return receipt requested, whether accepted or rejected, thereof addressed as set forth below.

If to the "PRTSC": P.O. Box 41289, Minillas Station, Santurce, Puerto Rico 00940

If to the "UPR – Mayaguez Campus": P.O. Box 9000, Mayaguez, Puerto Rico 00681-9000

Any Party may change the address to which notices, communications, or copies notices, communications, or copies are to be sent by giving notice of such change of address in conformity with the provisions of this Section for the giving of notice.

(i) Binding Nature of Agreement: No Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their successors and assigns, except that no Party May assign or transfer its rights or obligations under this Agreement without the prior expressed written consent of the other Party hereto; and, subject to "PRTSC"'s requisites whenever its approval is required.

(j) Ultra Vires Act. According to the laws and regulations that govern this Agreement, appearing Parties hereby acknowledge and agree that:

(1) No services will be performed nor received under this Agreement beyond the expiration or termination date, unless at the date of expiration or termination there is a written Agreement or amendment to extend its term.

(2) No payment and/or disbursement will be made or paid for services rendered in violation of this clause, since any officer, employee, advisor, person, and/or Agency of "PRTSC" that request and/or accepts services from the other Party in violation of this provision will be doing it without any legal authorization whatsoever.

(k) Interpretation. Unless this Agreement clearly requires otherwise, words of masculine gender shall be construed to include the correlative words of feminine and neuter genders and vice versa, and words of singular number shall be construed to include correlative words of plural number and vice versa. Words importing persons include forms, associations and corporations. The words "herein", "hereof" and "hereunder" and words of similar refer to this Agreement as a whole. This Agreement and all the provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity hereof.

(l) Waiver. The failure of any Party to enforce or insist in any one or more instances upon strict performance and compliance with any of any provisions of the Agreement, or to take advantage of any of its rights hereunder, shall not be construed as a waiver of any such provisions or the relinquishment of any such right or any other right hereunder, which shall remain in full force and effect.

(m) Press. If a member of the "media" or press or any citizen or group makes an inquiry, related to the scope of services or any other matter related to this Agreement, the "Agency" should refer said inquiry to "PRTSC". All said matters, data and/or information pertaining to the services that shall be provided by the "Agency" pursuant to this Agreement, is privileged and/or confidential for any and all purposes. It shall be the "PRTSC"'s sole responsibility to keep the "media" and press informed as to the nature of any work that is being performed by the "Agency" pursuant to the terms and obligations under this Agreement.

(n) Prior and Coetaneous Agreements. All proposals, negotiations and representations with reference to the matters covered by this Agreement are merged in this document, and no alterations, representations, amendments, or modifications hereof shall be valid unless evidenced in writing and signed on behalf of the Parties hereto by the official representatives duly authorized.

(o) Confidentiality of Agreements. Any agreements or representations between the "Agency" and "PRTSC" entered into prior to the effective date hereof relating to secrecy or confidentiality of information exchanged between the "Agency" and "PRTSC", shall survive the termination or cancellation of this Agreement, in accordance with the respective terms and conditions of such other agreement or agreements.

(p) Nondiscrimination and Sexual Harassment. The "Agency" shall refrain from unlawful discrimination in employment and sexual harassment.

(q) Affirmative Action. The "Agency" shall undertake the appropriate affirmative action in performing its obligations under this Agreement.

(r) Mutual Cooperation. "PRTSC" and the "Agency" shall cooperate with each other, reasonably and in good faith, for the purposes of facilitating the performance of their respective obligations and undertakings hereunder and to preserve, protect, and avoid any impairment of their respective rights hereunder. If furtherance thereof, and without limiting the generality of the foregoing, but subject to applicable Laws, Rules and Regulations, "PRTSC" and the "Agency" in the reasonable exercise of their respective rights, powers and duties hereunder, shall:

(1) Use their best efforts to avoid and/or minimize any interference with or interruption of the services that shall be provided pursuant to the terms of this Agreement, or any oversight, audit, or any other activity relative thereto; provided, however, that when such interference or interruption is reasonably necessary or unavoidable, the parties shall ensure that such interference or interruption does not have a duration or extent greater than is necessary under the circumstances giving rise thereto.

**ACCEPTANCE**

The parties express that this Agreement contains a faithful and accurate list of the conditions discussed, that they have read it in its entirety, have understood it, so accept, agree and sign it.

Accepted and agreed to on this 27th day of January, 2014.

**P.R. Traffic Safety Commission**  
Employer Social Security 660-476947

José A. Delgado Ortiz  
Executive Director or Authorized Rep.

\_\_\_\_\_  
(Signature)

**UPR – Mayaguez Campus**  
Employer Social Security 660-43-3761

Lucas N. Avilés Rodríguez  
Organization's Authorized Rep.

Lucas N. Avilés Rodríguez  
(Signature)

This Agreement of Conditions was revised and accepted by the PRTSC legal counsel.

Recommended by:

Marisol Vera Colón  
Marisol Vera Colón  
R&D Center Interm Director  
*MTE*

*Recibido*  
*10 / feb / 2014*