

**GOBIERNO DE PUERTO RICO
JUNTA REGLAMENTADORA DE SERVICIO PÚBLICO
NEGOCIADO DE ENERGÍA DE PUERTO RICO**

NEPR Received: Jun 30, 2020 9:49 PM
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IN RE:

**SOLICITUD DE PROPUESTAS PARA
GENERACION TEMPORERA DE
EMERGENCIA**

CASE NUM.:

NEPR-AP-2020-0001

SUBJECT:

Reporte de Estatus y Progreso

MOCIÓN INFORMATIVA Y EN CUMPLIMIENTO DE ORDEN

AL HONORABLE NEGOCIADO DE ENERGÍA:

COMPARECE la Autoridad de Energía Eléctrica de Puerto Rico a través de su representación legal y muy respetuosamente expone y solicita:

La Autoridad de Energía Eléctrica de Puerto Rico (la “Autoridad), en cumplimiento con la Orden del 22 de mayo del 2020,¹ presenta a el Negociado de Energía de la Junta Reglamentadora del Servicio Público (el “Negociado de Energía”) el reporte titulado *Costa Sur Damage Assessment and Repairs Progress Status Report* fechado de 30 de junio de 2020 (el “Reporte de Progreso”). Exhibit A. El Reporte de Progreso detalla las evaluaciones, reparaciones, compras y contrataciones relacionadas con la reparación de las unidades 5 y 6 de la Central Costa Sur. Adjunto también se presentan ciertos contratos otorgados para continuar con las reparaciones de las unidades. Exhibit B.

Por otro lado, durante el día de ayer, 29 de junio de 2020, el Negociado de Energía celebró una Conferencia Técnica pública en la cual se discutió la información y documentos que la Autoridad ha presentado al Negociado de Energía en relación con los esfuerzos para cumplir con

¹ *Resolución y Orden* del Negociado de Energía del 22 de mayo del 2020 (la “Orden del 22 de mayo”).

orden de coordinación de acuerdos con clientes para reducir la demanda energética.² Durante la Conferencia Técnica el Negociado de Energía le ordenó a la Autoridad ampliar los esfuerzos para lograr dichos acuerdos y además radicar, en un término de no más de quince (15) días, un informe más detallado y comprensivo sobre las diligencias realizadas y los resultados. Según ordenado por el Negociado de Energía, la Autoridad debe identificar clientes comerciales e industriales de alto consumo que tengan la capacidad para suplir su propia generación y que, a su vez, pueden reducir su demanda de energía de la Autoridad durante eventos de necesidad, como por ejemplo la demanda pico de verano. Durante el día de hoy, oficiales de la Autoridad sostuvieron varias reuniones telefónicas con el fin de identificar y reforzar los esfuerzos para cumplir con la orden. El grupo de trabajo se expandió e incluye ahora oficiales del Directorado de Servicio al Cliente. Durante las reuniones se discutió como se podía identificar la información disponible o que fuese de fácil recolección para expandir los esfuerzos de identificar los clientes elegibles y su información de contacto para que la Autoridad pueda proceder con la próxima etapa que es comunicarse directamente con ellos. Durante las conferencias se identificaron, además, los datos necesarios que deben ser recolectados de otras áreas o directorados y las oficinas que pudiesen coordinar esfuerzos, como crear una base de datos comprensiva, que permita a la Autoridad hacer el acercamiento a clientes y conocer la viabilidad de la reducción de carga.

POR TODO LO CUAL, se solicita respetuosamente al Negociado de Energía que tome nota de lo aquí informado.

² *Moción en Cumplimiento de Orden y para Mostrar Causa* del 19 de junio del 2020 (incluye relación de eventos sobre conversaciones con el grupo de las Pharmaceutical Industry Association (PIA) para obtener reducción de demanda); *Moción en Parcial Cumplimiento de Orden* del 25 de junio del 2020 (incluye un borrador de reglamento propuesto por la Asoc. de Industriales de Puerto Rico para control de demanda remunerado o incentivado); *Segunda Moción en Cumplimiento de Orden* del 25 de junio del 2020 (incluye un reporte detallado de cuentas asociadas a clientes industriales y comerciales).

RESPETUOSAMENTE SOMETIDO.

En San Juan, Puerto Rico, este 30 de junio de 2020.

/s Katuska Bolaños
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TSPR 18888

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CERTIFICADO DE NOTIFICACIÓN

Certifico que en el día de hoy he radicado esta moción utilizando el sistema electrónico de radicación del Negociado de Energía en la siguiente dirección: <http://radicacion.energia.pr.gov> y, además, que he enviado copia de cortesía vía correo electrónico a rstgo2@gmail.com; rolando@bufeteemmanuelli.com; jessica@bufete-emmanuelli.com; notificaciones@bufete-emmanuelli.com; pedrosaade5@gmail.com; larroyo@earthjustice.org.

En San Juan, Puerto Rico, a 30 de junio de 2020.

s/ Katuska Bolaños
Katuska Bolaños

Exhibit A

*Costa Sur Damage Assessment and Repairs Progress Status Report
June 30, 2020*



**Puerto Rico
Electric Power
Authority**

Puerto Rico Electric Power Authority (PREPA)

**Costa Sur Damage Assessment and Repairs
Progress Status Report
June 30, 2020**

Introduction and Outline

Introduction

- PREPA is currently assessing the extent of the damages suffered in the Costa Sur power plant facility
- The goal, if achievable, is to repair the most critical elements of the plant and place Unit 5 in commercial operations as soon as possible
- In addition, the Puerto Rico Energy Bureau (PREB) approved the commencement of assessment and repair activities for Unit 6
- This report outlines PREPA’s progress in its assessment, repairs, and procurement activities related to Costa Sur Unit 5 and Unit 6

Report Outline

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Program Overview

Budget

Approved Budget for Program	\$40,200,000
Forecasted Cost for Program	\$44,208,286
Balance Available for Program (Based on Invoices)	\$32,498,725
Unit 5	
Budget Baseline	\$25,200,000
Amount Invoiced	\$7,701,275
Disbursements	\$424,830
PREPA Personnel (Time & Materials Expenses)	TBD
Balance Available (Based on Invoices)	\$17,498,725
Unit 6	
Estimated Cost (subject to baseline review)	\$19,008,286
Amount Invoiced	TBD
Disbursements	TBD
PREPA Personnel (Time & Materials Expenses)	TBD
Balance Available (Based on Invoices)	\$19,008,286

Procurement

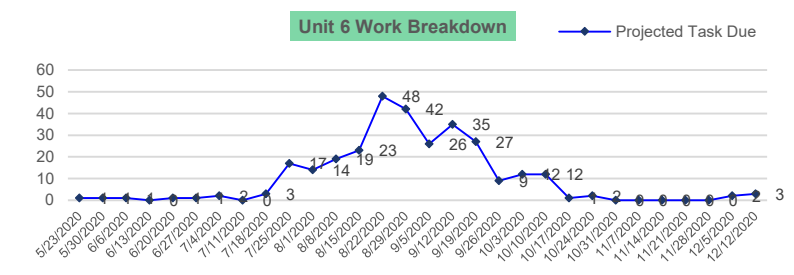
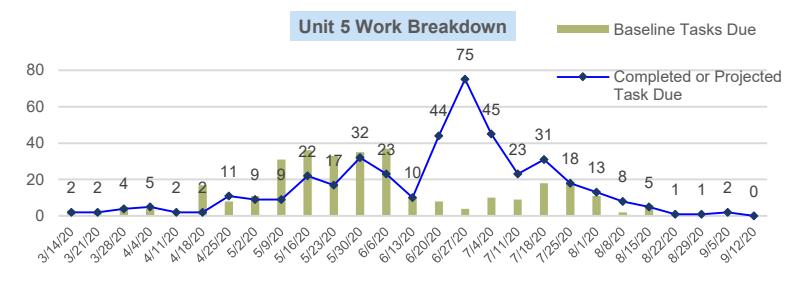
106 Total Procurements	28 Total Emergency Procurements	\$19.7M Total Amount Contracts Awarded	73.6% % Total Procurements Completed
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Unit 5		Unit 6	
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71 U5 Total Procurements	17 U5 Emergency Procurements	35 U6 Total Procurements	11 U6 Emergency Procurements
\$17.5M U5 Amount Contracts Awarded	97.2% U5 % Procurements Completed	\$2.2M U6 Amount Contracts Awarded	25.7% U6 % Procurements Completed

Schedule



Unit 5		Unit 6	
1/7/2020 Start Date	8/14/2020 U5 Start-Up Date	5/22/2020 Start Date	10/21/2020 U6 Start-Up Date
47.00% Time Elapsed	63.00% % Completion	19.11% Time Elapsed	9.00% % Completion
210 Total Completed Tasks	69 Pending Tasks On-Track	6 Total Completed Tasks	TBD Pending Tasks On-Track
77 Pending Tasks Delayed	71 Pending Tasks Overdue	TBD Pending Tasks Delayed	TBD Pending Tasks Overdue



Scope

Unit 5		Unit 6	
62 Workstreams Identified	21 Workstreams at 100% Completion	25 Workstreams Identified	1 Workstreams at 100% Completion

Weekly Headcount (Maximum)*

	149 PREPA's Max Weekly Headcount	346 Max Total Weekly Headcount
	197 Contractor's Max Weekly Headcount	

Unit 5	Unit 6
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149 PREPA's Max Weekly Headcount (Assigned to Unit 5)	TBD PREPA's Max Weekly Headcount (Assigned to Unit 6)
197 Contractor's Max Weekly Headcount (Assigned to Unit 5)	TBD Contractor's Max Weekly Headcount (Assigned to Unit 6)
346 Total Max Headcount (Assigned to Unit 5)	TBD Total Max Headcount (Assigned to Unit 6)

* Note: Maximum weekly headcount based week starting on 6/22/2020

Unit 5 Executive Summary

63.00%
% Completion

47.00%
Time Elapsed

Management Notes:

- Completed Crossover Link Desuperheater workstream
- Main Control Room and Engineering Room repairs are at 90% completion
- Condenser Water Tank repairs is at 77% completion and is ahead of schedule
- Based on current information, the Program is projecting a deficit of \$4MM. PMO team is currently identifying areas of opportunity for cost reductions and seeking efficiencies to bring the program back to budget. There is a risk that the Program could have a budget deficit of 10%

Scope and Metrics by Workstream

62

Identified Workstreams

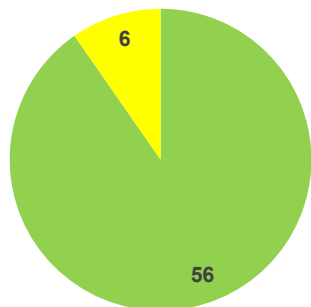
21

Workstreams at 100% Completion

0

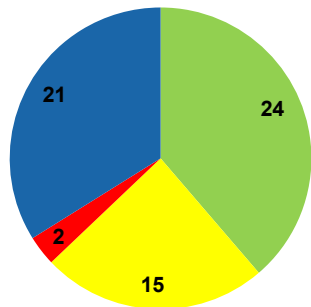
Workstreams Added (Since Last Report)

Budget



■ On-Budget
■ At-Risk
■ Over Budget

Schedule



■ On-Track
■ At-Risk
■ Overdue
■ Completed

Financials

Budget Baseline

\$25,200,000

\$424,830

Total YTD Disbursements

\$7,701,275

Total YTD Amount Invoiced

\$17,460,201

Total Committed

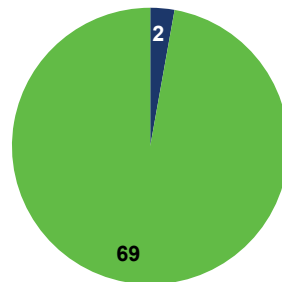
(Based on Contract Awards)

\$17,498,725

Balance Available

(Based on Invoices)

Procurement Status



97.2%
% Procurements Completed

■ In-Progress
■ Awarded

71

Total Procurements

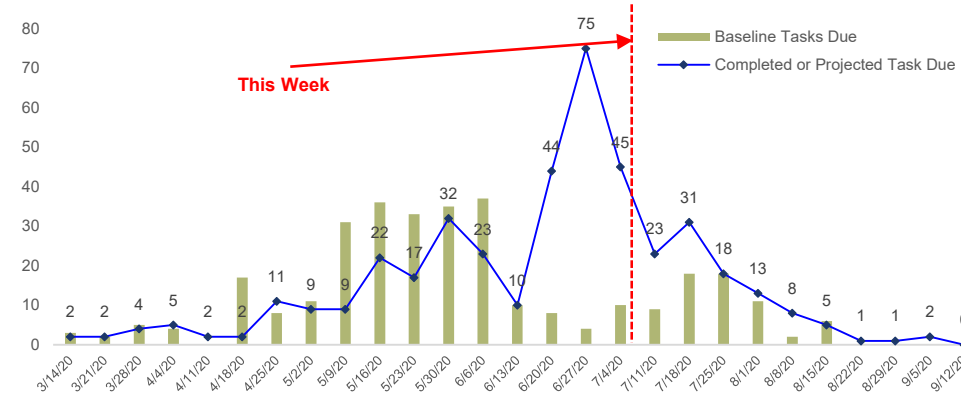
17

Emergency Procurements

\$17.5M

Amount Contracts Awarded

Schedule Work Breakdown



Schedule Metrics

427

Total Scheduled Tasks

69

Pending Tasks On-Track

45

Tasks Due This Week

210

YTD Tasks Completed

77

Pending Tasks Delayed

23

Tasks Due Next Week

71

Pending Tasks Overdue

130

Tasks Due in July

Weekly Headcount (Based on week starting 6/22)



149

PREPA's Max Weekly Headcount



197

Contractor's Max Weekly Headcount
















346

Max Total Weekly Headcount

Unit 5 Project Summary by Workstream

ID	Workstream Description	Budget Baseline	Resources Assigned	% Complete	Scheduled Start	Scheduled Finish	Status	Tasks Completed	Tasks Pending
1	Exterior Inspection Boiler Units 5 &6	\$83,170	Caribe GE International Energy	100.00%	1/8/2020	3/30/2020	Completed	3	0
2	Preliminary Structural Inspection Works Units 3,4, 5 and 6	\$337,735	Caribe GE International Energy	100.00%	1/27/2020	1/31/2020	Completed	1	0
3	Initial Assessment High Energy Piping Post Seismic Event Units 5 and 6	\$22,540	Caribe GE International Energy	100.00%	1/27/2020	2/5/2020	Completed	1	0
4	Initial Lead Removal for Immediate Repair Works Units 3,4 and 5	\$86,941	Energys Engineering Corp.	100.00%	2/3/2020	3/25/2020	Completed	1	0
5	Immediate Repair Works for Safety and Continuing Inspection Works Units 3, 4 , and 5	\$0	Energys Engineering Corp.	100.00%	2/7/2020	3/3/2020	Completed	1	0
6	Water and Fuel Tanks Condition Survey (20 tanks)	\$134,448	Heinsen Global	100.00%	2/11/2020	3/16/2020	Completed	1	0
7	Interior Inspection Work Boilers Units 5 and 6	\$66,030	Caribe GE International Energy	100.00%	2/17/2020	4/7/2020	Completed	1	0
8	Condition Survey and Testing for Concrete Pedestals for Power Turbine and Generator Units 5 and 6	\$55,160	Heinsen Global	100.00%	3/6/2020	6/2/2020	Completed	1	0
9	Inspection and Condition Survey Water Tunnel Condensers 5 and 6	\$83,100	Marine Diving	100.00%	3/9/2020	5/27/2020	Completed	4	0
10	Geotechnical Post Seismic Event Condition Survey	\$349,047	Earth Engineers, PSC	89.00%	3/12/2020	7/17/2020	At Risk	4	1
11	Project Management and Inspection Team for Rehabilitation Unit 5	\$1,020,000	PREPA. Contractors (Various)	97.00%	1/7/2020	7/3/2020	On Track	0	1

Overarching Workstream Initiatives

-  Eng. & Technical Studies
-  Aux. Equipment Repairs
-  Asbestos Removal & Disposing
-  Crossover Link Desuperheater
-  Turbine Inspection & Repairs
-  U5 Structural Repairs
-  Civil & Other Reconstruction
-  Lead Removal Works
-  Operational Test & Control Tasks
-  Generator Inspection & Repairs
-  Condensate Water Tank Repairs
-  Emergency Declaration
-  Boiler Unit 5 Works
-  MPT Test and Repair Dikes
-  Other Works



Unit 5 Project Summary by Workstream (Cont'd)

ID	Workstream Description	Budget Baseline	Resources Assigned	% Complete	Scheduled Start	Scheduled Finish	Status	Tasks Completed	Tasks Pending
12	Lead Removal Works for Units 1-6 (Phase 2, 3 and 4)	\$1,111,843	JR Industrial Contractors, PREPA	46.00%	3/30/2020	8/25/2020	At Risk	3	1
12A	Asbestos Removal and Disposal Unit 5	\$199,000	Caribe Hydroblasting	68.00%	3/23/2020	7/25/2020	At Risk	3	1
13	Structure Steel Repair Works Units 5 - phase 2	\$1,367,075	General Electric Fieldcore (GEF)	62.00%	5/11/2020	7/30/2020	At Risk	3	1
14	Structure Steel Repair Works Units 5 - phase 3 & 4	\$657,503	General Electric Fieldcore (GEF)	25.00%	5/11/2020	7/7/2020	On Track	0	1
15	Structure Steel Repair Works Units 1 and 2 phase 2	\$286,669	General Electric Fieldcore (GEF)	0.00%	7/16/2020	9/1/2020	At Risk	0	1
16	Structure Steel Repair Works Units 3 and 4 - phase 2 and 3	\$282,138	General Electric Fieldcore (GEF)	0.00%	7/16/2020	9/17/2020	At Risk	0	1
17	Structural Steel Repair Works Unit 6 - phase 2, 3 and 4	\$1,406,615	General Electric Fieldcore (GEF)	0.00%	7/24/2020	9/17/2020	On Track	0	2
18	Boiler Unit 5 Interior Works	\$500,000	PREPA	53.00%	5/11/2020	7/1/2020	At Risk	27	32
19	Boiler Unit 5 Preparation (Boiler Wash & Others)	\$1,000,000	Induchem	100.00%	4/13/2020	4/29/2020	Completed	13	0
20	Temporary Connection Condensate Water Tanks 3 and 4	\$220,800	Energys Engineering Corp.	100.00%	4/15/2020	6/3/2020	Completed	1	0
22	Condensate Water Tank Design and Construction	\$750,000	Heinsen Global, RG Engineering, PREPA	77.00%	4/15/2020	7/26/2020	On Track	5	9
24	Demineralized Water Treatment Demi RO and Demi Resina	\$840,000	Energys Engineering Corp., PREPA	90.00%	6/4/2020	6/29/2020	On Track	4	4

Overarching Workstream Initiatives
















- Eng. & Technical Studies
- Aux. Equipment Repairs
- Asbestos Removal & Disposing
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- Turbine Inspection & Repairs
- U5 Structural Repairs
- Civil & Other Reconstruction
- Lead Removal Works
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- Generator Inspection & Repairs
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- Emergency Declaration
- Boiler Unit 5 Works
- MPT Test and Repair Dikes
- Other Works



Unit 5 Project Summary by Workstream (Cont'd)

ID	Workstream Description	Budget Baseline	Resources Assigned	% Complete	Scheduled Start	Scheduled Finish	Status	Tasks Completed	Tasks Pending
25	Existing 50 Ton Crane	\$78,492	Energys Engineering Corp., Vital Energy	99.00%	4/22/2020	6/22/2020	Overdue	1	1
26	Civil and Interior Works at Unit 5 Control Room	\$180,000	ALL Contractors & Services Corp, PREPA	90.00%	5/11/2020	7/3/2020	On Track	1	1
27	Compressor Room Demolition and Reconstruction	\$58,515	ALL Contractors & Services Corp	50.00%	5/29/2020	7/31/2020	At Risk	0	1
28	Engineering Room Demolition and Reconstruction	\$0	ALL Contractors & Services Corp	90.00%	5/11/2020	7/3/2020	On Track	0	1
29	Civil Repair Work Shift Engineer Room	\$89,700	ALL Contractors & Services Corp	80.00%	5/11/2020	7/18/2020	On Track	0	1
30	Boilers Crossover links - Desuperheater Replacement	\$1,800,000	General Electric Fieldcore (GEF)	98.00%	4/20/2020	6/29/2020	On Track	55	4
31	Mechanical Inspection, Repair & Alignment (Fans and Pumps)	\$120,000	PREPA	41.00%	5/5/2020	8/7/2020	At Risk	38	84
32	Non Destructive Test on Steam piping Unit 5	\$250,000	Alonso & Carus Iron Works	100.00%	5/18/2020	6/6/2020	Completed	1	0
33	Line Valves Overhaul	\$49,230	Ensya	100.00%	4/27/2020	7/3/2020	Completed	9	0
34	Safety Valves Repair	\$0	PREPA	100.00%	1/7/2020	1/7/2020	Completed	1	0
36	New Overhead Crane	\$1,556,943	Master Link	100.00%	3/9/2020	5/30/2020	Completed	2	0
37	Boiler Insulation Activities	\$700,000	JR Industrial Contractors, PREPA	79.00%	6/1/2020	8/7/2020	On Track	0	2

Overarching Workstream Initiatives
















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Unit 5 Project Summary by Workstream (Cont'd)

ID	Workstream Description	Budget Baseline	Resources Assigned	% Complete	Scheduled Start	Scheduled Finish	Status	Tasks Completed	Tasks Pending
38	Condenser Unit 5 Activities	\$180,000	PREPA, Induchem	18.00%	6/15/2020	7/24/2020	On Track	4	7
39	Condensate Recirculation Discharge Pipe (12 ft diameter)	\$900,000	Malnat	70.00%	5/11/2020	7/16/2020	On Track	0	1
41	Cargo Elevators	\$60,000	Vertech, Inc.	100.00%	4/8/2020	4/8/2020	Completed	1	0
42	Inspection on High Energy Supports (Pipe Hangers)	\$250,000	Contractor TBD	0.00%	7/11/2020	8/21/2020	On Track	0	2
43	Metering Station, Automation, TWI, Opacimeters 5-6, and Oil Flush Turbine U. 5	\$1,812,000	LT Automation, PREPA	46.00%	5/16/2020	9/1/2020	At Risk	3	5
44	DCS Foxboro Inspection - Boilers	\$60,000	PREPA	0.00%	7/1/2020	7/22/2020	On Track	0	1
45	Mark VI Turbines Inspection	\$60,000	PREPA	0.00%	7/1/2020	7/22/2020	On Track	0	1
46	Trip Test Boilers and Turbine	\$6,000	PREPA	0.00%	7/22/2020	8/3/2020	On Track	0	1
47	Natural Gas System Activities	\$1,000,000	ALL Contractors & Services Corp, PREPA	29.00%	4/30/2020	8/10/2020	At Risk	1	3
49	Reestablish Potable Water System	\$12,000	PREPA	100.00%	4/25/2020	5/8/2020	Completed	1	0
50	Reestablish of Compressed Gases, Sulfuric Acid, CO2 and Caustic Soda System	\$12,000	Contractor TBD	0.00%	6/29/2020	6/30/2020	On Track	0	1
51	Blow off Pumps Test	\$6,000	PREPA	30.00%	6/15/2020	6/25/2020	On Track	0	1

Overarching Workstream Initiatives

-  Eng. & Technical Studies
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Unit 5 Project Summary by Workstream (Cont'd)

ID	Workstream Description	Budget Baseline	Resources Assigned	% Complete	Scheduled Start	Scheduled Finish	Status	Tasks Completed	Tasks Pending
52	Boiler Prestart-Up Jobs / Hydrostatic Test	\$6,000	PREPA	0.00%	7/31/2020	8/13/2020	On Track	0	3
53	Temporary Laboratory Preparation and Commissioning Trailer	\$70,000	ALL Contractors & Services Corp	5.00%	6/22/2020	7/31/2020	Overdue	0	1
54	Temporary Office for Shift Engineer Trailer	\$147,650	ALL Contractors & Services Corp	100.00%	6/11/2020	6/22/2020	Completed	1	0
55	New Laboratory and Administration Building	\$2,400,000	Contractor TBD	0.00%	6/29/2020	9/19/2020	At Risk	0	1
56	Unit 5 Star Up and Commissioning Test	\$72,000	PREPA	0.00%	8/4/2020	8/14/2020	On Track	0	1
48	MPT 5 Secondary Containment repairs	\$38,783	5 Senses Solutions	75.00%	5/4/2020	6/27/2020	On Track	0	1
57	MPT 4 Secondary Containment repairs	\$17,480	5 Senses Solutions	0.00%	4/13/2020	6/19/2020	On Track	0	1
58	MPT 6 Secondary Containment repairs	\$29,550	5 Senses Solutions	0.00%	4/16/2020	6/5/2020	On Track	0	1
59	Mitigation of contaminated terrain switchyard 115kV, Autotransformer	\$20,000	5 Senses Solutions	100.00%	4/8/2020	6/5/2020	Completed	2	0
60	Structural Concrete Repairs Discharge Channel	\$1,750,950	Contractor TBD	0.00%	6/26/2020	11/27/2020	On Track	0	1
61	Generator Inspection and Repairs	-	PREPA	3.00%	5/16/2020	7/27/2020	At Risk	1	14
62	Turbine Inspection and Repairs	-	PREPA	52.00%	5/4/2020	7/24/2020	At Risk	6	18

Overarching Workstream Initiatives

- Eng. & Technical Studies
- Aux. Equipment Repairs
- Asbestos Removal & Disposing
- Unit 5 Startup and Commissioning
- Turbine Inspection & Repairs
- U5 Structural Repairs
- Civil & Other Reconstruction
- Lead Removal Works
- Operational Test & Control Tasks
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Unit 5 Project Summary by Workstream (Cont'd)

ID	Workstream Description	Budget Baseline	Resources Assigned	% Complete	Scheduled Start	Scheduled Finish	Status	Tasks Completed	Tasks Pending
63	Electrical Conservation Works	-	PREPA	80.00%	5/12/2020	7/23/2020	At Risk	3	2
64	Emergency Declaration	\$0	PREPA	100.00%	3/23/2020	3/23/2020	Completed	1	0
65	Scaffolding & Others	\$531,186	Brand, Contractor (Various)	100.00%	4/6/2020	5/29/2020	Completed	1	0
Total		\$25,184,292							

Overarching Workstream Initiatives

- Eng. & Technical Studies
- Aux. Equipment Repairs
- Asbestos Removal & Disposing
- Crossover Link Desuperheater
- Turbine Inspection & Repairs
- U5 Structural Repairs
- Civil & Other Reconstruction
- Lead Removal Works
- Operational Test & Control Tasks
- Generator Inspection & Repairs
- Condensate Water Tank Repairs
- Emergency Declaration
- Boiler Unit 5 Works
- MPT Test and Repair Dikes
- Other Works



Unit 5 Procurement Plan - Pipeline

The following table outlines the procurements currently in the pipeline to support the Costa Sur U5 Assessment and Repairs project:

Procurement Description	Procurement Type	Est. Amount	Status	Target Date	Update
Structural Concrete Repairs to Outfall channel structure, ending segment	Emergency Procurement	\$1,750,950	Planning Stage	TBD	<ul style="list-style-type: none"> Waiting for Geotechnical Results so PREPA may commenced with the design process
Temporary Mobile Water Treatment Plant	Emergency Procurement	\$745,000	Evaluating RFP Responses	TBD	<ul style="list-style-type: none"> RFP will be executed to have a “plan B” in case there is an issue with the delivery of the new Multimedia Filters to the Existing Water Treatment Plant
Estimated Total		\$2,495,950			



Unit 5 Procurement Plan - Awarded

The following table outlines the procurements awarded with new or existing contracts to support Costa Sur Assessment & Repairs:

#	Procurement Description	Procurement Type*	Cost	Associated Workstream #	Contract #	Contractor Name
1.	Scaffolding Services	Service Upon Request Agreement	\$300,000	65	84611	BRAND ENERGY INFRASTRUCTURE
2.	Exterior mechanical inspection of the condition of the boilers	Service Upon Request Agreement	\$83,170	1	83998	CARIBE GE INTERNATIONAL ENERGY
3.	Preliminary Inspection and Steel Structural Elements for Boilers and Auxiliary Equipment (units 3-4)	Service Upon Request Agreement	\$39,100	2	84002	CARIBE GE INTERNATIONAL ENERGY
4.	Preliminary Inspection and Steel Structural Elements for Boilers and Auxiliary Equipment (units 5-6)	Service Upon Request Agreement		2	84002	CARIBE GE INTERNATIONAL ENERGY
5.	More Detail Inspection, Structural Design Work for Repairs Units 5 and 6 (Before Put On Service). Also, Structural Assessment Structures Units 1 and 2	Service Upon Request Agreement	\$298,635	2	84002	CARIBE GE INTERNATIONAL ENERGY
6.	Preliminary Visual Inspection of Steam Piping and Equipment and Structural Supports.	Service Upon Request Agreement	\$22,540	3	84002	CARIBE GE INTERNATIONAL ENERGY
7.	Interior mechanical inspection of the condition of the boilers Units 5 and 6	Service Upon Request Agreement	\$66,030	7	83998	CARIBE GE INTERNATIONAL ENERGY
8.	Structural Elements Immediate Repair Work to Allow Additional Interior Inspection of the Boilers and Other Equipment of the CSPP	Service Upon Request Agreement	\$68,441	5	82470	ENERSYS ENGINEERING CORP
9.	Lead Removal Services	Service Upon Request Agreement	\$18,500	4	82470	ENERSYS ENGINEERING CORP
10.	Structural Repair Works Old Condensate Water Tanks A-1-4, B-1-4 (Temporary Connection)	Service Upon Request Agreement	\$220,800	20	82470	ENERSYS ENGINEERING CORP
11.	Old Water Condensate Tanks Interconnection Works to Unit 5 Demin Water Cycle System	Service Upon Request Agreement	\$153,000	24	82470	ENERSYS ENGINEERING CORP

* Note: Service Upon Request Agreements refers to agreements that PREPA has in place to be used in the event that a need arises from one of the plants within the specified scope. Cost associated with these contracts are only a fraction of the total contract amount.



Unit 5 Procurement Plan – Awarded (Cont'd)

The following table outlines the procurements awarded with new or existing contracts to support Costa Sur Assessment & Repairs:

#	Procurement Description	Procurement Type*	Cost	Associated Workstream #	Contract #	Contractor Name
12.	Structural Repairs Cross Bracings Structure - Overhead Crane 1-6	Service Upon Request Agreement	\$78,492	25	82470	ENERSYS ENGINEERING CORP
13.	Repair Works on Valves Unit 5	Service Upon Request Agreement	\$49,230	33	83581	ENGINEERING SYSTEMS SALES
14.	Insulation Repair Works in Boiler 5	Service Upon Request Agreement	\$1,500,000	37	86283	J R INDUSTRIAL CONTRACTORS INC
15.	Opacity Meter Upgrade	Service Upon Request Agreement	\$66,971	43	83994	J.A. MERA INC.
16.	Integration of Raw Water Pumps Controls into DCS Foxboro	Service Upon Request Agreement	\$145,606	43	85590	LT AUTOMATION
17.	Integration of Metering Station into DCS	Service Upon Request Agreement	\$64,945	43	83009	LT AUTOMATION
18.	Foxboro Controls Advantage Upgrade	Service Upon Request Agreement	\$106,511	43	82159	LT AUTOMATION
19.	Integration of Demineralizer Controls into DCS	Service Upon Request Agreement	TBD	43	84651	LT AUTOMATION / Scheinder
20.	Repairs on fire protection systems	Service Upon Request Agreement	\$115,000	65	84101	R G ENGINEERING INC
21.	Cargo Elevators Repairs	Service Upon Request Agreement	\$60,000	41	82412	VERTECH INC
22.	MPT 4 Secondary Containment Repair Works	Emergency Procurement	\$38,783.00	48	86581	5 SENSES SOLUTIONS LLC.
23.	MPT 5 Secondary Containment Repair Works	Emergency Procurement	\$17,480.00	57	86581	5 SENSES SOLUTIONS LLC.

* Note: Service Upon Request Agreements refers to agreements that PREPA has in place to be used in the event that a need arises from one of the plants within the specified scope. Cost associated with these contracts are only a fraction of the total contract amount.



Unit 5 Procurement Plan – Awarded (Cont'd)

The following table outlines the procurements awarded with new or existing contracts to support Costa Sur Assessment & Repairs:

#	Procurement Description	Procurement Type*	Cost	Associated Workstream #	Contract #	Contractor Name
24.	MPT 6 Secondary Containment Repair Works <i>(Incorporated in Unit 6)</i>	Emergency Procurement	\$0	58	86581	5 SENSES SOLUTIONS LLC.
25.	Removal and Mitigation of Contaminated Soil Switchyard 115 kV	Emergency Procurement	\$19,928	59	86716	5 SENSES SOLUTIONS LLC.
26.	Natural Gas Line Pipe Structural Repair Works	Emergency Procurement	\$908,000	47	86823	ALL CONTRACTORS SERVICES CORP
27.	Temporary Laboratory Offices (Rental - 12 Months)	Emergency Procurement	\$76,275	53	87245	ALL CONTRACTORS SERVICES CORP
28.	Temporary Administrative Offices (Rental - 12 Months)	Emergency Procurement	\$182,475	54	86552	ALL CONTRACTORS SERVICES CORP
29.	Civil Works Control Room 5-6, Compressor Room, Shift Engineer Room	Emergency Procurement	\$328,215	26-29	86553	ALL CONTRACTORS SERVICES CORP
30.	NDT Services Unit 5	Emergency Procurement	\$250,000	32	86678	ALONSO CARUS IRON WORKS INC
31.	Asbestos Removal & Disposal Works Unit 5	Emergency Procurement	\$199,000	12A	86559	Caribe Hydroblasting
32.	Lead Removal and Disposal Works - Structural Repairs Units 1-6	Emergency Procurement	\$1,111,843	12	86566	J R INDUSTRIAL CONTRACTORS INC
33.	Condensate Recirculating Discharge Pipe	Emergency Procurement	\$975,000	39	86664	MALNAT ASOCIADOS
34.	Underwater Visual Inspection of the Tunnels Condenser 5 and 6	Emergency Procurement	\$83,100	9	86495	MARINE DIVING CONTRACTORS
35.	Turbine-Generator Inspection Work	Emergency Procurement	\$379,500	61,62	87153	MECHANICAL DYNAMICS ANALYSIS.3

* Note: Service Upon Request Agreements refers to agreements that PREPA has in place to be used in the event that a need arises from one of the plants within the specified scope. Cost associated with these contracts are only a fraction of the total contract amount.



Unit 5 Procurement Plan – Awarded (Cont'd)

The following table outlines the procurements awarded with new or existing contracts to support Costa Sur Assessment & Repairs:

#	Procurement Description	Procurement Type*	Cost	Associated Workstream #	Contract #	Contractor Name
36.	Structural Repairs Condensate Tank 5	Emergency Procurement	\$345,468	22	86704	R G ENGINEERING INC
37.	Structural Repairs Unit 1-5	Request for Quotes (RFQs)	\$2,593,385	13-17	86331	ALSTOM CARIBE INC
38.	Provide post-earthquake geotechnical evaluation of the foundation support of the different structures in the facility	Request for Quotes (RFQs)	\$349,067	10	86125	EARTH ENGINEERS INC
39.	Visual Inspection and Ultrasonic Inspect API 653	Request for Quotes (RFQs)	\$134,448	6	85840	Heisen Global Engineering (HGE)
40.	Design Work - Structural Repairs Condensate Tank 5 & Old Water Condensate tanks	Request for Quotes (RFQs)	\$146,662	22	86344	Heisen Global Engineering (HGE)
41.	Project Management and Data Analytics Support	Other	TBD	11	84276	ACUMENIAN
42.	Project Management Services	Other	\$53,500	11	84270	CPM
43.	Project Management Support	Other	\$50,000	11	85215	SCOTTMADDEN
44.	January 8,2020 - Safety Inspection	-	\$3,031	65	85336	ABACUS ARCHITECTURE PSC
45.	Trailer for Costa Sur Repairs	-	\$78,325	54	86814	ALL CONTRACTORS SERVICES CORP
46.	Crane Rental of 150 tons and 230 feet	-	\$148,000	TBD	82754	ALL CONTRACTORS SERVICES CORP
47.	Superheater-Desuperheat Link Piping Installation U. 5	-	\$1,766,429	30	86214	ALSTOM CARIBE INC

* Note: Service Upon Request Agreements refers to agreements that PREPA has in place to be used in the event that a need arises from one of the plants within the specified scope. Cost associated with these contracts are only a fraction of the total contract amount.



Unit 5 Procurement Plan – Awarded (Cont'd)

The following table outlines the procurements awarded with new or existing contracts to support Costa Sur Assessment & Repairs:

#	Procurement Description	Procurement Type*	Cost	Associated Workstream #	Contract #	Contractor Name
48.	Geotechnical studies for Costa Sur	-	\$215,000	10	86920	EARTH ENGINEERS INC
49.	Cable tray installation for switchgear equipment	-	\$32,258		86961	ENGINEERING SERVICES
50.	Lead Paint and Asbestos Sampling Analysis	-	\$6,425	12, 12A	79564	Environmental Health & Safety Services
51.	Condition Survey and Testing for Concrete Pedestals for Power Turbine and Generator Units , 5 and 6	-	\$55,160	8	85980	Heisen Global Engineering (HGE)
52.	Structural engineering consulting	-	\$210,000		86919	Heisen Global Engineering (HGE)
53.	Water Treatment Tank 2 Cleaning	-	\$120,000	19	85153	INDUCHEM SERVICES
54.	Boiler Hydroblasting	-	\$120,000	19	80903	INDUCHEM SERVICES
55.	Condenser Tube Cleaning	-	\$155,691	38	81017	INDUCHEM SERVICES
56.	SS Tanks for Costa Sur Plant	-	\$495,510		81974	LT AUTOMATION
57.	TBD	-	\$46,232	24	65206	LT AUTOMATION
58.	Overhead Crane Installation and Commissioning	-	\$1,553,502	36	82717	MASTER LINK CORPORATION
59.	Existing Overhead Crane Units 3 and 6, Certification	-	\$34,412	25	84013	VITAL ENERGY CORPORATION

* Note: Service Upon Request Agreements refers to agreements that PREPA has in place to be used in the event that a need arises from one of the plants within the specified scope. Cost associated with these contracts are only a fraction of the total contract amount.



Unit 5 Procurement Plan – Awarded (Cont'd)

The following table outlines the procurements awarded with new or existing contracts to support Costa Sur Assessment & Repairs:

#	Procurement Description	Procurement Type*	Cost	Associated Workstream #	Contract #	Contractor Name
60.	Relocation of A/C units	-	\$3,700	-	87148	AIT TECHNOLOGIES INC
61.	Necessary Office Supplies	-	\$2,513	-	87240	PR OFFICE SOLUTIONS
62.	Relocation of Foxboro monitors and power circuits for opacity meters	-	\$66,500	-	87275	LT AUTOMATION
63.	A/C units duct fabrication	-	\$5,640	-	87147	AIT TECHNOLOGIES INC
64.	A/C equipment and duct cleaning	-	\$64,480	-	86734	AIT TECHNOLOGIES INC
65.	Transformer Testing	-	\$48,000	-	87169	ENGINEERING SERVICES
66.	Vacuum Pump Motor Repairs	-	\$7,600	-	87167	CORTES INDUSTRIAL ORGANIZATION
67.	Chiller Mechanical Cleaning	-	\$320,000	-	78808	ENVIRONICS ENGINEERING
68.	Turbine Oil Flush	-	\$169,000	-	80175	ALLIED POWER TECHNOLOGIES
69.	Wall Panel Installation	-	\$33,694	-	87181	ENGINEERING SERVICES
Estimated Total			\$17,460,201			

* Note: Service Upon Request Agreements refers to agreements that PREPA has in place to be used in the event that a need arises from one of the plants within the specified scope. Cost associated with these contracts are only a fraction of the total contract amount.



Unit 6 Executive Summary

9.00%
% Completion

19.11%
Time Elapsed

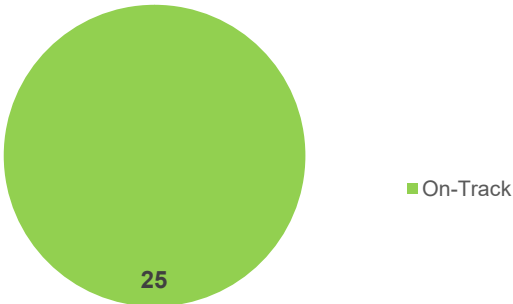
Management Notes:

- Baseline cost does not include repairs associated with the water and fuel tanks, construction of new raw water tank, new condensate and demineralized tanks and additional repairs to administrative buildings
 - These activities are not required for placing Unit 6 back in service, but are recommended for the long-term operation of the facility; incremental cost for these activities is \$15.4M
- Key procurement activities have been identified and secured Board approval to utilize emergency procedures
- Worst case scenario for CS6 start up is 11/30, taking into consideration execution risks and hurricane season uncertainties

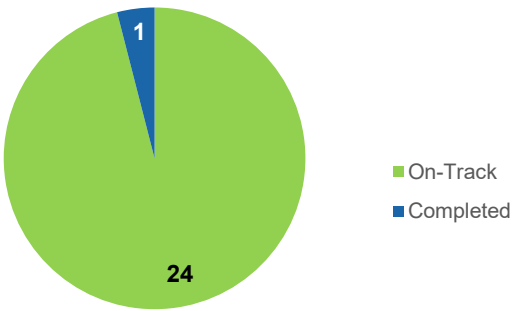
Scope and Metrics by Workstream

25 Identified Workstreams	1 Workstreams at 100% Completion	0 Workstreams Added (Since Last Report)
-------------------------------------	--	---

Budget



Schedule



18 * Note: Subject to baseline review and approval

Financials

Budget Baseline*	\$19,008,286
TBD Total YTD Disbursements	TBD Total YTD Amount Invoiced
TBD Total Committed (Based on Contract Awards)	\$19,008,286 Balance Available (Based on Invoices)

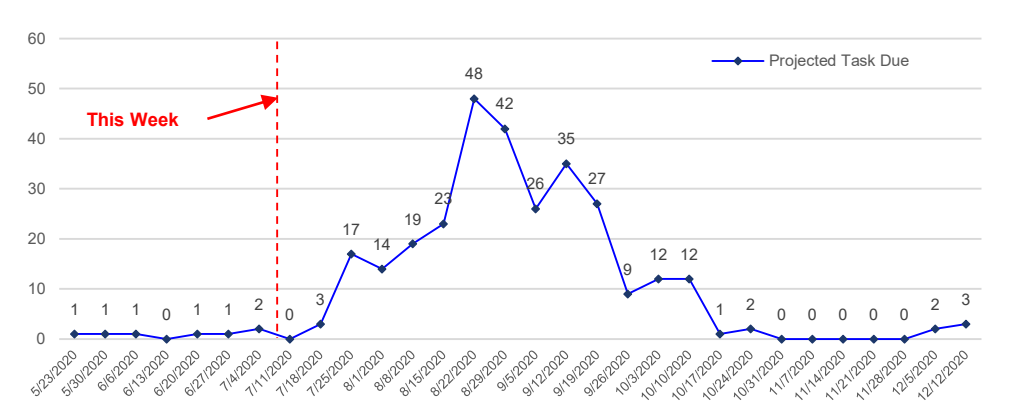
Procurement Status

Status	Count
In-Progress	26
Awarded	9

25.7%
% Procurements Completed

35 Total Procurements	11 Emergency Procurements	\$2.2M Amount Contracts Awarded
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Schedule Work Breakdown



Schedule Metrics

304 Total Scheduled Tasks	TBD Pending Tasks On-Track	2 Tasks Due This Week
6 YTD Tasks Completed	TBD Pending Tasks Delayed	0 Tasks Due Next Week
	TBD Pending Tasks Overdue	28 Tasks Due in June

Weekly Headcount (Maximum)

TBD PREPA's Avg. Headcount	TBD Avg. Total Headcount
TBD Contractor's Avg. Headcount	

Unit 6 Project Summary by Workstream

ID	Workstream Description	Est. Cost	Resources Assigned	% Complete	Scheduled Start	Scheduled Finish	Status	Tasks Completed	Tasks Pending
1	Project Initiation, Procurement, and Other Work Activities	\$535,215	PREPA, Contractor TBD	TBD	1/7/2020	8/24/2020	On Track	4	20
2	Emergency Declaration	\$0	PREPA	100%	5/22/2020	5/28/2020	Completed	1	0
3	Lead Removal Works	\$100,000	JR Industrial Contractors	41%	8/24/2020	8/24/2020	On Track	0	1
4	Asbestos Removal Works	\$100,000	Caribe Hydroblasting	65%	7/25/2020	7/25/2020	On Track	0	1
5	Structural Steel Repair Works Unit 6	\$1,348,000	General Electric Fieldcore (GEF)	TBD	7/20/2020	9/14/2020	On Track	0	67
6	Scaffolding Services	\$425,000	Brand	15%	6/15/2020	6/29/2020	On Track	0	1
7	Boiler Wash	\$125,000	Induchem	65%	6/5/2020	6/26/2020	On Track	0	1
8	Cargo Elevator Repairs	\$15,000	Vertech	0%	8/15/2020	9/15/2020	On Track	0	1
9	Crane Repairs	\$1,200,000	Contractor TBD	0%	7/16/2020	9/17/2020	On Track	0	1
10	Air-Preheater Repairs	\$1,900,000	Contractor TBD	0%	8/15/2020	9/14/2020	On Track	0	1
11	Balance of Plant Works	\$230,226	PREPA	TBD	8/1/2020	10/7/2020	On Track	0	3
12	Boiler Repair Works	\$1,776,144	PREPA, Contractor TBD	TBD	8/13/2020	10/6/2020	On Track	0	11



Unit 6 Project Summary by Workstream (Cont'd)

ID	Workstream Description	Est. Cost	Resources Assigned	% Complete	Scheduled Start	Scheduled Finish	Status	Tasks Completed	Tasks Pending
13	Burner Repairs	\$500,000	Contractor TBD	0%	8/15/2020	9/11/2020	On Track	0	1
14	Condensate Circulating Water System Repairs	\$1,750,000	Contractor TBD	TBD	8/1/2020	10/3/2020	On Track	0	5
15	Condensate Storage Tank Design and Construction	<i>Not Included</i>	Contractor TBD	TBD	7/6/2020	12/12/2020	On Track	0	5
16	Demineralized Water Tank Repairs	<i>Not Included</i>	Contractor TBD	TBD	8/12/2020	11/29/2020	On Track	0	2
17	Desuperheater Replacement Crossover Links	\$1,800,000	Contractor TBD	TBD	7/24/2020	9/28/2020	On Track	0	57
18	Electrical and Instrumentation Works	\$1,155,809	PREPA, Contractor TBD	TBD	8/15/2020	10/7/2020	On Track	0	45
19	Line Safety Valves Repairs	\$450,000	Contractor TBD	0%	8/15/2020	9/5/2020	On Track	0	1
20	Mechanical Inspection, Repair & Alignment (Heaters, Fans, Pumps, and Valves)	\$550,000	PREPA, Contractor TBD	TBD	8/1/2020	10/21/2020	On Track	0	26
21	Pipe Type Cable Repairs	\$57,500	Contractor TBD	0%	8/15/2020	9/15/2020	On Track	0	1
22	Stack, Insulation, and Refractory Works	\$600,000	Contractor TBD	TBD	6/1/2020	9/26/2020	On Track	1	5
23	Turbine-Generator Repairs	\$4,290,843	PREPA, Contractor TBD	TBD	8/1/2020	10/9/2020	On Track	0	39
24	Cooler Main Oil Tank Cleaning and Repairs	\$70,000	Contractor TBD	0%	7/9/2020	7/21/2020	On Track	0	1



Unit 6 Project Summary by Workstream (Cont'd)

ID	Workstream Description	Est. Cost	Resources Assigned	% Complete	Scheduled Start	Scheduled Finish	Status	Tasks Completed	Tasks Pending
25	Unit 6 Start Up and Commissioning	TBD	PREPA, Contractor TBD	TBD	10/10/2020	10/21/2020	On Track	0	1
26	MPT 6 Secondary Containment Repair Works	\$29,550	5 Senses Solutions	0.00%	4/16/2020	6/5/2020	On Track	0	1
Total		\$19,008,286							



Unit 6 Additional Workstreams Not Included in Budget

The following workstreams were not included as part of the estimated cost to bring Unit 6 back to commercial operations. Although these workstreams are not included in the proposed project baseline, they are considered essential for the long-term operations of the facility.

ID	Workstream Description	Est. Cost	Resources Assigned	% Complete	Scheduled Start	Scheduled Finish	Status	Tasks Completed	Tasks Pending
15	Condensate Storage Tank Design and Construction	\$2,184,240	Contractor TBD	TBD	7/6/2020	12/12/2020	TBD	0	5
16	Demineralized Water Tank Repairs	\$2,700,000	Contractor TBD	TBD	8/12/2020	11/29/2020	TBD	0	2
26	Structural Repairs Water and Fuel Tanks	\$1,500,000	Contractor TBD	TBD	TBD	TBD	TBD	TBD	TBD
27	Design & Build Raw Water Tank	\$7,000,000	Contractor TBD	TBD	TBD	TBD	TBD	TBD	TBD
28	Civil, Mechanical, Electrical Repairs Adm. Building and Laboratory	\$2,000,000	Contractor TBD	TBD	TBD	TBD	TBD	TBD	TBD
Total		\$15,384,240							



Unit 6 Procurement Plan - Pipeline

The following table outlines the procurements currently in the pipeline to support the Costa Sur U6 Assessment and Repairs project:

#	Procurement Description	Procurement Type*	Est. Amount	Status	Target Date
1	Replacement of Rails, Overhead Crane 5 and 6	Emergency Procurement	\$1,200,000	Planning	TBD
2	Replacement of Baskets Air Pre-heaters Baskets Unit 6	Emergency Procurement	\$700,000	Planning	TBD
3	Repair and Replacement of Existing Burners Unit 6	Emergency Procurement	\$250,000	Planning	TBD
4	Condenser Discharge Tube Unit 6	Emergency Procurement	\$1,700,000	Planning	TBD
5	Design and Construction of a New Water Condensate Tank Unit 6	Emergency Procurement	<i>Not Included</i>	Planning	TBD
6	Structural Repairs Demineralized Water Service Tanks 5 and 6	Emergency Procurement	<i>Not Included</i>	Planning	TBD
7	De-superheater Crossover liner Unit 6	Emergency Procurement	\$1,800,000	Planning	TBD
8	Civil, electrical and mechanical repairs to the Excitation Control Room Unit 6	Emergency Procurement	\$170,000	Planning	TBD
9	Replacement of Line and Safety Valves Unit 6	Emergency Procurement	\$450,000	Planning	TBD
10	Repair and Replacement of Piping Water Heater 3 Unit 6	Emergency Procurement	\$300,000	Planning	TBD
11	Repair and Replacement of Piping of the Coolers Main Oil Tank (CMOT) Unit 6	Emergency Procurement	\$70,000	Planning	TBD
12	Consumables (rods, angles, gases, etc)	Service Upon Request Agreement	\$100,000	Planning	TBD
13	Cargo Elevators	Service Upon Request Agreement	\$15,000	Planning	TBD
14	Air Pre Heaters Baskets	Service Upon Request Agreement	\$1,200,000	Planning	TBD
15	Mitigation Contract – Mechanical Repairs with Stamp (Boiler)	Service Upon Request Agreement	\$250,000	Planning	TBD

* Note: Service Upon Request Agreements refers to agreements that PREPA has in place to be used in the event that a need arises from one of the plants within the specified scope. Cost associated with these contracts are only a fraction of the total contract amount.



Unit 6 Procurement Plan – Pipeline (Cont'd)

The following table outlines the procurements currently in the pipeline to support the Costa Sur U6 Assessment and Repairs project:

#	Procurement Description	Procurement Type*	Est. Amount	Status	Target Date
16	Mitigation Contract – Mechanical Repairs without Stamp	Service Upon Request Agreement	\$450,000	Planning	TBD
17	Burner System Parts Replacement	Service Upon Request Agreement	\$250,000	Planning	TBD
18	Condenser Tube Cleaning and Outlet Boxes	Service Upon Request Agreement	\$50,000	Planning	TBD
19	Instrumentation and Electrical Wiring	Service Upon Request Agreement	\$100,000	Planning	TBD
20	Mitigation Contract – Electrical and Instrumentation Repairs	Service Upon Request Agreement	\$125,000	Planning	TBD
21	Bearing replacement for pumps and fans	Service Upon Request Agreement	\$250,000	Planning	TBD
22	Refractory and Insulation Work	Service Upon Request Agreement	\$600,000	Planning	TBD
23	Internal Boiler Inspection	TBD	\$200,000	Planning	TBD
24	Condensate Water Tank # 6 Demolition	TBD	\$184,240	Planning	TBD
25	Pipe Type Cable Repairs	TBD	\$57,500	Planning	TBD
26	Turbine Rotor Installation	TBD	\$3,499,000	Planning	TBD
Total			\$15,884,500		

* Note: Service Upon Request Agreements refers to agreements that PREPA has in place to be used in the event that a need arises from one of the plants within the specified scope. Cost associated with these contracts are only a fraction of the total contract amount.



Unit 6 Procurement Plan – Awarded

The following table outlines the procurements currently in the pipeline to support the Costa Sur U6 Assessment and Repairs project:

#	Procurement Description	Procurement Type*	Est. Amount	Status	Vendor Name
1	Scaffolding Services for Unit 6	Service Upon Request Agreement	\$425,000	Awarded	Brand
2	Boiler Wash	Service Upon Request Agreement	\$75,000	Awarded	Induchem
3	Boiler Hydro blasting (Interior and Exterior)	Service Upon Request Agreement	\$50,000	Awarded	Induchem
4	Lead Removal	Contract Amendment	\$100,000	Awarded	JR Industrial Contractors
5	Asbestos Removal	Contract Amendment	\$100,000	Awarded	Caribe Hydroblasting
6	Structural Steel Repair Works Unit 6	Existing U5 Contract	\$1,348,000	Awarded	General Electric Fieldcore (GEF)
7	MPT 6 Secondary Containment Repair Works	Emergency Procurement	\$29,550	Awarded	5 SENSES SOLUTIONS LLC.
8	A/C equipment and duct cleaning	Other	\$22,115	Awarded	AIT TECHNOLOGIES INC
9	Turbine Oil Flush	Other	\$59,895	Awarded	ALLIED POWER TECHNOLOGIES
Total			\$2,209,560		

* Note: Service Upon Request Agreements refers to agreements that PREPA has in place to be used in the event that a need arises from one of the plants within the specified scope. Cost associated with these contracts are only a fraction of the total contract amount.



Emergency Management KPI Dashboard

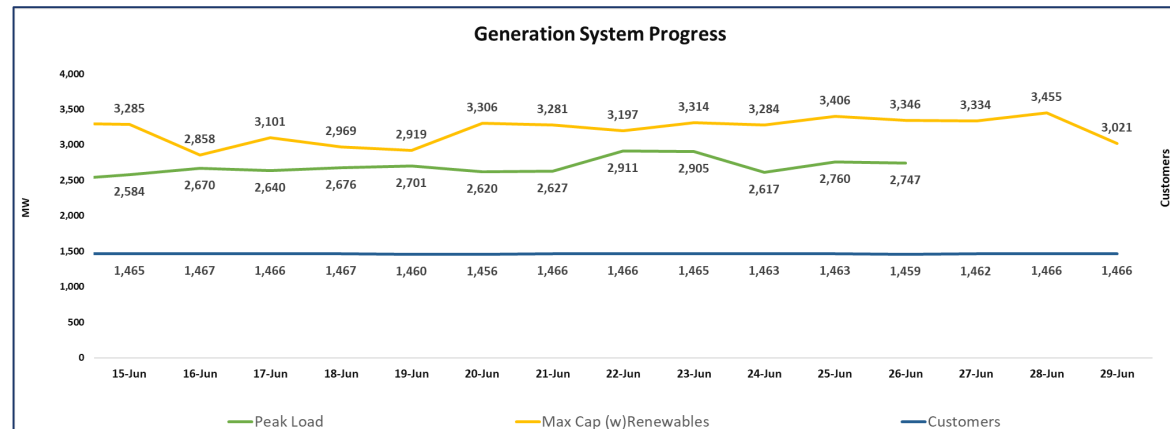
DEMAND (MW)
 **2322**
 AS OF JUN 29, 2020

CUSTOMERS ENERGIZED
 **99.89%**
 1,466,674

Progress of Critical Generation System					
Power Plant	Unit	Power Plant Type	Installed Generation (MW)	Maximum Capacity (MW)	Actual Generation (MW)
San Juan	7	Base Load	100	71	70
San Juan	8	Base Load	100	72	73
San Juan	9	Base Load	100	90	88
Palo Seco	1	Base Load	85	70	65
Palo Seco	3	Base Load	216	140	125
Palo Seco	4	Base Load	216	150	150
Aguirre	1	Base Load	450	450	348
Aguirre	2	Base Load	450	450	287
Aguirre CC	Stag 1	Base Load	296	145	109
Aguirre CC	Stag 2	Base Load	296	140	139
San Juan CC	CT 5	Base Load	160	160	150
San Juan CC	STG 5	Base Load	60	60	48
Cambalache	2	Peaker	82.5	77	37
Daguao	1-1	Peaker	18	18	0
Daguao	1-2	Peaker	21	16	0
Palo Seco Hidrogas	1-1	Peaker	21	19	19
Palo Seco Megagens	1, 2, 3	Peaker	66	65	65
Jobos	1-1	Peaker	21	19	0
Mayaguez	1	Peaker	55	23	0
Mayaguez	2	Peaker	55	55	0
Mayaguez	3	Peaker	55	50	0
Mayaguez	4	Peaker	55	50	0
Yabucoa	1-1	Peaker	21	20	0
Vega Baja	1-2	Peaker	21	19	0
Hidroeléctricas		Peaker	23	21	3
EcoEléctrica	1	Base Load	177	176	167
EcoEléctrica	2	Base Load	178	176	167
ECO	Steam	Base Load	176	175	167
Sub - Total			3575	2977	2278
Renewables		Renewables	194	44	44
Total			3769	3021	2322

Generation Units Out of Service					
Power Plant	Unit	Power Plant Type	Installed Generation (MW)	Maximum Capacity (MW)	Expected date to be online*
Costa Sur	5	Base Load	410	410	August 14, 2020
Costa Sur	6	Base Load	410	410	TBD
Aguirre CC	Steam 1	Base Load	96	14	TBD
Aguirre CC	Steam 2	Base Load	96	50	TBD
San Juan CC	CT 6	Base Load	160	120	TBD
San Juan CC	STG 6	Base Load	60	60	July 31, 2020
Aguirre CC	Stag 2 (2-2)	Peaker	50	50	July 25, 2020
Cambalache	3	Peaker	82.5	77	July 2, 2020
Aguirre Hidrogas	2-1	Peaker	21	21	TBD
Aguirre Hidrogas	2-2	Peaker	21	21	July 3, 2020
Palo Seco Hidrogas	1-2	Peaker	21	19	July 15, 2020
Palo Seco Hidrogas	2-1	Peaker	21	21	TBD
Costa Sur Hidrogas	1-1	Peaker	21	21	TBD
Costa Sur Hidrogas	1-2	Peaker	21	21	TBD
Jobos	1-2	Peaker	21	18	TBD
Yabucoa	1-2	Peaker	21	20	TBD
Vega Baja	1-1	Peaker	21	18	TBD
AES	1	Base Load	262	190	July 11, 2020
AES	2	Base Load	262	257	TBD
Sub-Total			2077.5	1818	
Cambalache	1	Peaker	83		Long Term Outage
Palo Seco Hidrogas	2-2	Peaker	21		Long Term Outage
Palo Seco Hidrogas	3-1	Peaker	21		Long Term Outage
Palo Seco Hidrogas	3-2	Peaker	21		Long Term Outage
Palo Seco	2	Base Load	85		Long Term Outage
San Juan Steam	10	Base Load	100		Long Term Outage
Sub-Total			331	0	
Total			2408	1818	

*The dates are as of current information and system conditions, which may vary or change with unexpected events in the electrical system operation.



Project Team and Roles and Responsibilities Matrix

Project Team Members include a diverse representation from different areas of the organization such as Generation, PMO, DFMO, and key advisors .

Team Grouping	Key Roles and Responsibilities
Executive Team	<ul style="list-style-type: none"> ▪ Establish governance, provide direction and oversight to broader project team ▪ Assign resources, resolve conflicts and risks, and approve execution plan ▪ Manage stakeholder communications and engagement
Management Team	<ul style="list-style-type: none"> ▪ Review project needs, issues, risks, and plans; resolve or escalate as needed ▪ Provide input, feedback, and direction to the Execution and Procurement Team ▪ Provide oversight of the contractors/vendors supporting the project
Procurement Team	<ul style="list-style-type: none"> ▪ Manage the procurement of goods and services needed to support the Execution Team ▪ Provide regular status updates on all procurements ▪ Escalate issues, risks, and/or concerns as needed
Execution Team	<ul style="list-style-type: none"> ▪ Manage the project scope, budget, and schedule ▪ Engage regularly with controls team to provide timely and accurate update on execution ▪ Manage contractors/vendors supporting the project
Controls Team	<ul style="list-style-type: none"> ▪ Collect data and information related to the project scope, budget, and schedule ▪ Develop and maintain master project schedule ▪ Provide project information and progress to the Reporting Team
Reporting Team	<ul style="list-style-type: none"> ▪ Develop standard project status progress reports ▪ Manage stakeholder needs and request for communications
PREB/FOMB Interface Team	<ul style="list-style-type: none"> ▪ Identify stakeholder engagement and communication needs ▪ Communicate with Management and Executive Team on stakeholder requests ▪ Review all communications issued to the stakeholder group ▪ Provide interface support with stakeholder groups
FEMA Interface Team	<ul style="list-style-type: none"> ▪ Identify stakeholder engagement and communication needs ▪ Communicate with Management and Executive Team on stakeholder requests ▪ Review all communications issued to the stakeholder group ▪ Provide support to secure funding and any associated documentation ▪ Provide interface support with FEMA



Exhibit B

Contratos



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Mail Invoice To:

Vendor:

AUTORIDAD DE ENERGIA ELECTRICA
DIVISION DE TESORERIA
P.O. BOX 70253
SAN JUAN PR 00936-8253

NEIL BORRERO VÉLEZ
ALL CONTRACTORS SERVICES CORP
PO BOX 276
MERCEDITA PR 00715

Please Direct Inquiries to:

Work Location:

JOEL D. PANTOJAS-CARABALLO
JPANTOJAS13525@AEEPR.COM

JEFE OFIC ADM DIR SIST ELECT
NEOM 606

Title: PROCUREMENT SUPV G5

CARR. NUM. 1, KM 15.1

Phone: 787-521-3034

Ext:

C. SAN ROBERTO FINAL

Fax : 787-521-3171

MONACILLOS PR 00926

Title: ALQUILER TRAILER OFIC. PARA LABORATORIO TEMP - CENTRAL COSTA SUR

Total Value : \$76,275.00 USD

** NOT TO EXCEED **

Pricing Method: ESTIMATE

Contract Type : SERVICES

Start Date: 06/22/2020

Project :

End Date : 12/31/2020

Vendor Authorized Signature

Printed Name/Title

Date Signed

Phone

Authorized Signature

Neftalí González Cruz JEFE DIVISION DE SUMINISTROS

Printed Name/Title

6/22/2020

787-521-3268

Date Signed

Phone

Terms and Conditions - Text at End

Table with 4 columns: Fac, Standard, Rev S/P Text, Title. Rows include PH000001, PH000002 with details on Equal Opportunity and Compliance with Laws.



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Terms and Conditions - Text at End

Fac	Standard	Rev	S/P	Text	Title
	PH000004	005	S	Y	INFRINGEMENT
	PH000006	016	S	Y	CLAUSULAS PARA PAGOS DE IMPUESTOS ESTATALES Y FEDE
	PH000007	004	S	Y	APPLICABLE LAW
	PH000011	006	S	Y	CHANGES TO ORDER.
	PH000031	009	S	Y	CONFIDENTIALITY
	PH000033	009	S	Y	FORCE MAJEURE
	PH000037	008	S	Y	TERMINOS PARA RETENCION EN EL ORIGEN
	PH000038	005	S	Y	NONWAIVER.
	PH000040	007	S	Y	RELATIONSHIP OF THE PARTIES.
	PH000057	005	S	Y	TERMINATION
	PH000079	001	S	Y	QUALITY STANDARDS AND WARRANTIES 1
	PH000080	002	S	Y	QUALITY STANDARDS AND WARRANTIES 2
	PH000082	002	S	Y	ANTI-KICKBACK

Scope of Work

ORDEN DE SERVICIO, MATERIALES Y EQUIPOS

REQ. 240535
RFP 00002624

EMERGENCY PROCUREMENT PROCEDURES FOR COSTA SUR POWER PLANT UNIT 5
REHABILITATION - ALQUILER DE TRAILER OFICINA PARA LABORATORIO TEMPORAL EN
CENTRAL COSTA SUR.

SE ADJUDICA ESTE CONTRATO DE ACUERDO A NUESTRAS ESPECIFICACIONES, TÉRMINOS
Y CONDICIONES SOLICITADOS Y ACEPTADOS POR LA COMPAÑÍA PARA LA SOLICITUD DE
PRECIOS RFP 00002624 (NÚM. 104129 EN POWER ADVOCATE). LA VIGENCIA DE ESTE
CONTRATO ES POR SEIS (6) MESES CON OPCION DE EXTENSION DE SEIS (6) MESES
ADICIONALES POR MUTUO ACUERDO.

INFORMACION DE PERSONA CONTACTO AEE:

ING. CARLOS A. NEGRÓN ALFONSO
TEL. 787-521-6421 / 6406
E-MAIL: CARLOS.NEGRON@PREPA.COM

COMPRADOR:
JOEL D. PANTOJAS CARABALLO



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SUPERVISOR DE COMPRAS PRINCIPAL
TEL. 787-521-3317
E-MAIL: JOEL.PANTOJAS@PREPA.COM

SUPLIDOR: ALL CONTRACTORS & SERVICES
TEL. 787-378-4406

DESGLOSE DE COSTOS:

TRAILER DE OFICINA PARA LABORATORIO.

1. COSTO RENTA MENSUAL - \$10,750.00 X 6 MESES = \$64,500.00
2. COSTO SERVICIO DE ENTREGA Y RECOGIDO POR MÓDULO - \$1,500.00 C/U X 2 MÓDULOS = \$3,000.00
3. COSTO SERVICIO DE NIVELACIÓN - \$4,500.00
4. COSTO SERVICIO DE DESINSTALACIÓN - \$2,350.00
5. COSTO SERVICIO DE TENSAR UNIDAD - \$875.00
6. COSTO MANTENIMIENTO MENSUAL DE A/C - \$175.00 X 6 MESES = \$1,050.00

NOTAS:

1. LOS PAGOS PARA ESTE CONTRATO SERÁN NETO 60 DÍAS.
2. EL NÚMERO DE CUENTA A UTILIZAR PARA ESTE CONTRATO ES EL 01-1748-17568-555-354.

PROJECT NAME: SERVICIO DE ENTREGA Y ALQUILER DE TRAILER DE OFICINA PARA LABORATORIO TEMPORERO CENTRAL COSTA SUR.

REQUISITOS DEL SERVICIO:

- 1) TAMAÑO DEL TRÁILER - 20 PIES X 40 PIES.
- 2) PERIODO DE ALQUILER - 12 MESES, CON UNA EXTENSIÓN DE 6 MESES ADICIONALES A OPCIÓN DE LA AUTORIDAD.
- 3) ENTREGA A FACILIDADES DE LA CENTRAL COSTA SUR EN GUAYANILLA.
- 4) DOS BAÑOS (MÍNIMO INODORO, ESPEJO Y LAVAMANOS), PARA DAMAS Y CABALLEROS
- 5) FACILIDADES DE AGUA, ELECTRICIDAD Y COMUNICACIONES.
- 6) TANQUE SÉPTICO.
- 7) UN ESCRITORIO.
- 8) MESA RECTANGULAR PARA ANÁLISIS DE LABORATORIO. DEBERÁ SER DE MATERIAL RESISTENTE A REACTIVOS Y ÁCIDOS. EXTRACTOR DE GASES DE PRODUCTOS



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QUÍMICOS.

- 9) ESPACIOS (GABINETES, TABLILLEROS, ETC.) PARA GUARDAR CRISTALERÍA (HERRAMIENTAS PROPIAS DE UN LABORATORIO INDUSTRIAL).
- 10) ENTREGA Y RECOGIDO EN LA CENTRAL COSTA SUR - LUGAR DE UBICACIÓN SE NOTIFICA MÁS ADELANTE.
- 11) TENSORES Y SU INSTALACIÓN PARA PROTECCIÓN A VIENTOS DE TORMENTA/HURACÁN.
- 12) ESCALERA DE ACCESO.
- 13) PUERTA DE ACCESO CON CERRADURA DE LLAVE.
- 14) SISTEMA DE AIRE ACONDICIONADO - CON SU MANTENIMIENTO INCLUIDO.

TÉRMINOS Y CONDICIONES:

EL CONTRATISTA OBTENDRÁ Y MANTENDRÁ VIGENTE DURANTE LA DURACIÓN DEL CONTRATO LOS PERMISOS APROPIADOS DE TODAS LAS AUTORIDADES REGULADORAS MUNICIPALES, ESTATALES Y FEDERALES, RESPECTO A LOS SERVICIOS OFRECIDOS.

EN CASO DE INCUMPLIMIENTO DE SERVICIO O DE NO SER SATISFACTORIO, LA AUTORIDAD SE RESERVA EL DERECHO DE CANCELAR ESTE CONTRATO EN CUALQUIER MOMENTO SIN NECESIDAD DE NOTIFICACIÓN PREVIA.

EL CONTRATISTA SERA RESPONSABLE POR TODOS LOS DAÑOS QUE SE OCASIONE A PERSONAS O LA PROPIEDAD, COMO RESULTADO DE SU FALTA O NEGLIGENCIA EN RELACION CON EL TRABAJO QUE SE LLEVA A CABO.

LOS LICITADORES TIENEN QUE DESGLOSAR SU PRECIO ENTRE LO QUE ES LABOR Y MATERIALES, PARA LA APLICACIÓN DE LA APORTACIÓN ESPECIAL DE 1.5 % BAJO LA LEY NÚM. 48-2013. DE NO DESGLOSAR EL PRECIO SE APLICARÁ LA APORTACIÓN A LA TOTALIDAD COTIZADA.

EL CONTRATISTA ACUERDA LLEVAR A CABO TODOS LOS TRABAJOS CONTRATADOS EN CUMPLIMIENTO CON TODAS LAS LEYES, REGLAMENTACIONES U ORDENANZAS FEDERALES, ESTATALES Y MUNICIPALES DE SALUD Y SEGURIDAD.

CLAUSULA DE SERVICIOS INTERAGENCIALES:

AMBAS PARTES CONTRATANTES RECONOCEN Y ACCEDEN A QUE LOS SERVICIOS CONTRATADOS PODRÁN SER BRINDADOS A CUALQUIER ENTIDAD DE LA RAMA EJECUTIVA CON LA CUAL LA ENTIDAD CONTRATANTE REALICE UN ACUERDO INTERAGENCIAL O POR DISPOSICIÓN DIRECTA DE LA SECRETARIA DE LA GOBERNACIÓN. ESTOS SERVICIOS SE REALIZARÁN BAJO LOS MISMOS TÉRMINOS Y CONDICIONES EN CUANTO A HORAS DE TRABAJO Y COMPENSACIÓN CONSIGNADOS EN ESTE CONTRATO. PARA EFECTOS DE ESTA



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CLÁUSULA, EL TÉRMINO "ENTIDAD DE LA RAMA EJECUTIVA" INCLUYE A TODAS LAS AGENCIAS DEL GOBIERNO DE PUERTO RICO, ASI COMO A LAS INSTRUMENTALIDADES Y CORPORACIONES PÚBLICAS Y A LA OFICINA DEL GOBERNADOR.

CLÁUSULA DE TERMINACIÓN: LA SECRETARIA DE LA GOBERNACIÓN TENDRÁ LA FACULTAD PARA DAR POR TERMINADO EL PRESENTE CONTRATO EN CUALQUIER MOMENTO.

LEY 2-2018 CÓDIGO ANTICORRUPCIÓN PARA EL NUEVO PUERTO RICO

1. EL CONTRATISTA SE COMPROMETE A CUMPLIR CON LAS DISPOSICIONES DE LA LEY NÚM. 2-2018, CONOCIDA COMO EL CÓDIGO ANTICORRUPCIÓN PARA EL NUEVO PUERTO RICO.
2. EL CONTRATISTA MANTENDRÁ VIGENTE EN EL REGISTRO DE PROVEEDORES DE LA AEE, UNA DECLARACIÓN JURADA, ANTE NOTARIO PÚBLICO, EN LA QUE INFORMARÁ SI LA PERSONA NATURAL O JURÍDICA O CUALQUIER PRESIDENTE, VICEPRESIDENTE, DIRECTOR, DIRECTOR EJECUTIVO, O MIEMBRO DE UNA JUNTA DE OFICIALES O JUNTA DE DIRECTORES, O PERSONAS QUE DESEMPEÑEN FUNCIONES EQUIVALENTES PARA LA PERSONA JURÍDICA, HA SIDO CONVICTA O SE HA DECLARADO CULPABLE DE CUALQUIERA DE LOS DELITOS ENUMERADOS EN LA SECCIÓN 6.8 DE LA LEY 8-2017, SEGÚN ENMENDADA, CONOCIDA COMO "LEY PARA LA ADMINISTRACIÓN Y TRANSFORMACIÓN DE LOS RECURSOS HUMANOS EN EL GOBIERNO DE PUERTO RICO", O POR CUALQUIERA DE LOS DELITOS CONTENIDOS EN ESTE O CUALQUIERA DE LOS DELITOS INCLUIDOS EN LA LEY 2-2018.
3. EL CONTRATISTA CERTIFICA QUE NO HA SIDO CONVICTO EN PUERTO RICO O EN LOS ESTADOS UNIDOS POR INFRACCIÓN A LOS ARTÍCULOS 4.2, 4.3 O 5.7 DE LA LEY 1-2012, SEGÚN ENMENDADA, CONOCIDA COMO LA LEY ORGÁNICA DE LA OFICINA DE ÉTICA GUBERNAMENTAL DE PUERTO RICO, CUALQUIER DE LOS DELITOS ENUMERADOS EN LOS ARTÍCULOS 250 A 266 DE LA LEY 146-2012, SEGÚN ENMENDADA, CONOCIDA COMO EL CÓDIGO PENAL DE PUERTO RICO, CUALQUIERA DE LOS DELITOS TIPIFICADOS EN LA LEY 2-2018, SEGÚN ENMENDADA, CONOCIDA COMO EL CÓDIGO ANTICORRUPCIÓN PARA EL NUEVO PUERTO RICO O CUALQUIER OTRO DELITO QUE IMPLIQUE EL MAL USO DE LOS FONDOS O PROPIEDAD PÚBLICA, INCLUYENDO, PERO SIN LIMITARSE, A LOS DELITOS MENCIONADOS EN LA SECCIÓN 6.8 DE LA LEY 8-2017, SEGÚN ENMENDADA, CONOCIDA COMO LA LEY DE ADMINISTRACIÓN Y TRANSFORMACIÓN DE RECURSOS HUMANOS EN EL GOBIERNO DE PUERTO RICO.
4. LA AUTORIDAD DARÁ POR TERMINADO EL CONTRATO EN CASO DE QUE EL CONTRATISTA RESULTE CONVICTO EN PUERTO RICO O EN LOS ESTADOS UNIDOS POR INFRACCIÓN A LOS ARTÍCULOS 4.2, 4.3 O 5.7 DE LA LEY 1-2012, SEGÚN ENMENDADA, CONOCIDA COMO LA LEY ORGÁNICA DE LA OFICINA DE ÉTICA



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GUBERNAMENTAL DE PUERTO RICO; CUALQUIERA DE LOS DELITOS ENUMERADOS EN LOS ARTÍCULOS 250 A 266 DE LA LEY 146-2012, SEGÚN ENMENDADA, CONOCIDA COMO EL CÓDIGO PENAL DE PUERTO RICO, CUALQUIERA DE LOS DELITOS TIPIFICADOS EN LA LEY 2-2018, CONOCIDA COMO CÓDIGO ANTICORRUPCIÓN PARA EL NUEVO PUERTO RICO O CUALQUIER OTRO DELITO QUE IMPLIQUE EL USO INDEBIDO DE FONDOS O PROPIEDAD PÚBLICA, INCLUYENDO, PERO SIN LIMITARSE A, LOS DELITOS MENCIONADOS EN LA SECCIÓN 6.8 DE LA LEY 8-2017, SEGÚN ENMENDADA, CONOCIDA COMO LA LEY DE ADMINISTRACIÓN Y TRANSFORMACIÓN DE RECURSOS HUMANOS EN EL GOBIERNO DE PUERTO RICO.

Compliance with the Commonwealth of Puerto Rico Contracting Requirements

The Contractor will comply with all applicable State Law, Regulations or Executive Orders that regulate the contracting process and requirements of the Commonwealth of Puerto Rico, including but not limited to: Filing of Puerto Rico Income Tax Returns. In compliance with Executive Order Number OE-1991-24 of June 18, 1991, the Contractor hereby certifies that it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last five (5) years. As evidence thereof, Contractor has delivered to PREPA an Income Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that Contractor has filed his Income Tax Return for the last five (5) tax years (Form SC 6088). The Contractor accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every Subcontractor whose service the Contractor has secured in connection with the services to be rendered under this Contract and shall forward evidence to PREPA as to its compliance with this requirement.

Payment of Puerto Rico Income Taxes. In compliance with Executive Order Number OE-1991-24 of June 18, 1991, the Contractor, hereby certifies that it has complied and is current with the payment of any and all income taxes that are, or were due, to the Government of Puerto Rico. As evidence thereof, Contractor has delivered to PREPA a certification issued by the Treasury Department of Puerto Rico indicating that Contractor does not owe taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan in full compliance with its terms (Form SC 6096). During the term of this Contract, the Contractor agrees to pay and/or to remain current with any repayment plan agreed to by the Contractor with the Government of Puerto Rico. The Contractor accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every Subcontractor whose service the Contractor has secured in connection with the services to be rendered under this Contract and shall forward evidence to PREPA as to its

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compliance with this requirement.

Compliance with Requirements of the Department of Labor and Human Resources of the Commonwealth of Puerto Rico. Pursuant to Executive Order Number 1992-52, dated August 28, 1992 amending OE-1991-24, the Contractor certifies and warrants that it has made all payments required for unemployment benefits, non-occupational disability and social security for chauffeurs, as applicable, or that in lieu thereof, has subscribed a payment plan in connection with any such unpaid items and is in full compliance with the terms thereof. As evidence thereof, Contractor has delivered to PREPA:

a certification issued by the Bureau of Employment Security (Negociado de Seguridad de Empleo) of the Puerto Rico Department of Labor and Human Resources certifying that Contractor does not owe taxes regarding Unemployment or Disability Insurance.

a certification issued by the Program for Social Security for Chauffeurs and Other Employees of the Puerto Rico Department of Labor and Human Resources certifying that contractor has no debt with respect to such program.

Compliance with Act No. 1 of Governmental Ethics. The Contractor will certify compliance with Act No. 1 of January 3, 2012, as amended, known as the Ethics Act of the Government of Puerto Rico, which stipulates that no employee or executive of PREPA nor any member of his/her immediate family (spouse, dependent children, or other members of his/her household, or any individual whose financial affairs are under the control of the employee) shall have any direct or indirect pecuniary interest in the services to be rendered under this Contract, except as may be expressly authorized by the Governor of Puerto Rico in consultation with the Secretary of Treasury and the Secretary of Justice of the Government. 3 L.P.R.A. § 8611 et seq. Law Num. 127, May 31, 2004: Contract Registration in the Comptroller's Office of Puerto Rico Act. Payment for services object of this Contract will not be made until this Contract is properly registered in the Office of the Comptroller of the Government of Puerto Rico pursuant to Law Number 18 of October 30, 1975, as amended.

Anti-Corruption Code for a New Puerto Rico.

A. Contractor agrees to comply with the provisions of Act No. 2-2018, as the same may be amended from time to time, which establishes the Anti-Corruption Code for a New Puerto Rico. The Contractor hereby certifies that it does not represent particular interests in cases or matters that imply a conflicts of interest, or of public policy, between the executive agency and the particular interests it represents.

B. Contractor shall furnish a sworn statement to the effect that neither Contractor nor any president, vice president, executive director or any member of a board of officials or board of directors, or any person performing equivalent functions for Contractor has been convicted of or has pled guilty to any of the crimes listed in Article 6.8 of Act 8-2017,



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as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico or any of the crimes included in Act 2-2018.

C. Contractor hereby certifies that it has not been convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3, or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.

D. PREPA shall have the right to terminate the agreement in the event Contractor is convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3, or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.

Social Security and Income Tax Retentions. In compliance with Executive Order 1991 OE-1991-24; and C.F.R. Part 404 et. Seq., the Contractor will be responsible for rendering and paying the Federal Social Security and Income Tax Contributions for any amount owed as a result of the income, from this Contract. Executive Order OE-1991-24; C.F.R. Part 404 et. Seq.

Provisions Required under Act 14-2004. Contractor agrees that articles extracted, produced, assembled, packaged or distributed in Puerto Rico by enterprises with operations in Puerto Rico, or distributed by agents established in Puerto Rico shall be used when the service is rendered, provided that they are available.

Consequences of Non-Compliance. The Contractor expressly agrees that the conditions outlined throughout this Section are essential requirements of this Contract. Consequently, should any one of these representations, warranties or certifications be incorrect, inaccurate or misleading, in whole or in part, there shall be sufficient cause for the PREPA to render this Contract null and void, and the Contractor shall reimburse the PREPA all moneys received under this Contract. If any of the certifications



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listed in items sections 50.1 through 50.3 shows a debt, and Contractor has requested a review or adjustment of this debt, Contractor hereby certifies that it has made such request at the time of the Contract execution. If the requested review or adjustment is denied and such determination is final, Contractor will provide, immediately, to PREPA a proof of payment of this debt; otherwise, Contractor accepts that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments. The Contractor accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every Contractor and Subcontractor whose service the Contractor has secured in connection with the services to be rendered under this Contract and shall forward evidence to PREPA as to its compliance with this requirement.

Compliance with Applicable Federal Law, Regulations And Executive Orders.
[REQUIRED FOR AGREEMENTS FUNDED IN WHOLE OR IN PART WITH FEMA and CDBG-DR FUNDS]

Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708).

A. Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

B. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (A) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (A) of this section, in the sum of \$27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (A) of this section.

C. Withholding for unpaid wages and liquidated damages. PREPA shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal



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contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (B) of this section.

D. Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (A) through (D) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (A) through (D) of this section.

Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended). Contractor certifies that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall so certify to the tier above it. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient (COR3). Contractor shall also submit to PREPA the required certification regarding lobbying at Appendix A, 44 C.F.R. Part 18, attached to this Contract as Appendix A.

Remedies. Any violation or breach of terms of this Contract on the part of the Contractor or a subcontractor may result in the suspension or termination of this Contract or such other action, including the recovery of damages, as may be necessary to enforce the rights of PREPA. The duties and obligations imposed by this Contract and the rights and remedies available hereunder shall be in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law. Upon a material breach by Contractor, PREPA may utilize any remedy available by law, including precluding Contractor from further work with PREPA in the future and recommend suspension and debarment.

Clean Air Act and the Federal Water Pollution Control Act.

A. The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq., and the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.

B. The Contractor agrees to report each violation to PREPA and understands and agrees that PREPA will, in turn, report each violation as



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required to assure notification to the COR3, the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.

C. The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance.

Changes. At any time changes in the Services or work to be performed within the general scope of this Contract may be made in accordance with Article 10, Changes/Extra Work; provided, however, that no changes shall be made to the scope of the Services that would render the costs incurred in the performance of this Contract unallowable or not allocable under, or outside the scope, or not reasonable for the completion of, Federal grant awards from FEMA or any other U.S. federal agency.

Sufficiency of Funds. The Contractor recognizes and agrees that all or a portion of the funding for this Contract shall be derived from assistance awarded by Federal agencies of the United States of America to PREPA or the Government of Puerto Rico. As part of its obligations under this Contract, Contractor shall ensure that the work performed hereunder is eligible for funding by complying with all applicable Federal law, regulations, executive orders, Federal agency policy, procedures, directives and guidelines. If during the term of this Contract, Federal or local funding is reduced, deobligated, or withdrawn, PREPA may reduce the scope of or terminate the Contract, without penalty, by providing written notice to Contractor of the changes in scope or termination. PREPA shall not be obligated to pay nor shall be held financially liable if any work performed by Contractor under this Contract is deemed ineligible by any Federal agency. The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to PREPA, Contractor, or any other party pertaining to any matter resulting from this Agreement. FEMA Disaster Assistance Survivor/Registrant Data.

A. If the Contractor has access to Disaster Assistance Survivor/Registrant data or any other personally identifiable information, the Contractor shall comply with the provisions of the Terms and Conditions for Sharing FEMA Disaster Assistance Survivor/Registrant Data with State Governments set forth in the FEMA-Government of Puerto Rico Contract for FEMA-4339-DR-PR.

B. The Contractor shall indemnify, defend, and hold harmless PREPA and the Government of Puerto Rico for any and all costs associated with the defense of that litigation, including costs and attorneys' fees, settlements, or adverse judgments arising from the Contractor's failure to comply with the requirements under this contract.

Costs. All costs incurred by the Contractor in performance of this Contract must be in accord with the cost principles of 2 C.F.R. pt. 200, Subpart E. PREPA shall not be required to make payments to the Contractor for costs which are found to be contrary to the cost principles 2 C.F.R.



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pt. 200, Subpart E.

Financial Management System. The Contractor's financial management system shall provide for the following:

A. accurate, current, and complete disclosure of the financial results of this Contract and any other contract, grant, program, or other activity administered by the Contractor;

B. records adequately identifying the source and application of all Contractor funds and all funds administered by the Contractor which shall contain information pertaining to all contract and grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays and income, and shall be segregated by contract or on a contract-by-contract basis;

C. effective internal control structure over all funds, property, and other assets, sufficient to allow the Contractor to adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes;

D. comparison of actual outlays with budgeted amounts for this Contract and for any other contract, grant, program, or other activity administered by the Contractor;

E. accounting records supported by source documentation;

F. procedures to minimize elapsed time between any advance payment issued and the disbursement of such advance funds by the Contractor; and

G. procedures consistent with the provisions of any applicable policies of the Federal Government and the Government of Puerto Rico and procedures for determining the reasonableness, allowability and allocability of costs under this Contract.

Penalties, Fines, and Disallowed Costs. In the event that any U.S. Federal agency or the Government of Puerto Rico disallows or demands repayment for costs incurred in the performance of this Contract, or if any penalty is imposed due to an act or omission by the Contractor, the Contractor shall be solely responsible for such penalty, disallowed costs, or repayment demand, and shall reimburse PREPA in full within ten days of receiving notice from PREPA of such penalty, disallowance, or repayment demand. Any monies paid by the Contractor pursuant to this provision shall not relieve the Contractor of liability to PREPA for damages sustained by PREPA by virtue of any other provision of this Contract. Debarment, Suspension, and Ineligibility.

A. This Contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such the Contractor represents and warrants that none of the Contractor, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935). The Contractor further represents and warrants that it will not enter into any contracts or subcontracts with any individual or entity which has been debarred, suspended or deemed ineligible under those



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provisions. During the term of this Contract, the Contractor will periodically review SAM.gov and local notices to verify the continued accuracy of this representation. The Contractor shall require all subcontractors at every tier to comply with this requirement.

B. The Contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.

C. This certification is a material representation of fact relied upon by PREPA. If it is later determined that the Contractor did not comply with 2 C.F.R. pt. 180, subpart C, and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the Government of Puerto Rico and PREPA, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

Reporting Requirements. The Contractor shall complete and submit all reports, in such form and according to such schedule, as may be required by PREPA.

Review of Laws. The Contractor certifies that it will access online and read each law that is cited in the aforementioned clauses and that, in the event it cannot access the online version, it will notify PREPA in order to obtain printed copies of the laws. Not requiring a printed copy of the laws to PREPA will be evidence that the Contractor was able to find it online and read it as required.

Notice of Federal Emergency Management Agency (FEMA) Reporting Requirements and Regulations.

A. PREPA is using Federal grant funding awarded or administered by FEMA to the Government of Puerto Rico and/or PREPA to pay, in full, for the costs incurred under this Contract. As a condition of FEMA funding under major disaster declaration FEMA-4339-DR-PR, FEMA requires the Government of Puerto Rico and PREPA to provide various financial and performance reporting. The Contractor agrees to provide all information, documentation, and reports necessary to satisfy these reporting requirements. Failure by the Contractor to provide information necessary to satisfy these reporting requirements may result in loss of Federal funding for this Contract, and such failure shall be a material breach of this Contract.

B. **Applicable Regulations and Policy.** Applicable regulations, FEMA policy, and other sources setting forth these reporting requirements include, but are not limited to:

- (1) 2 C.F.R. § 327 (Financial Reporting);
- (2) 2 C.F.R. § 200.328 (Monitoring and Reporting Program Performance);
- (3) Performance and financial reporting requirements set forth in 2 C.F.R. Part 206.

Access to Records.



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- A. The Contractor agrees to provide PREPA, the Government of Puerto Rico, the FEMA Administrator, the Secretary of HUD, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts, and transcriptions.
- B. The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
- C. The Contractor agrees to provide the FEMA Administrator, the Secretary of HUD, or his authorized representatives access to work sites pertaining to the work being completed under the Contract.
- Retention requirements for records. The Contractor agrees to maintain all books, records, accounts, and reports and all other records produced or collected in connection with this Contract for a period of not less than three years from the date of submission by PREPA or the Puerto Rico Emergency Management Agency, on PREPA's behalf, of the final expenditure report for disaster declaration FEMA-4339-DR-PR, as reported to FEMA. If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken. It is the responsibility of the Contractor to inquire of PREPA whether the aforementioned final expenditure report has been submitted.

Program Fraud and False or Fraudulent Statements or Related Acts. The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor's actions pertaining to this Contract.

Procurement of Recovered Materials. In the performance of this Contract, the Contractor shall make maximum use of products containing recovered materials that are Environmental Protection Agency ("EPA")- designated items unless the product cannot be acquired-

- A. Competitively within a timeframe providing for compliance with the Contract performance schedule;
- B. Meeting Contract performance requirements; or
- C. At a reasonable price.

Information about this requirement, along with the list of EPA-designated items, is available at EPA's Comprehensive Procurement Guidelines web site,

<https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>. Energy Efficiency. The Contractor agrees to comply with the requirements of 42 U.S.C. § 6201, which contain policies relating to energy efficiency that are defined in the Government of Puerto Rico's energy conservation plan issued in compliance with said statute.



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Equal Employment Opportunity. During the performance of this Contract, the Contractor agrees as follows:

A. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment, or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

B. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

C. The Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Contractor's legal duty to furnish information.

D. The Contractor will send to each labor union or representative of workers with which it has a collective bargaining Contract or other contract or understanding (if any) a notice advising the labor union or workers' representative of the Contractor's commitments under section 202 of the US Executive Order 11246 of September 24, 1965, as amended, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

E. The Contractor will comply with all provisions of Executive Order 11246, and of the rules, regulations, and relevant orders of the Secretary of Labor.

F. The Contractor will furnish all information and reports required by Executive Order 11246, and by the rules, regulations, and orders of the



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Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by PREPA, the Government of Puerto Rico, and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

G. In the event of the Contractor's non-compliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations, or orders, this Contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

H. The Contractor will include the provisions of paragraphs (A) through (H) in every subcontract or purchase order, unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

Age Discrimination Act of 1975. The Contractor shall comply with the provisions of the Age Discrimination Act of 1975. No person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity receiving federal financial assistance.

Americans with Disabilities Act. The Contractor shall comply with the appropriate areas of the Americans with Disabilities Act of 1990, as enacted and from time to time amended, and any other applicable federal regulation. A signed, written certificate stating compliance with the Americans with Disabilities Act may be requested at any time during the term of this Contract.

Title VI of the Civil Rights Act of 1964. The Contractor shall comply with the provisions of Title VI of the Civil Rights Act of 1964. No person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

Section 504 of the Rehabilitation Act of 1973, as Amended. The Contractor agrees that no otherwise qualified individual with disabilities shall, solely by reason of his disability, be denied the benefits, or be



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subjected to discrimination including discrimination in employment, any program or activity that receives the benefits from the federal financial assistance.

Drug-Free Workplace. The Contractor shall maintain a drug-free work environment in accordance with the Drug-Free Workplace Act of 1988 (41 U.S.C. § 8101 et seq.), and implementing regulations at 2 C.F.R Part 3001. **Compliance with Laws, Regulation and Executive Orders.** The Contractor acknowledges that FEMA financial assistance will be used to fund this Contract. The Contractor shall comply will all applicable Federal and Government of Puerto Rico law, regulations, executive orders, policies, procedures, and directives, including but not limited to all Federal Cost Principles set forth in 2 C.F.R. Part 200, and all applicable FEMA regulations in 44 C.F.R. Chapter I, and 2 C.F.R. Part 200.

Provisions Required by Law Deemed Inserted. Each and every provision required by law regulation, executive order, policy, procedure, directive, Federal grant award or agreement, or cooperative agreement with any Federal agency to be inserted in this Contract shall be deemed to be inserted herein and the Contract shall be read and enforced as though it were included herein. If, through mistake or otherwise, any provision is not inserted, or is not correctly inserted, then upon the application of either party the Contract shall be amended to make such insertion or correction.

Agreement to Execute Other Required Documents. Contractor and all subcontractors, by entering into the Contract, understand and agree that funding for the Services is provided under Federal programs with specific contracting requirements. To the extent any such requirement is not otherwise set forth herein, Contractor agrees to execute such amendments or further agreements as may be necessary to ensure that PREPA receives Federal funding for this Contract.

U.S. Department of Homeland Security Seal, Logo, and Flags. The Contractor shall not use the U.S. Department of Homeland Security seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre- approval.

No Obligation by the Federal Government. PREPA and the Contractor acknowledge and agree that the Federal Government is not a party to this Contract and is not subject to any obligations or liabilities to PREPA, Contractor, or any other party pertaining to any matter resulting from the contract.

General. All contracts shall contain a clause identifying the type of Contract and the mandatory clauses contained on the latest relateased HUD forms, as applicable to the Contract type. All contracts, except for general management consulting services, will include performance requirements and liquidated damages.

Puerto Rico Energy Conservation Plan. Contractor must act in compliance, when applicable, with the mandatory standards and policies relating to



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energy efficiency which are contained in the Commonwealth's energy conservation plan.

Patent Rights. All contracts are subject to the patent rights with respect to any discovery or invention which arises or is developed during or under such Contract in accordance with 37 C.F.R. Section 401.2(a) and 37 C.F.R. Part 401.

Davis Bacon Act And Copeland Anti-Kickback Act

A. Contractor. Contractor shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this Contract.

B. Subcontracts. Contractor or subcontractors shall insert in any subcontracts the clause above and such other clauses as FEMA or HUD may by appropriate instructions require, and also a clause requiring the subcontractor to include these clauses in any lower tier subcontracts. Contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.

C. Breach. A breach of the contract clauses above may be grounds for termination of the Contract, and for debarment as a contractor and subcontractor as provided in 29 C.F.R. § 5.12.

HUD Section 3 Clause

A. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

C. Contractor agrees to send to each labor organization or representative of workers with which Contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.



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D. Contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. Contractor will not subcontract with any subcontractor where Contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

E. Contractor will certify that any vacant employment positions, including training positions, that are filled (i) after Contractor is selected but before the contract is executed, and (ii) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 CFR part 135.

F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

HUD Section 3 Requirements

A. Section 3 clause required in subcontracts. All Section 3 covered contracts must include a Section 3 clause in accordance with 24 C.F.R. § 135.38. A Section 3 covered contract means a contract or subcontract (including a professional service contract) awarded by a recipient or Contractor for work generated by the expenditure of section 3 covered assistance, or for work arising in connection with a section 3 covered project. "Section 3 covered contracts" do not include contracts for the purchase of supplies and materials. However, whenever a contract for materials includes the installation of the materials, the contract constitutes a section 3 covered contract. For example, a contract for the purchase and installation of a furnace would be a section 3 covered contract because the contract is for work (i.e., the installation of the furnace) and thus is covered by section 3.

(1) "Section 3 covered assistance" means assistance provided under any HUD housing or community development program that is expended for work arising in connection with public construction projects (which includes



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other buildings or improvements, regardless of ownership).

(2) A "Section 3 covered project" means, among other things, public construction which includes buildings or improvements (regardless of ownership) assisted with community development assistance.

B. Section 3 minimum contracting goals. Contractor must endeavor to meet the following minimum goals for contracting under HUD funded contracts, as applicable:

(1) Arising in connection with public construction shall be awarded to Section 3 businesses. Public construction includes infrastructure work, such as extending water and sewage lines, sidewalk repairs, site preparation, installing conduits for utility services, etc.

(2) Three (3) percent of the total dollar amount of all non-construction Section 3 covered contracts shall be awarded to Section 3 businesses. Section 3 covered non-construction projects include maintenance contracts, including lawn care, re-painting, routine maintenance, HVAC servicing, and professional service contracts associated with construction (e.g., architectural, engineering, legal services, accounting, marketing, etc.).

C. A Section 3 business is one that can demonstrate it meets one of the following criteria:

(1) 51 percent or more owned by Section 3 residents; or

(2) has permanent, full time employees at least 30 percent of whom are currently Section 3 residents, or within three years of the date of first employment with the business concern were Section 3 residents; or

(3) has a commitment to sub-contract in excess of 25 percent of the total dollar award of all sub-contracts to be awarded to such businesses described above.

D. Order of preference for Section 3 business concerns in contracting opportunities. Contractor and any subcontractors shall direct their efforts to award section 3 covered contracts, to the greatest extent feasible, to section 3 business concerns in the following order of priority (24 C.F.R. § 135.36), where feasible:

(1) section 3 business concerns that provide economic opportunities for section 3 residents in the service area or neighborhood in which the section 3 covered project is located (category 1 businesses);

(2) applicants (as this term is defined in 42 U.S.C. 12899) selected to carry out HUD Youthbuild programs (category 2 businesses); and

(3) other section 3 business concerns.

E. Eligibility for preference. A business concern seeking to qualify for a section 3 contracting preference shall certify or submit evidence, if requested, that the business concern is a section 3 business concern as defined in 24 C.F.R. § 135.5.

F. Ability to complete contract. A section 3 business concern seeking a contract or a subcontract shall submit evidence to Contractor or Subcontractor (as applicable), if requested, sufficient to demonstrate to



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the satisfaction of the Party awarding the contract that the business concern is responsible and has the ability to perform successfully under the terms and conditions of the proposed contract. (The ability to perform successfully under the terms and conditions of the proposed contract is required of all contractors and subcontractors subject to the procurement standards of 24 CFR 85.36 (2 CFR 200.318(h).) This regulation requires consideration of, among other factors, the potential Contractor's record in complying with public policy requirements. Section 3 compliance is a matter properly considered as part of this determination.

Additional Fair Labor Standards Provisions (HUD Form 4010)

A. **Applicability.** The project or program to which the construction work covered by this contract pertains is being assisted by the United States of America and the following Federal Labor Standards Provisions are included in this Contract pursuant to the provisions applicable to such Federal assistance.

B. **Minimum Wages.** All laborers and mechanics employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between Contractor and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under Section 1 (b) (2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of 29 CFR 5. 5(a) (1) (iv); also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs, which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a) (4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under 29 CFR 5.5(a) (1) (ii) and the Davis-Bacon poster (WH-1321) shall be posted at all times by Contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the



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workers.

(1) (a) Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate and fringe benefits therefor only when the following criteria have been met:

(i) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(ii) The classification is utilized in the area by the construction industry; and

(iii) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(b) If Contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and HUD or its designee agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by HUD or its designee to the Administrator of the Wage and Hour Division, Employment Standards Administration, U. S. Department of Labor, Washington, D.C. 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB control number 1215- 0140.)

(c) In the event the Contractor, the laborers or mechanics to be employed in the classification or their representatives, and HUD or its designee do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), HUD or its designee shall refer the questions, including the views of all interested parties and the recommendation of HUD or its designee, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

(d) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (B) (1) (b) or (c) of this paragraph, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(2) Whenever the minimum wage rate prescribed in the contract for a class of laborer or mechanics includes a fringe benefit which is not expressed as an hourly rate, Contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe



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benefit or an hourly cash equivalent thereof.

(3) If Contractor does not make payments to a trustee or other third person, Contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the Contractor, that the applicable standards of the Davis- Bacon Act have been met. The Secretary of Labor may require Contractor to set aside in a separate account assets for the meeting of obligations under the plan or program. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

C. Withholding. HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from Contractor under this contract or any other Federal contract with the same prime contractor, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees and helpers, employed by Contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee or helper, employed or working on the site of the work, all or part of the wages required by the contract, HUD or its designee may, after written notice to the Contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased. HUD or its designee may, after written notice to Contractor, disburse such amounts withheld for and on account of Contractor or Subcontractor to the respective employees to whom they are due. The Comptroller General shall make such disbursements in the case of direct Davis-Bacon Act contracts.

D. Payrolls and basic records. Payrolls and basic records relating thereto shall be maintained by Contractor during the course of the work preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in Section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5 (a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in Section 1(b)(2)(B) of the Davis- Bacon Act, Contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is



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financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs. (Approved by the Office of Management and Budget under OMB Control Numbers 1215-0140 and 1215-0017.)

(1) (a) Contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to HUD or its designee if the agency is a Party to the contract, but if the agency is not such a Party, Contractor will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i) except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e. g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Website at <http://www.dol.gov/esa/whd/forms/wh347instr.htm> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and Subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to HUD or its designee if the agency is a Party to the contract, but if the agency is not such a Party, Contractor will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee, Contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this subparagraph for a prime contractor to require a Subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to HUD or its designee. (Approved by the Office of Management and Budget under OMB Control Number 1215-0149.)

(b) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by Contractor or Subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(i) That the payroll for the payroll period contains the information required to be provided under 29 CFR 5.5(a)(3)(ii), the appropriate information is being maintained under 29 CFR 5.5(a)(3)(i), and that such information is correct and complete;



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(ii) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 CFR Part 3;

(iii) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(c) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by subparagraph A.3. (ii) (b).

(d) The falsification of any of the above certifications may subject Contractor or any Subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code.

(2) Contractor or Subcontractor shall make the records required under subparagraph A.3. (i) available for inspection, copying, or transcription by authorized representatives of HUD or its designee or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If Contractor or Subcontractor fails to submit the required records or to make them available, HUD or its designee may, after written notice to the Contractor, sponsor, applicant or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

E. Apprentices and Trainees.

(1) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to contractors to the entire work force under the registered program. Any worker listed on a payroll at



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an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the Contractor's or Subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, Contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(2) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a



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training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, Contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(3) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under 29 CFR Part 5 shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

F. Compliance with Copeland Act requirements. Contractor shall comply with the requirements of 29 CFR Part 3 which are incorporated by reference in this contract.

G. Subcontracts. Contractor or Subcontractor will insert in any subcontracts the clauses contained in subparagraphs 1 through 11 in this paragraph A and such other clauses as HUD or its designee may by appropriate instructions require, and a copy of the applicable prevailing wage decision, and also a clause requiring the Subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any Subcontractor or lower tier Subcontractor with all the contract clauses in this paragraph.

H. Contract termination; debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract and for debarment as a contractor and a Subcontractor as provided in 29 CFR 5.12.

I. Compliance with Davis-Bacon and Related Act Requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this contract.

J. Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between Contractor (or any of its Subcontractors) and HUD or its designee, the U.S. Department of Labor, or the employees or their representatives.

K. Certification of Eligibility.

(1) By entering into this contract, Contractor certifies that neither it (nor he or she) nor any Person or firm who has an interest in the Contractor's firm is a Person or firm ineligible to be awarded Government contracts by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR



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5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(2) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(3) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001. Additionally, U.S. Criminal Code, Section 1010, Title 18, U.S.C., "Federal Housing Administration transactions", provides in part: "Whoever, for the purpose of . . . influencing in any way the action of such Administration . . . makes, utters or publishes any statement knowing the same to be false . . . shall be fined not more than \$5,000 or imprisoned not more than two years, or both."

L. Complaints, Proceedings, or Testimony by Employees. No laborer or mechanic to whom the wage, salary, or other labor standards provisions of this Contract are applicable shall be discharged or in any other manner discriminated against by Contractor or any Subcontractor because such employee has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable under this Contract to his employer.

M. Health and Safety. The provisions of this paragraph are applicable where the amount of the prime contract exceeds \$100,000:

(1) No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor by regulation.

(2) Contractor shall comply with all regulations issued by the Secretary of Labor pursuant to Title 29 Part 1926 and failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act, (Public Law 91-54, 83 Stat 96). 40 USC 3701 et seq.

(3) Contractor shall include the provisions of this paragraph in every subcontract so that such provisions will be binding on each Subcontractor. Contractor shall take such action with respect to any Subcontractor as the Secretary of Housing and Urban Development or the Secretary of Labor shall direct as a means of enforcing such provisions.

Buy American-Construction Materials Under Trade Agreements (Oct 2016)

A. Definitions. As used in this Article-

1. Caribbean Basin country construction material means a construction material that-

a. Is wholly the growth, product, or manufacture of a Caribbean Basin country; or

b. In the case of a construction material that consists in whole or in part of materials from another country, has been substantially transformed



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in a Caribbean Basin country into a new and different construction material distinct from the materials from which it was transformed.

2. Commercially available off-the-shelf (COTS) item-

a. Means any item of supply (including construction material) that is-

i. A commercial item (as defined in paragraph (1) of the definition at FAR 2.101);

ii. Sold in substantial quantities in the commercial marketplace; and

iii. Offered to the Government, under a contract or subcontract at any tier, without modification, in the same form in which it is sold in the commercial marketplace; and

b. Does not include bulk cargo, as defined in 46 U.S.C. § 40102(4), such as agricultural products and petroleum products.

3. Component means an article, material, or supply incorporated directly into a construction material.

4. Construction material means an article, material, or supply brought to the Site by the Contractor or Subcontractor for incorporation into the building or Work. The term also includes an item brought to the Site preassembled from articles, materials, or supplies. However, emergency life safety systems, such as emergency lighting, fire alarm, and audio evacuation systems, that are discrete systems incorporated into a public building or Work and that are produced as complete systems, are evaluated as a single and distinct construction material regardless of when or how the individual parts or components of those systems are delivered to the Site. Materials purchased directly by the Government are supplies, not construction material.

5. Cost of components means-

a. For components purchased by the Contractor, the acquisition cost, including transportation costs to the place of incorporation into the construction material (whether or not such costs are paid to a domestic firm), and any applicable duty (whether or not a duty-free entry certificate is issued); or

b. For components manufactured by the Contractor, all costs associated with the manufacture of the component, including transportation costs as described in paragraph (1) of this definition, plus allocable overhead costs, but excluding profit. Cost of components does not include any costs associated with the manufacture of the construction material.

6. Designated country means any of the following countries:

a. A World Trade Organization Government Procurement Agreement (WTO GPA) country (Armenia, Aruba, Austria, Belgium, Bulgaria, Canada, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea (Republic of), Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Moldova, Montenegro, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Singapore, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Taiwan, Ukraine, or United Kingdom);



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- b. A Free Trade Agreement (FTA) country (Australia, Bahrain, Canada, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Korea (Republic of), Mexico, Morocco, Nicaragua, Oman, Panama, Peru, or Singapore);
- c. A least developed country (Afghanistan, Angola, Bangladesh, Benin, Bhutan, Burkina Faso, Burundi, Cambodia, Central African Republic, Chad, Comoros, Democratic Republic of Congo, Djibouti, Equatorial Guinea, Eritrea, Ethiopia, Gambia, Guinea, Guinea-Bissau, Haiti, Kiribati, Laos, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Nepal, Niger, Rwanda, Samoa, Sao Tome and Principe, Senegal, Sierra Leone, Solomon Islands, Somalia, South Sudan, Tanzania, Timor-Leste, Togo, Tuvalu, Uganda, Vanuatu, Yemen, or Zambia); or
- d. A Caribbean Basin country (Antigua and Barbuda, Aruba, Bahamas, Barbados, Belize, Bonaire, British Virgin Islands, Curacao, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, Saba, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Sint Eustatius, Sint Maarten, or Trinidad and Tobago).
7. Designated country construction material means a construction material that is a WTO GPA country construction material, an FTA country construction material, a least developed country construction material, or a Caribbean Basin country construction material.
8. Domestic construction material means-
- a. An unmanufactured construction material mined or produced in the United States;
- b. A construction material manufactured in the United States, if-
- i. The cost of its components mined, produced, or manufactured in the United States exceeds fifty percent (50%) of the cost of all its components. Components of foreign origin of the same class or kind for which non-availability determinations have been made are treated as domestic; or
- ii. The construction material is a COTS item.
9. Foreign construction material means a construction material other than a domestic construction material.
10. Free Trade Agreement country construction material means a construction material that-
- a. Is wholly the growth, product, or manufacture of a Free Trade Agreement (FTA) country; or
- b. In the case of a construction material that consists in whole or in part of materials from another country, has been substantially transformed in an FTA country into a new and different construction material distinct from the materials from which it was transformed.
11. Least developed country construction material means a construction material that-
- a. Is wholly the growth, product, or manufacture of a least developed country; or



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b. In the case of a construction material that consists in whole or in part of materials from another country, has been substantially transformed in a least developed country into a new and different construction material distinct from the materials from which it was transformed.

12. United States means the fifty (50) States, the District of Columbia, and outlying areas.

13. WTO GPA country construction material means a construction material that-

a. Is wholly the growth, product, or manufacture of a WTO GPA country; or

b. In the case of a construction material that consists in whole or in part of materials from another country, has been substantially transformed in a WTO GPA country into a new and different construction material distinct from the materials from which it was transformed.

B. Construction materials.

1. This Article implements 41 U.S.C. chapter 83, Buy American, by providing a preference for domestic construction material. In accordance with 41 U.S.C. § 1907, the component test of the Buy American statute is waived for construction material that is a COTS item. (See FAR 12.505(a)(2)). In addition, the Contracting Officer has determined that the WTO GPA and Free Trade Agreements (FTAs) apply to this acquisition. Therefore, the Buy American restrictions are waived for designated country construction materials.

2. The Contractor shall use only domestic or designated country construction material in performing this Contract, except as provided in paragraphs (B)(3) and (B)(4) of this Article.

3. The requirement in paragraph (B)(2) of this Article does not apply to information technology that is a commercial item or to the construction materials or components listed by the Government as follows:

[Contracting Officer is to list applicable excepted materials or indicate "none"]

4. The Contracting Officer may add other foreign construction material to the list in paragraph (B)(3) of this Article if the Government determines that-

a. The cost of domestic construction material would be unreasonable. The cost of a particular domestic construction material subject to the restrictions of the Buy American statute is unreasonable when the cost of such material exceeds the cost of foreign material by more than 6 percent;

b. The application of the restriction of the Buy American statute to a particular construction material would be impracticable or inconsistent with the public interest; or

c. The construction material is not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities of a satisfactory quality.

C. Request for determination of inapplicability of the Buy American



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statute.

1. (i) Any Contractor request to use foreign construction material in accordance with paragraph (B) (4) of this Article shall include adequate information for Government evaluation of the request, including-

- a. A description of the foreign and domestic construction materials;
- b. Unit of measure;
- c. Quantity;
- d. Price;
- e. Time of delivery or availability;
- f. Location of the Work;
- g. Name and address of the proposed supplier; and
- h. A detailed justification of the reason for use of foreign construction materials cited in accordance with paragraph (B) of this Article.

i. A request based on unreasonable cost shall include a reasonable survey of the market and a completed price comparison table in the format in paragraph (D) of this Article.

ii. The price of construction material shall include all delivery costs to the Site and any applicable duty (whether or not a duty-free certificate may be issued).

iii. Any Contractor request for a determination submitted after contract award shall explain why the Contractor could not reasonably foresee the need for such determination and could not have requested the determination before contract award. If the Contractor does not submit a satisfactory explanation, the Contracting Officer need not make a determination.

i. If the Government determines after Contract award that an exception to the Buy American statute applies and the Contracting Officer and the Contractor negotiate adequate consideration, the Contracting Officer shall modify the Contract to allow use of the foreign construction material. However, when the basis for the exception is the unreasonable price of a domestic construction material, adequate consideration is not less than the differential established in paragraph (B) (4) (a) of this Article.

j. Unless the Government determines that an exception to the Buy American statute applies, use of foreign construction material is noncompliant with the Buy American statute.

D. To permit evaluation of requests under paragraph (C) of this Article based on unreasonable cost, the Contractor shall include the following information and any applicable supporting data based on the survey of suppliers:

Foreign and Domestic Construction Materials Price Comparison

Construction material description	Unit of measure	Quantity	Price (dollars) ¹
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Item 1:

Foreign construction material



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Domestic construction material

Item 2:

Foreign construction material

Domestic construction material

E. Include all delivery costs to the Site and any applicable duty (whether or not a duty-free entry certificate is issued).

F. List name, address, telephone number, and contact for suppliers surveyed. Attach copy of response; if oral, attach summary.

G. Include other applicable supporting information.

Notes:

1. List in paragraph (B) (3) of the clause all foreign construction material excepted from the requirements of the Buy American statute, other than designated country construction material.

2. If the head of the agency determines that a higher percentage is appropriate, substitute the higher evaluation percentage in paragraph (B) (4) (i).

H. Restrictions on Certain Foreign Purchase

Except as authorized by the Office of Foreign Assets Control (OFAC) in the Department of the Treasury, the Contractor shall not acquire, for use in the performance of this Contract, any supplies or services if any proclamation, Executive order, or statute administered by OFAC, or if OFAC's implementing regulations at 31 C.F.R. chapter V, would prohibit such a transaction by a person subject to the jurisdiction of the United States.

Except as authorized by OFAC, most transactions involving Cuba, Iran, and Sudan are prohibited, as are most imports from Burma or North Korea, into the United States or its outlying areas. Lists of entities and individuals subject to economic sanctions are included in OFAC's List of Specially Designated Nationals and Blocked Persons at

<http://www.treas.gov/offices/enforcement/ofac/sdn>. More information about these restrictions, as well as updates, is available in the OFAC's regulations at 31 C.F.R. chapter V and/or on OFAC's Web site at <http://www.treas.gov/offices/enforcement/ofac>.

The Contractor shall insert this Article, including this paragraph (3), in all Subcontracts.

Inconsistency Between English Version and Translation of Contract

In the event of inconsistency between any terms of this Contract and any translation into another language, the English language meaning shall control.



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Terms and Conditions - Text

PH000001 004 EQUAL OPPORTUNITY
EQUAL OPPORTUNITY.

By accepting this Purchase Order, the Seller certifies that it will not discriminate on the basis of race, color, national origin, sex, religion, age, disability, veteran status or in any way otherwise prohibited by law and will indemnify Buyer against any claims arising from such unlawful discrimination by Seller.

PH000002 005 COMPLIANCE WITH LAWS.
COMPLIANCE WITH LAWS.

Seller warrants that the Materials, Services or Work Product shall be performed, produced, priced, sold and delivered in strict compliance with all applicable local, domestic and international laws, rules and regulations.

PH000004 005 INFRINGEMENT
INFRINGEMENT.

Seller shall hold harmless, defend and indemnify Buyer, its affiliates and its and their respective employees, officers and directors from and against all claims, demands, losses or damages, costs or expenses (including attorneys' fees and other expenses incident thereto) arising out of any infringement, or any alleged infringement, of any intellectual property rights, including rights arising under any patent, copyright, trademark, license and trade secret, in connection with any Material, Work Products, or Services, except to the extent any infringement resulted from designs provided by Buyer to Seller. Without limiting the foregoing, the Seller shall, at its own expense (i) procure for the Buyer an irrevocable royalty-free license or right to continue using such Materials, Work Product or Services (ii) with Buyer's prior written approval, replace the infringing Material, Work Product, or Services with substantially equal but non-infringing Materials, Work Product or Services or (iii) with Buyer's prior written authorization, modify the infringing Materials, Work Product or Services so it becomes non-infringing; provided that no such replacement or modification shall in any way amend or relieve Seller of its warranties and guarantees set forth in this Order.

PH000006 016 CLAUSULAS PARA PAGOS DE IMPUESTOS ESTATALES Y FEDE
CLÁUSULAS PARA PAGOS DE IMPUESTOS ESTATALES Y FEDERALES



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EN CUMPLIMIENTO CON LA SECCIÓN 2906 DEL ARTÍCULO 2, DEL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO, LA AUTORIDAD DE ENERGÍA ELÉCTRICA ESTÁ EXENTA DEL PAGO DEL ARBITRIO GENERAL DEL 6.6%. ADEMÁS, A PARTIR DEL 15 DE NOVIEMBRE DE 2006, ESTÁ EXENTA DEL PAGO DEL IMPUESTO A LA VENTA Y USOS (IVU) ESTATAL Y MUNICIPAL POR VIRTUD DE LA SECCIÓN 2508 DE LA LEY 117 DEL 4 DE JULIO DE 2006, CONOCIDA COMO LA LEY DE JUSTICIA CONTRIBUTIVA.

* LAS FACTURAS TIENEN QUE DETALLAR EL CONCEPTO DE LA COMPRA O SERVICIO.

LOCAL AND FEDERAL TAXES CLAUSE

IN COMPLIANCE WITH PUERTO RICO'S INTERNAL REVENUE SERVICE CODE, SECTION 2906, ARTICLE 2, PUERTO RICO ELECTRIC POWER AUTHORITY IS EXEMPT OF 6.6% TAX PAYMENT, ALSO, STARTING ON NOVEMBER 15TH, 2006; AND IN ACCORDANCE TO LAW 117 OF 4TH OF JULY OF 2006, KNOWN AS "LEY DE JUSTICIA CONTRIBUTIVA"; PREPA IS EXEMPT OF "IVU (IMPUESTO A LA VENTA Y USOS ESTATAL Y MUNICIPAL)" TAX PAYMENT.

INVOICES SHALL INCLUDE ALL DETAILS RELATED TO GOOD OR SERVICE PURCHASED.

PH000007 004 APPLICABLE LAW
APPLICABLE LAW.

This Order will be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico without regard to its principles regarding conflicts of laws. Exclusive jurisdiction and venue for any action arising hereunder will be in Puerto Rico, whether in Federal or Commonwealth Court.

PH000011 006 CHANGES TO ORDER.
CHANGES TO ORDER.

No modifications, changes or substitutions of Materials, Services or Work Product or extra charges of any kind or change in or cancellation of or waiver of or exception to any of the terms or conditions of this Order will be recognized unless authorized by Buyer in writing. Buyer may direct, in writing, changes, including additions to or deletions from the quantities of Materials, Work Product or Services originally ordered, or in the specifications or drawings. Unless otherwise agreed to by the parties, if any such change causes an increase or decrease in the cost of, or the time required for performance hereunder, an equitable adjustment shall be made in the price and/or delivery schedule. Any claims for adjustment shall be asserted by Seller no later than thirty (30) days from the date of Seller's receipt of notice of such change. Nothing contained



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herein shall excuse Seller from proceeding with a change directed by Buyer prior to negotiation of any adjustment. Notwithstanding the foregoing, mutually agreeable adjustments for any changes under this Order may be made by a written Order revision from one party which is confirmed in writing by the other party.

PH000031 009 CONFIDENTIALITY
CONFIDENTIALITY.

This Order and all plans, drawings, designs and specifications which may be supplied by Buyer to Seller shall remain the property of Buyer and any information derived there from or otherwise communicated to the Seller in connection with this Order shall be regarded by Seller as strictly confidential and shall not, without the prior written consent of Buyer, be disclosed to any third party or made use of by Seller.

PH000033 009 FORCE MAJEURE
FORCE MAJEURE.

Neither party shall be in breach of the Order to the extent that any delay or default in performance is due to Force Majeure. The term "Force Majeure" will mean any cause which is not within the control of the party claiming force majeure and which, by the exercise of due diligence, such party is unable to prevent or overcome, including but not limited to, flood, fire, tornado, governmental order, insurrections, riots and wars. Within seven (7) days of the commencement of an event of Force Majeure, the party affected thereby will provide the other party with written notice of the event. Any event of Force Majeure shall not affect Buyer's right of termination as set forth in TERMINATION Section hereof.

PH000037 008 TERMINOS PARA RETENCION EN EL ORIGEN
INFORMACION SOBRE RETENCIÓN EN EL ORIGEN

LA AUTORIDAD RETENDRÁ EL EQUIVALENTE AL 10% DE TODO PAGO POR SERVICIOS PRESTADOS QUE SE EFECTÚE BAJO ESTE CONTRATO, DE CONFORMIDAD CON EL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO DE 1994, SECCIÓN 1143, SEGÚN ENMENDADA. NO OBSTANTE, SE DISPONE QUE LA RETENCIÓN A EFECTUARSE POR LA AUTORIDAD BAJO LAS DISPOSICIONES DE LA PRESENTE CLÁUSULA PODRÍA AUMENTAR A:

20% EN CASO DE QUE EL PROFESIONAL FUERA UN INDIVIDUO NO RESIDENTE CIUDADANO DE LOS ESTADOS UNIDOS DE CONFORMIDAD CON EL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO DE 1994 , SECCION 1147; O UN 29% EN CASO DE QUE EL POFESIONAL FUERA UN INDIVIDUO NO RESIDENTE Y NO CIUDADANO DE LOS ESTADOS UNIDOS, O UNA CORPORACIÓN O SOCIEDAD EXTRANJERA NO DEDICADA A INDUSTRIA O NEGOCIO EN PUERTO RICO, DE CONFORMIDAD CON EL CÓDIGO DE RENTAS



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INTERNAS DE PUERTO RICO DE 1994, SECCIONES 1147 Y 1150.

SI EL DEPARTAMENTO DE HACIENDA HA EMITIDO UN CERTIFICADO DE RELEVO A FAVOR DEL PROFESIONAL, ES RESPONSABILIDAD DE ÉSTE, SOMETER COPIA DEL RELEVO A LA AUTORIDAD PARA CADA AÑO NATURAL, DE LO CONTRARIO, LOS PAGOS SEGUIRÁN SUJETOS A LA RETENCIÓN EN EL ORIGEN. TODA FACTURA DEBE DETALLARSE POR CONCEPTOS (SERVICIOS, MATERIALES, EQUIPO, ETC.) PARA IDENTIFICAR LAS PARTIDAS SUJETAS A RETENCIÓN Y EVITAR DESCUENTOS INDEBIDOS.

LA AEE PUEDE TERMINAR ESTE CONTRATO UNILATERALMENTE, EN CASO DE QUE EL CONTRATISTA NO OBSERVE CUALQUIERA DE LAS CLÁUSULAS ANTERIORES, POR CUALQUIER FALLA EN EL CUMPLIMIENTO CON CUALQUIERA DE LAS DISPOSICIONES DEL CONTRATO, INCLUYENDO ESTE ADDENDUM, MEDIANTE LA PREVIA NOTIFICACIÓN POR ESCRITO AL CONTRATISTA DENTRO DEL TÉRMINO DE TREINTA DÍAS ANTES DE COBRAR EFECTIVIDAD LA TERMINACIÓN.

PH000038 005 NONWAIVER.
NONWAIVER.

No waiver by any party of any condition, or of any breach of any provision contained in this Order, in any one or more instances, will be deemed to be or construed as a further or continuing waiver of any such condition or breach or waiver of any other condition or of any breach of any other provision.

PH000040 007 RELATIONSHIP OF THE PARTIES.
RELATIONSHIP OF THE PARTIES.

Seller is an independent contractor. This Purchase Order does not create a partnership or joint venture between Seller and Buyer. Seller is not an agent of Buyer, and Seller has no authority to act on behalf of Buyer. Except as otherwise provided in this Purchase Order, Seller will provide any and all labor, supervision, materials, and equipment necessary to provide the Materials, Services or Work Product as set forth in this Order, and Seller will obtain any and all permits and authorizations required by applicable law to provide such Materials, Services or Work Product. Seller will control the means and manner of the providing of the Materials, Services or Work Product. Seller's personnel will not be considered employees of Buyer, and Buyer will not provide Seller's personnel with wages, salaries, or benefits.

PH000057 005 TERMINATION
TERMINATION.

Buyer may, at its option, cancel any unfulfilled Order, in which event



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Buyer's only obligation shall be to pay for Materials shipped or Work Product or Services performed prior to the receipt cancellation; provided, however, that if this Order covers Materials manufactured to Buyer's specifications, upon receipt of notice of cancellation, Seller shall stop all performance except as otherwise directed by Buyer, and if Seller is not in breach of this Order, Buyer shall pay Seller's actual, direct, unavoidable and reasonable costs resulting from such termination, not to exceed the total price of the Materials, Work Product or Services stated in this Order. Upon such payment, title to any Materials or Work Product, including uncompleted Materials or Work Product, shall pass to Buyer. In the event of default by Seller in the performance of any obligation hereunder, including time of delivery, or in the event it becomes apparent that delivery cannot be accomplished within the time specified, Buyer may, at its option, cancel this Order entirely, without penalty or liability (except for Materials received and accepted.) All provisions necessarily requiring survival beyond any termination of this Order, including, but not limited to, those relating to audit, choice of law, confidentiality, indemnity, title and warranty shall survive any such termination.

PH000079 001 QUALITY STANDARDS AND WARRANTIES 1
QUALITY STANDARDS AND WARRANTIES.

Seller warrants (i) title to the Materials or Work Product, free and clear of all liens and encumbrances and (ii) that Materials, Work Product and Services will be in exact accordance with this Order, the specifications, drawings, samples or other descriptions furnished or adopted by Buyer and will be fit and sufficient for the purpose intended, merchantable, of good material, design and workmanship, free from defect and be new and of best quality, unless otherwise specified. Such warranty shall survive delivery and shall not be deemed waived either by reason of Buyer's acceptance of the Materials, Work Product or Services or by payment for them. The Materials, Work Product or Services shall be subject to Buyer's right of inspection and rejection at any reasonable time before or during the manufacturing process or provision of Service and within forty-five (45) days after delivery to destination or completion. Materials, Work Product or Services other than those specified shall not be submitted without Buyer's written authorization.

PH000080 002 QUALITY STANDARDS AND WARRANTIES 2
Rejected Material and Services or Work Product may be returned or re-performed at Seller's expense. The making or failure to make any inspection, approval, payment or acceptance of the Materials, Work Product or Services shall in no way impair Buyer's right to reject or revoke acceptance of non-conforming Materials, Work Product or Services or to avail itself of any other remedies to which Buyer may be entitled,



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notwithstanding Buyer's knowledge, the substantiality, or the ease of discovery of any non-conformity. If any time prior to one (1) year from the date of completion of any Services, or the earlier of one (1) year from the date of installation or eighteen(18) months from receipt of any Materials or Work Product if the Materials, Work Product or Services, or any part thereof, do not conform to these warranties or the specifications, Seller shall promptly correct such nonconformity to the satisfaction of Buyer at Seller's sole expense; failing which, Buyer may proceed to make corrections or accomplish Seller's work by the most expeditious means available, and the costs of cover or correction shall be for Seller's account. Seller's liability hereunder shall extend to all damages proximately caused by the breach of any of the foregoing warranties, including incidental damages such as removal, inspection, costs of return, warehousing and reinstallation. These warranties are in addition to, and shall not be construed as restricting or limiting any warranties of Seller, express or implied, or which are provided by law or exist by operation of law.

PH000082 002 ANTI-KICKBACK

Seller represents that no unrecited consideration, kickbacks, fees, payments, gifts, entertainment, or things of value were given to or requested by any Buyer employee as an inducement to enter into or continue this Order, and that Seller further agrees to immediately report any such request, demand, or occurrence relating to any Buyer employee or this Order to: Puerto Rico Electric Power Authority, Material Management Division Head Office, P.O. Box 3670151, San Juan, Puerto Rico 00936-0151; Telephone: 787-521-3268, or 787-521-3310. Seller shall adhere to Buyer's Expected Ethical Conduct Standards as defined in PREPA's Code of Ethic or Leyes de Ética which is available at:

<http://www.prepa.com/spanish.asp?url=http://www.aeepr.com/suministros.asp>

* * * End of Contract * * *

Exhibit B-1



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Mail Invoice To:

Vendor:

AUTORIDAD DE ENERGIA ELECTRICA
DIVISION DE TESORERIA
P.O. BOX 70253
SAN JUAN PR 00936-8253

ALVARO BRUSI
MECHANICAL DYNAMICS & ANALYSIS

Please Direct Inquiries to:

Work Location:

JOEL D. PANTOJAS-CARABALLO
JPANTOJAS13525@AEEPR.COM
Title: PROCUREMENT SUPV G5
Phone: 787-521-3034
Fax : 787-521-3171

Ext:

JEFE OFIC ADM DIR SIST ELECT
NEOM 606
CARR. NUM. 1, KM 15.1
C. SAN ROBERTO FINAL
MONACILLOS PR 00926

Title: TURBINE-GENERATOR INSPECTION WORK UNIT 5 AT COSTA SUR POWER PLANT

Total Value : \$379,500.00 USD
Pricing Method: ESTIMATE

** NOT TO EXCEED **

Contract Type : SERVICES
Project :

Start Date: 06/15/2020
End Date : 12/31/2020

Vendor Authorized Signature
JOSE F THEOKTISTO

Printed Name/Title
06/15/2020 787-399.3616

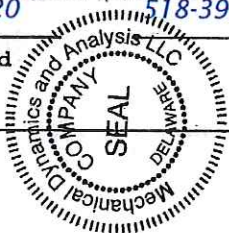
Date Signed Phone

Authorized Signature

Neftali Gonzalez Cruz JEFE DIVISION DE SUMINISTROS

Printed Name/Title
06/15/2020 787-54-3268

Date Signed Phone



Scope of Work

ORDEN DE SERVICIO, MATERIALES Y EQUIPOS



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REQ. 241109
RFP 00002678
POWER ADVOCATE EVENT # 105433

EMERGENCY PROCUREMENT PROCEDURES FOR COSTA SUR POWER PLANT UNIT 5
REHABILITATION - TURBINE GENERATOR INSPECTION WORK UNIT 5 AT COSTA SUR
POWER PLANT.

SE ADJUDICA ESTA ORDEN DE ACUERDO A NUESTRAS ESPECIFICACIONES, TÉRMINOS Y
CONDICIONES SOLICITADOS Y ACEPTADOS POR LA COMPAÑÍA PARA LA SOLICITUD RFP
00002678.

SE REQUIERE AL CONTRATISTA UN CERTIFICADO DE SEGURO FIRMADO POR UN
REPRESENTANTE AUTORIZADO DE UNA COMPAÑÍA EN PUERTO RICO QUE DESCRIBA LAS
SIGUIENTES CUBIERTAS, EN ORIGINAL:

- A) SEGURO COMPENSACIÓN PARA ACCIDENTES EN EL TRABAJO - F.S.E.
- B) SEGURO DE RESPONSABILIDAD PATRONAL.
 - 1) LÍMITE DE \$1,000,000 POR PERSONA EN EL CASO DE LESIONES CORPORALES Y \$1,000,000 POR ACCIDENTE.
- C) SEGURO COMPRENSIVO DE RESPONSABILIDAD GENERAL.
 - 1) LÍMITE DE \$1,000,000 POR OCURRENCIA Y DE \$1,000,000 AGREGADO QUE INCLUYA CUBIERTA DE OPERACIONES COMPLETADAS Y PRODUCTOS.
- D) SEGURO COMPRENSIVO DE RESPONSABILIDAD AUTOMÓVIL.
 - 1) \$1,000,000 LÍMITE SENCILLO COMBINADO.

NOTA: LAS PÓLIZAS DE SEGUROS SERÁN SOLICITADAS POR EL USUARIO UNA VEZ SE
REALICE EL "NOTICE TO PROCEED" PARA LA REALIZACIÓN DE ESTOS TRABAJOS.

INFORMACION DE PERSONA CONTACTO AEE:

ING. CARLOS A. NEGRÓN ALFONSO
TEL: 787-521-6421 / 6406
E-MAIL: CARLOS.NEGRON@PREPA.COM

COMPRADOR:
JOEL D. PANTOJAS CARABALLO
SUPERVISOR DE COMPRAS PRINCIPAL
TEL. 787-521-3317
E-MAIL: JOEL.PANTOJAS@PREPA.COM

SUPLIDOR: MECHANICAL DYNAMICS & ANALYSIS LLC.



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TEL. 1-518-399-3616

DESGLOSE DE COSTOS:

1. OPTION A - \$325,500.00
2. OPTION B - \$1,075,000.00
3. TURBINE TOOL CONTAINER - \$54,000.00 (MONTHLY)

NOTA: SE INCLUYEN LOS "RATES" DE TRABAJOS Y PERSONAL SOMETIDOS POR EL LICITADOR AGRACIADO COMO ANEJO A ESTE CONTRATO.

PROJECT TASK: UNIT 5 TURBINE-GENERATOR INSPECTION

Scope of Work/Specification

" Contractor shall supply the necessary labor, mobilization, supervision, quality control inspection, equipment and materials to provide inspection services to the turbine-generator of Unit Num. 5 of the Costa Sur Power Plant.

" Contractor shall be able to supply any of both is this work options:

1. Work Option A - Bearing Inspection

1.1. The scope of work for this outage includes the HP/IP, LP-A, LP-B and Generator:

- 1.1.1. Separate A, B and C couplings and check alignment
- 1.1.2. Remove upper half bearing covers and inspect all bearings including thrust bearing
- 1.1.3. Inspect packing casings
- 1.1.4. Remove Crossover and visually inspect LP components
- 1.1.5. Remove generator man-way doors and visually inspect generator
- 1.1.6. Reassembly of all components

1.2. Work Duration Requirement - 14 days

1.3. Work days during a week - Monday through Sunday

2. Work Option B - Open-Inspect-Close



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- 2.1. The scope of work for this outage includes the HP/IP, LP-A, LP-B and Generator:
 - 2.1.1. Remove HI/IP upper half casing and diaphragms
 - 2.1.2. Remove LP-A & LP-B upper half hood, casing and diaphragms
 - 2.1.3. Separate A, B and C couplings and check alignment
 - 2.1.4. Remove upper half bearing covers and inspect all bearings including thrust bearing
 - 2.1.5. Inspect packing casings
 - 2.1.6. Inspect generator hydrogen seal assembly
 - 2.1.7. Remove generator man-way doors and visually inspected generator
 - 2.1.8. Reassembly of all components
- 2.2. Work Duration Requirement - 27 days
- 2.3. Work days during a week - Monday through Sunday

UNIT 5 TURBINE-GENERATOR INSPECTION
AT COSTA SUR POWER PLANT
(OPTION A - BEARING INSPECTION)
REQUISITION 241109

WITNESSETH

THEREFORE, IN CONSIDERATION of the mutual covenants hereinafter stated, the Parties agree themselves, their personal representatives, successors, and assignees, as follows:

TERMS AND CONDITIONS

ARTICLE 1. Scope of Work

The Contractor shall furnish and provide all work, labor, materials, tools, municipal taxes, equipment, inspection, supervision, all necessary services, job administration, municipal and service taxes, and superintendence, required for the Unit 5 Turbine-Generator Inspection Work (Option A-Bearing Inspection or Option B- Open-Inspect-Close) at Costa Sur Power Plant. In accordance with the specifications stated in herein attached.

All the services described in this Article 1 shall be defined in this Contract as the "Works".

Article 2. Definitions

Whenever the words defined in this Article or their pronouns are used or mentioned in this Contract, they shall have the meanings here given:

- 2.1 Contracting Officer - shall mean the Chief Executive Officer/Executive Director of PREPA, acting directly or through his properly authorized agents.
- 2.2 Contract - shall mean, collectively, the documents listed below and



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all supplementary documents thereto that are incorporated by reference. In the event of a conflict between any such documents, the following descending order from top to bottom shall constitute the order of priority governing the interpretation of the Contract (beginning with the Contract as the top priority):

- a. Contract
- b. Terms and Conditions
- c. Project's Scope of Work
- d. PREPA's Proposal Form
- e. Questions and Answers during the procurement process
- f. Contractor's Proposal

In case of any difference between the terms and conditions of this Contract and the terms of Contractor's Proposals, the terms and conditions of this Contract shall govern.

2.3 Completion Date - date in which all tasks and project scope had completed.

2.4 Change Order - a written agreement between the Parties that sets out changes in price, time, or the Scope of Work.

2.5 Engineer - shall mean PREPA's Generation Director, acting directly or through his properly authorized agents.

2.6 Final Acceptance - shall mean written approval by PREPA that the entire work has been completed.

2.7 Notice to Proceed - a written order sent to the Contractor by the Contracting Officer or the Engineer, notifying the contractor giving authority to begin the Work or separate portions of the Work, as established in this Contract.

2.8 Scope of Work - are all the specific requirements, regulations and/or directions covering particular conditions of the project.

2.9 Substantial Completion - shall mean the date certified by PREPA, that the Contractor shall reach the stage of completion of the Works.

ARTICLE 3: Consideration

The Contract Amount is an estimate based in time and material rates. As compensation for services rendered under this Contract, PREPA and the Contractor agree that the total amount to be paid under this Contract shall not exceed \$325,500.00. PREPA shall have no obligation to pay the Contractor any amounts in excess of the Contract ceiling price. Contractor shall have no obligation to perform any work in excess of the Contract ceiling price. The Contractor will be the only one responsible for any works it or any of its subcontractors, if any, does in excess of the Contract Amount, unless otherwise agreed to in writing, signed by the Parties.

The rates quoted in Contractor's Proposal shall constitute full compensation for the the Unit 5 Turbine-Generator Inspection Work (Option A-Bearing Inspection or Option B- Open-Inspect-Close) at Costa Sur Power



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Plant, including but, not limited to: labor, tools, equipment, other accessories, cost of all insurance, profit, Contractor's overhead, profit, taxes, etc.

The Contractor shall submit its invoices for work already done according to the payment schedule approved by the Engineer, together with the supporting documents.

The invoices submitted by Contractor must be approved by the Engineer, and must be accompanied by the proper supporting documents (such as inspection certifications, work reports and third-party invoices, if any). No invoices shall be accepted for evaluation without the required documents. PREPA reserves the right to deduct or withhold any payment under this Contract, until the Contractor complies with any debts or liabilities as a result of poor performance or negligence during the performance of the Works.

All invoices shall be subject to PREPA's approval before being paid, and its payment shall be done within sixty (60) days after the date of PREPA's approval.

Upon completion and Final Acceptance of all Works required hereunder, the amount due to the Contractor, under this Contract, will be paid upon the presentation of a properly executed and duly certified invoice the amount of such excepted claims is not included in the invoice for final payment. All invoices submitted by the Contractor shall include the following Certification in order to proceed with its payment. This is an essential requirement and those invoices without this Certification, will not be processed for payment.

No interest Certification:

Under penalty of absolute nullity, I hereby certify that no employee, official or director of PREPA is a party or has any interest in the profits or benefits to be obtained under this Contract, or if any employee, official or director of PREPA has any interest in the profits or benefits under this Contract or a waiver has been previously obtained. I, also certify that the only consideration to provide the services under this Contract is the payment agreed with PREPA's authorized representative.

The total amount of this invoice is fair and correct. The works were completed, the services were provided and no payment has been received for said concept.

Contractor's Signature

Nothing herein shall preclude the Parties from agreeing to increase the Contract Amount by written amendment signed by both Parties.

The funds to pay for the services performed by the Contractor will come from account



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01-1748-17563-555-354.

ARTICLE 4: Commencement, Prosecution and Completion of Work

PREPA will provide a mobilization letter to the Contractor, prior to begin the Work. All Work shall be performed on fourteen (14 (Option A) or 27 (Option B)) days on a continuous schedule, after the commencement date, specified by PREPA in the mobilization letter. All Work shall be previously coordinated with the Engineer. Any Work performed without the Engineer's approval will not be subject to payment by PREPA.

Schedule of Proposed Progress

All work on a particular unit shall be carried out on a continuous schedule following the commencement date specified by PREPA.

ARTICLE 5: Suspension of Work

The Contracting Officer or the Engineer may, at any time, suspend the whole or any portion of the works under this Contract, by providing the Contractor with a written notice stating the reasons for the suspension, at least five (5) days in advance of the day the suspension. The right of PREPA to suspend the services shall not be construed as denying the Contractor reimburse for actual reasonable, and necessary expenses due to delays, caused by such suspension, it being understood that expenses will not be allowed for such suspension when ordered by the Contracting Officer or the Engineer on account of a force majeure event, as defined in Article 9, Force Majeure, of this Contract.

ARTICLE 6. Changes and/or Extra Work

PREPA may, at any time, make changes or order extra work within the Scope of Work subject to previous written approval of the Contracting Officer.

Changes requested by PREPA may include, but not limited to, changes:

1. In the specifications including drawings and design.
2. In the method or schedule of performance of the Works.
3. Acceleration in the performance of the Works.

Within ten (10) working days after receipt of PREPA's written Change Order (or such shorter or longer period of time as may be reasonably required as agreed by PREPA and the Contractor), Contractor shall promptly notify PREPA of the cost, schedule and other impact(s) Contractor anticipate as a result of the change. If PREPA agrees with the Contractor's statement as to the impact of the change, the Parties shall proceed promptly to enter into a written change order and amendment to the Contract, in connection with such change to equitably adjust: Contractor's cost (increase or decrease), schedule (lengthen or shorten), or other obligations under the Contract regarding such change. PREPA shall promptly notify Contractor in writing of the basis for any disagreement and PREPA and Contractor shall negotiate in good faith to resolve any issues in order to, when applicable, enter into a written change order to: equitably adjust



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Contractor's cost (increase or decrease), schedule (lengthen or shorten), or other obligations under the Contract regarding such change. The acceptance of the Change Order and an adjustment in the Contract Amount and/or Contract Term shall not be unreasonable withheld.

In order to facilitate review of quotations for extras or credits, all proposals submitted by Contractor in connection with a Change Order shall be accompanied with a complete breakdown of the costs including: labor, materials, equipment and subcontracts.

ARTICLE 7. Other Work at the Site

PREPA reserves the right to perform other work by force account and/or enter into other contracts related with these Works. The Contractor shall afford PREPA and the other contractors reasonable opportunity to introduce and storage their materials and execute their work and coordinate its work with theirs. If any part of Contractor's Work, depends for proper execution or results, upon the work of PREPA or of any other contractor, the Contractor shall inspect the works and promptly report to PREPA any defects in such work or any conflicts between such work and Contractor's Work, for PREPA to decide, if necessary, the course of action to be followed by each party.

Wherever work being done by PREPA's own forces or by other contractors is contiguous to work covered by this Contract, the respective rights of the various interests involved shall be established by PREPA to secure the completion of the various portions of the work in general harmony.

Whenever, in the opinion of PREPA, the orderly progress of the entire services requires the use of PREPA's own forces or by other contractors, PREPA will arrange with the Contractor for such use, at times, and in locations which will

ARTICLE 8: Access to Work

The Contractor shall always permit all persons appointed or authorized by PREPA to visit and inspect the Work or any part thereof.

ARTICLE 9: Force Majeure

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 event not caused by the fault or negligence of, 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 services 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 were not caused by the



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fault or negligence of the party claiming the force majeure event, 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.

The Contractor is responsible under a predicted force majeure event to take immediate action and employ emergency plans to avoid human hazards and protect public and private properties within or adjacent Work's areas.

ARTICLE 10. Liabilities

11.1 Civil Responsibility

The appearing parties agree that their responsibilities for damages under this Contract will be governed by the Puerto Rico Civil Code and its case law, as dictated by the Supreme Court of Puerto Rico.

11.2 Indirect or Consequential Damages

The Contractor shall not be responsible for indirect or consequential damages that may occur in relation to the Services performed.

11.3. Direct Damages to PREPA's Property

The Contractor shall be insured for all direct damages to PREPA's property that occur as a result of his fault or negligence in connection with the prosecution of the Work, and shall be responsible for the proper care and protection of all materials, equipment and work performed until completion of Work.

11.4. Protection against the Occurrence of Damages

The Contractor agrees to make, use, provide, and take all proper, reasonably necessary and enough precautions, safeguards, and protection against the occurrence of injuries, death and/or damages to any person or property during the progress of the Work. In the performance of its obligations under the Contract, Contractor agrees to comply with all applicable local and federal laws and regulations.

11.5 Save and Harmless Clause

The Contractor agrees to indemnify and save harmless PREPA for all expenses and costs of any nature (including attorneys' fees) incurred by PREPA arising out of any claim made by any person for personal injuries, including death, sustained by any person, including Contractor's employees, and for damages to third party property to the extent such injuries, death or third party damages are caused by the fault, negligent acts or omission of Contractor, its employees, subcontractors or affiliated companies, arising out of its or their performance and/or failure to perform the Works.

11.6. Save Harmless for Operation of PREPA's Equipment

The operation of PREPA's equipment by PREPA at its plant site is within the exclusive control of PREPA. PREPA shall indemnify and save harmless the Contractor from loss, expense or liability imposed upon the Contractor for any injury to a person, including death resulting therefrom or damage



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to any property resulting from the operation of such equipment by PREPA. If the Contractor is allowed to operate PREPA's equipment at the plant, the Contractor shall indemnify and save harmless PREPA from loss, expense or liability imposed upon PREPA for any injury to a person, including death resulting therefrom or damage to any property resulting from the operation of such equipment by the Contractor.

ARTICLE 12: Independent Contractor

The Contractor shall be considered as an independent contractor, for all material purposes under this Contract, and all persons engaged or contracted by the Contractor for the performance of its obligations herein, shall not be considered as employees or agents of PREPA. In consequence, the Contractor is not entitled to any fringe benefits, such as, but not limited to vacations, sick leave, and others.

Contractor is an independent contractor and as such shall be responsible for the payment of all its income taxes, its subcontractors and its individual and employers' withholdings under the applicable tax laws of Puerto Rico or the U.S. Internal Revenue Code.

ARTICLE 13: Termination

Either Party may terminate this Contract for any cause if the other Party:

(i) becomes insolvent, or (ii) substantially breaches a material obligation, which does not otherwise have a specified contractual remedy. If PREPA terminates the Contract, PREPA shall pay to the Contractor all portions of the Work completed. 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 Contractor in the performance of its obligations under the Contract.

If PREPA terminates the Contract in accordance with this Article, PREPA may take possession of the premises, and of all materials, tools, and appliances thereon, and finish the work by whatever method it may deem convenient. In such a case, the Contractor shall not be entitled to receive any further payment until the Work is finished. If the unpaid balance of the Contract Amount shall exceed the expenses of finishing the Work, including compensation for additional managerial and administrative services, such excess shall be paid by the Contractor. If such expenses shall exceed such unpaid balance, the Contractor shall pay the difference to PREPA of the expenses incurred by PREPA as herein provided. The remedies established in this Article, shall be each Party's sole and exclusive remedies by reason of such termination. PREPA shall have the right to terminate this Contract immediately in the event of negligence, dereliction of duties or noncompliance by the Contractor.

The Parties acknowledge that PREPA is undergoing a transformation process, and therefore, both Parties agree that in the eventuality of the execution of a Partnership Contract, Sale Contract or any other PREPA Transaction



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(as these terms are defined in Act 120-2018), PREPA may sell, assign, convey, transfer, pledge, mortgage, sublease, delegate, hypothecate, or otherwise dispose (each, a "Transfer") any of its rights, title, or interest (by novation or other instrument) in this Agreement as permitted by applicable law and at any time, and without Contractor's consent or cost, expense or incremental liability to PREPA, to any future operator of Puerto Rico's electric power transmission and distribution system or any of its affiliates, or to any governmental agency, body, public corporation or municipality of Puerto Rico; provided, that PREPA shall notify Contractor no later than thirty (30) days before the effective date of any such Transfer. The Contractor acknowledges that all his responsibilities and obligations under the Contract, such as work to be performed and services to be provided, etc., will continue in full force and effect until the expiration of the thirty (30) day period.

ARTICLE 14: Insurance and Bonds

The Contractor shall secure and maintain in full force and effect during the life of this Contract as provided herein, policies of insurance covering all operations engaged in by the Contract as follows:

14.1 Commonwealth of Puerto Rico Workmen's Compensation Insurance:

The Contractor shall provide workmen's compensation insurance as required by Act No. 45 of April 18, 1935, as amended, known as the Workmen's Compensation Act of the Commonwealth of Puerto Rico ("Act 45"). Contractor shall also be responsible for compliance with Act 45 by all its subcontractors, agents and invitees, if any, or shall certify that such subcontractors, agents and invitees have obtained said policies on their own behalf. Contractor shall furnish to PREPA a certificate from the Puerto Rico's State Insurance Fund showing that all personnel employed in the work are covered by the workmen's compensation insurance, in accordance with this Contract.

14.2 Commercial General Liability Insurance:

The Contractor shall provide a Commercial General Liability Insurance with limits of at least \$1,000,000 per occurrence and at least \$1,000,000 aggregate.

14.3 Commercial Automobile Liability Insurance:

The Contractor shall provide a Commercial Automobile Liability Insurance with limits of at least \$1,000,000 combined single limit covering all owned or scheduled autos, non-owned and hired automobiles.

14.4 Employer's Liability Insurance:

The Contractor shall provide Employer's Liability Insurance with minimum bodily injury limits of at least \$1,000,000 for each employee and at least \$1,000,000 for each accident covering against the liability imposed by Law upon the Contractor as result of bodily injury, by accident or disease, including death arising out of and in the course of employment, and outside of and distinct from any claim under the Workmen's Compensation Act of the Commonwealth of Puerto Rico.



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Requirements Under the Policies:

The Commercial General Liability and Commercial Automobile Liability Insurance required under this Contract shall be endorsed to include:

a. As Additional Insured:

Puerto Rico Electric Power Authority
Risk Management Office
PO Box 364267

San Juan, PR 00936-4267

b. A 30 day cancellation or nonrenewable notice to be sent to the above address.

c. An endorsement including this Contract under contractual liability coverage and identifying it by number, date and parties to the contract.

d. Waiver of Subrogation in favor of Puerto Rico Electric Power Authority (PREPA).

e. Breach of Warranties or Conditions:

"The Breach of any of the Warranties or Conditions in this policy by the Insured shall not prejudice PREPA'S rights under this policy."

Furnishing of Policies:

All required policies of insurance and bonds shall be in a form acceptable to PREPA and shall be issued only by insurance companies authorized to do business in

Puerto Rico.

The Contractor shall furnish a certificate of insurance in original signed by an authorized representative of the insurer in Puerto Rico, describing the coverage afforded.

ARTICLE 15: Permits and Licenses

The Contractor shall obtain and maintain all the licenses, permits, and authorizations required to perform all Works and tasks under this Contract, and shall send all notices, pay all fees and related costs, and will comply and will have its subcontractors, if any, and agents comply with all laws, ordinances, rules, and regulations applicable to the Work, in accordance with the drawings and Specifications. Should the Contractor find any discrepancy between the drawings and Specifications and the permits, laws, ordinances, rules, and regulations referred to herein, the Contractor shall proceed immediately to notify PREPA of the discrepancy and shall not continue with the Work until PREPA issues and notifies an order informing the Contractor what changes are necessary and when to proceed with the Work as changed.

ARTICLE 16: Contingent Fees

The Contractor guarantees that he has not employed any person to solicit or secure this Contract upon any agreement for a commission percentage, brokerage or contingent fee. Breach of this guarantee shall give PREPA the right to terminate the Contract or, at its discretion to withhold from



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the Contract Amount the amount of such commission, percentage, brokerage or contingent fees. This guarantee shall not apply to commission's payable by contractors upon contract or sales secured or made through bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

ARTICLE 17. Transfer of Funds

If Contractor decides to assign or transfer an amount, due or payable, to which he is entitled for services rendered or goods provided during the term of this Contract, Contractor shall notify PREPA of such transfer of funds, in accordance to the provisions of Act 21-2012. Said notice shall clearly indicate the rights granted, including a copy of the contract under which the assignment or transfer of funds is made, the exact amount of funds to be assigned or transferred, and specific identification information regarding the assignee (full name of the person or company), address and any other contact information.

Contractor acknowledges and agrees that PREPA may deduct any amount, due or payable under this Contract, that Contractor owes; PREPA may retain any said amount if Contractor fails to fulfill its obligations and responsibilities under this Contract, or a claim arises for warranty or defects regarding the services rendered or goods provided under this Contract. Contractor also acknowledges and agrees that PREPA's payment obligation under any assignment of funds will cease upon payment of the outstanding amounts under this Contract. PREPA shall not be required to make payments or transfer any funds for an amount that exceeds the payment to which Contractor is entitled to under this Contract.

ARTICLE 18: Conflict of Interest

The Contractor certifies that he does not receive payment or benefit of any nature for services rendered regularly through an appointment to a governmental agency, body, public corporation or municipality of Puerto Rico.

The Contractor represents conflicting interests when on behalf of a client he must contend for that which it is his duty to oppose to comply with its obligations with another previous, present or potential client. Also, the Contractor represents conflicting interests when his conduct is described as such in the canons of ethic applicable to the Contractor and his personnel or in the laws or regulations of the Commonwealth of Puerto Rico.

In contracts with partnerships or firms, if any of the partners, directors or employees of the Contractor should incur in the conduct described herein, said conduct shall constitute a violation to the prohibitions provided herein. The Contractor shall avoid even the appearance of the existence of conflicting interests.

The Contractor acknowledges that the Contracting Officer shall have the power to intervene the acts of the Contractor and/or its agents, employees, and subcontractors regarding the enforcement of the



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prohibitions contained herein. If PREPA should discover the existence of adverse interests with the Contractor, the Contracting Officer shall inform the Contractor, in writing, of PREPA's intention to terminate this Contract within a thirty (30) day period. During said period, the Contractor may request a meeting with the Contracting Officer to present his arguments regarding the alleged conflict of interests, which meeting shall be granted by PREPA in every case of alleged conflict of interests. If the Contractor does not request such a meeting during the specified thirty (30) day period or the controversy is not satisfactorily settled during the meeting, this Contract shall be cancelled.

The Contractor certifies that, at the time of award of this Contract, it does not have any other contractual relation that can enter in a conflict of interest with this Contract. The Contractor also certifies that no public employee has any personal or economical interest in this Contract.

ARTICLE 19: Claims for Labor and Materials

The Contractor shall, at his own expense, assume the defense of and save harmless PREPA from claims for labor and materials and not suffer any procedure or other liens to remain outstanding against any of the property used in connection with the Work; and shall, on request, furnish satisfactory evidence that all persons who have done work or furnished materials have been fully paid. If the Contractor fails to comply with his obligations in this respect, PREPA may take such liens or claims and may withhold from any monies due to the Contractor such amounts as may be necessary to satisfy and discharge any such claims and any cost and expenses incidental thereto.

ARTICLE 19: Other Contracts

PREPA may award other contracts for additional work, and the Contractor shall fully cooperate with such other contractors, in accordance with Article 7, Other Work at the Site, of this Contract, and carefully fit his own work to that provided under other contracts as may be directed by the Contracting Officer. The Contractor shall not commit or permit any acts which interfere with the performance of work by any other Contractor.

ARTICLE 20: Minimum Wage Rates

Laborers and other employees engaged under this Contract shall be paid not less than the minimum wages rates prescribed by law. PREPA may withhold from any payment due to the Contractor any amount necessary to make up the full amount of wages due under this Contract and may distribute it directly to those entitled thereto hereunder.

ARTICLE 21: Unfair Labor Practice

In the event that the Contractor or any of his subcontractors or agents do not comply with an order issued by the Puerto Rico Labor Relations Board and/or the National Labor Relations Board upon their finding that the



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Contractor or any of his subcontractors or agents have committed an unfair labor practice, no further payments shall be made by PREPA to the Contractor after the date of said order. In addition, the Contract may be terminated by PREPA, in which case PREPA may take possession of the materials, tools, and appliances on the job site and finish the work by whatever method it may deem expedient.

Any declaration by the Puerto Rico Labor Relations Board and/or by the National Labor Relation Board that the Contractor or its agents have not complied with an order issued by the Board relating to any unfair labor practice, shall be binding, final and conclusive unless such order is reversed or set aside by a Court of competent jurisdiction.

ARTICLE 22: Assignment

The Contractor shall not subcontract or assign its obligations under this Contract, without PREPA's previous written authorization for such actions.

Provided, that no subcontract shall be considered for PREPA's approval, except when the following requirements are met: (1) Contractor delivers PREPA a copy of the subcontract, not less than thirty (30) days prior to the effective date of the proposed subcontract; (2) the subcontract includes, as a condition for its legal validity and enforceability, a provision whereby PREPA has the right to substitute, subrogate or assume Contractor's rights under the subcontract, in the event that PREPA declares the Contractor in breach or default of any of the Contract terms and conditions; and (3) the subcontract includes, as a condition for its validity and enforceability, a provision establishing for the subcontractor the obligation to comply with all of Contractor's obligations under the Contract (mirror image clause), except for such obligations, terms and conditions which exclusively related with works or services not included under the subcontract.

If the contractor decides to assign any due or payables, to which he is entitled for services rendered or goods provided during the term of this Contract to a different company affiliate or any third party, provisions in Article 22 Transfer of Funds, of this Contract, shall apply.

ARTICLE 23: Subcontractors

PREPA may invalidate any of the contracts with the subcontractors if PREPA determines that they are detrimental to its best interests.

ARTICLE 24: Novation

The Contractor and PREPA expressly agree that no amendment or change order which could be made to this Contract, during its term, shall be understood as a contractual novation, unless both Parties agree to the contrary, specifically and in writing. This previous provision shall be equally applicable in such other cases where PREPA gives the Contractor a time extension for the compliance of any of its obligations under the Contract



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or where PREPA dispenses the claim or demand of any of its credits or rights under this Contract.

ARTICLE 25: Patents and Copyrights

The Contractor, at its own expense, shall defend any suit or action brought against PREPA based on a claim that any equipment or part thereof, copyright or un-copyrighted composition, secret process, patented or unpatented invention, article, or appliance manufactured or used in the performance of this Contract, including their use by PREPA, constitutes an infringement of any patents or copyrights of the United States, if notified promptly in writing by PREPA, and given the authority, information, and assistance for the defense of the same, and the Contractor shall pay all damages and costs awarded therein against PREPA. If in such suit the equipment or any part thereof, or the composition, secret process, invention, article or appliance, is held to constitute infringement and its use is enjoined, the Contractor, at its option and expense, shall either procure for PREPA the right to continue using the same or replace it with non-infringing equipment, composition, secret process, invention, article or appliance, or modify it so it becomes non-infringing; or remove it and refund the purchase price.

ARTICLE 26: Waivers

No waiver of any breach of this Contract shall be held to be a waiver of any other subsequent breach. All remedies afforded by PREPA in this Contract shall be taken and construed as cumulative, that is, in addition to every other remedy provided herein or by law.

ARTICLE 27: Correction of Work After Final Payment

The final certificate for payment shall not relieve the Contractor of responsibility for faulty materials or workmanship and, unless otherwise specified, Contractor shall remedy any defects due thereto in accordance with the Warranty provisions of this Contract, PREPA shall give notice of observed defects with reasonable promptness. All questions arising under this Article shall be decided by the Engineer, subject to appeal by the Contractor, as provided in Article 34, Disputes, in this Contract.

ARTICLE 28: Disputes

All disputes concerning questions of fact arising under this Contract shall be decided by PREPA's Generation Director within 10 days from the submission of the dispute by Contractor, subject to written appeal by Contractor to the Contracting Officer within thirty (30) days. Within 10 days thereafter, the Contracting Officer shall inform each Party hereto of his decision regarding the dispute. Contractor, at its option, may elect to accept such decision or pursue remedies at law or equity. Contractor may pursue directly the remedies at law or equity for all other disputes other than questions of fact. Notwithstanding the terms above, each party



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has the right at any time, at its option and where legally available, to commence an action or proceeding in a court of competent jurisdiction to apply for interim or conservatory measures, but not monetary damages. In the event of a dispute arising during the warranty period, Contractor shall ensure that the Performance Bond remains in full force and effect until such dispute is resolved and all obligations of Contractor under the agreement are duly performed.

ARTICLE 29: Laws to be Observed

Contractor shall observe and comply with any and all federal, state and municipal laws, ordinances and regulations that in any manner affect the Work, the equipment or the materials used in connection with the Works and shall observe all such orders and decrees as exist at present or may be enacted prior to the completion of the Works by agencies or courts having any jurisdiction or authority. Contractor shall save harmless and indemnify PREPA and its representatives, officers, agents and servants for fines and penalties paid by PREPA, including attorney's fees, to governmental authorities as sole result of Contractor's violation of any such law, ordinance, regulation, order or decree, whether by the Contractor or its subsidiaries, affiliates and employees, subject to limits of liability in Article 10, Liabilities, of this Contract. All permits must always be available on site. The Contractor will be responsible to request any extension to the permits before their expiration that may be due to Work schedules delays. Otherwise, the Contractor will assume the responsibility to pay any late fees or fines.

ARTICLE 30: Change in Law

During the term of this Contract, any change in law, including, but not limited to changes in applicable tax law, which causes an increase in Contractor's costs when supplying the products or services to be acquired by PREPA, shall be of Contractor's responsibility and PREPA shall not be obliged to make additional payments nor to pay additional sums to the price or canon originally agreed for those products or services.

ARTICLE 31: Choice of Law and Venue

This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico. Also, the contracting parties expressly agree that only the state courts of Puerto Rico will be the courts of competent and exclusive jurisdiction to decide over the judicial controversies that the appearing parties may have among them regarding the terms and conditions of this Contract.

ARTICLE 32: Separability

If a court of competent jurisdiction declares any of the Contract provisions as null or invalid, such holding will not affect the validity



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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.

ARTICLE 33: Discrimination

The Contractor certifies that he is an employer with equal opportunity employment, and does not discriminate against any employee or applicant for employment on account of race, color, gender, age, sex, national or social origin, social status, political ideas or affiliation, religion, for being or perceived to be a victim of domestic violence, sexual aggression or harassment, regardless of marital status, sexual orientation, gender identity or immigrant status, for physical or mental disability, for veteran status or genetic information.

ARTICLE 34: Warranty

The Contractor warrants to PREPA that the Works shall be performed in a competent, diligent manner in accordance with any mutually agreed Specifications. The foregoing warranty for services work shall expire one (1) year after the performance of the Works. No warranty claim shall extend the applicable warranty period.

If the works do not meet the above warranties, PREPA shall promptly notify the Contractor in writing prior to expiration of the warranty period. The Contractor shall at its option, re-perform defective Work. If regardless of the Contractor's reasonable efforts, a deficient Work cannot be re-performed, the Contractor shall refund or credit the amounts paid by PREPA for such deficient Work. Warranty re-performance by the Contractor shall not extend or renew the applicable warranty period. PREPA shall obtain Contractor's agreement on the execution of any tests it plans to perform to determine if any part of the Work does not comply with the Specifications and warranties.

The Contractor will provide the necessary skill labor for any warranty work that has to be performed in order to comply with the requirements established under this Article.

The warranties and remedies are conditioned upon: (a) proper storage, installation, use, operation, and maintenance of products, (b) PREPA keeping accurate and complete records of operation and maintenance during the warranty period and providing Contractor with access to those records, and (c) modification or repair of products or services only as authorized by the Contractor in writing. Failure to meet any such conditions make the warranty null and void. The Contractor is not responsible for normal wear and tear.

ARTICLE 35: Notice

Any required 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:



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To PREPA: Puerto Rico Electric Power Authority
PO Box 364267
San Juan, Puerto Rico 00936-4267

Attention:
PREPA's Generation Director

To Contractor: Mechanical Dynamics & Analysis LLC.
19 British American Boulevard East
Latham, NY 12110

Attention: José F. Theoktisto

ARTICLE 36: Other Taxes

All unemployment, retirement, and other Social Security contributions and taxes; all sales, use and excise, privilege, business and occupational taxes, and any other taxes or fees payable by the Contractor are and shall be included as part of his prices.

ARTICLE 37: Cleaning Up

The Contractor shall, from time to time, as directed by the Engineer, remove from PREPA's property and from all public and private property all waste and materials resulting from his operations. Upon completion of the Works, the Contractor shall remove from the area of the Works all remaining rubbish, unused materials, and other like material, belonging to him or used under his direction, and shall hand-in the work area free of contaminants. In the event of his failure to do so, PREPA may proceed with cleanup of the affected areas at Contractor's expense, and his surety or sureties shall be liable, therefore.

ARTICLE 38: Safety Provisions

38.1 The Contractor shall have an Occupational Safety and Health Program and a Safety Officer on the site. A copy of this Program will be delivered to PREPA's Occupational Safety Division. The Program shall comply with the following minimum requirements of a health and safety program:

- a. It shall comply with all requirements from all applicable regulations included in the 29 CFR 1900.1. The Program shall have been updated within the past year from the delivery date to PREPA.
- b. It shall establish the mechanisms used to update and audit compliance with itself.
- c. It shall include an accident or incident investigation procedure. This procedure will always include the preparation of a report, which will be submitted to the Occupational Safety Division of PREPA.

38.2 The Contractor shall submit, for evaluation by the Occupational Safety Division, a copy of a Site-Specific Work Plan. This plan shall



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include, but not be limited to, the following aspects:

- a. Objectives of the Work Plan
- b. Description of the activities
- c. Occupational safety and health considerations to be addressed before commencement of the project.
- d. Procedures for achieving compliance with the applicable regulations, including, but not limited to:
 - i. Occupational Exposure to Lead (29 CFR 1926.62)
 - ii. Scaffolds (29 CFR 1926 Subpart L)
 - iii. Confined Spaces (29 CFR 1910.146)
 - iv. Occupational Exposure to Noise (29 CFR 1910.95)
 - v. Hazardous Materials (29 CFR 1910 Subpart H)
 - vi. Personal Protective Equipment (29 CFR Subpart I)
 - vii. Hazard Communication (29 CFR 1910.1200)
 - viii. HAZWOPER (29 CFR 1910.120)
 - ix. Fire Protection (29 CFR 1910 Subpart L)
 - x. Commercial Diving (29 CFR 1910 Subpart T)
 - xi. Respiratory Protection (29 CFR 1910.134)
 - xii. Fall Protection (29 CFR 1926 Subpart M)
 - xiii. Electrical (29 CFR 1926 Subpart K)
 - xiv. Welding (29 CFR 1926 Subpart J)
 - xv. Excavations (29 CFR 1926 Subpart P)
 - xvi. Demolitions (29 CFR 1926 Subpart T)
 - xvii. Blasting & Explosives (29 CFR 1926 Subpart U)
 - xviii. Ventilation (29 CFR 1926.57)
 - xix. Tools, Hand, and Powered (1926 Subpart I)
 - xx. Electric Industry (29 CFR 1910.269)
 - xxi. Lockout/Tagout (29 CFR 1910.147)
 - xxii. Asbestos (29 CFR 1910.1001)
- e. It will also include any other regulation or guidelines related to safety and health that could be applicable to the scope of work, and contingency procedures that include how to proceed in an emergency situation, such as fire or chemical spill, among others.
- g. Copy of the Safety Data Sheets (SDS) of all chemical products to be used during the project, for evaluation and approval by PREPA's Occupational Safety and Health Office (Hazard Communication Section).
- h. Certification of compliance with medical surveillance requirements, according to scope of work.
- j. Safety equipment and materials to be used during the project.
- k. Procedures to verify the work area after each work day and at the end of the project.
 1. Each Contractor/Subcontractor shall comply with a 100% drug /alcohol free work zone. At minimum, pre-project and post-accident testing is required. A positive post-accident test or positive pre-project test will result in worker dismissal from the project. Testing will be performed in



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following closely the NIDA standards.

38.3 Before commencement of work, the Contractor shall take part in a coordination meeting with the designated Safety Officer and Construction Site Manager, and the project manager on PREPA's behalf. During this meeting the areas to be worked on will be toured, the site-specific work plan will be discussed and reviewed, and amendments to it could be required.

38.4 All chemical products to be used shall be classified as Approved or Conditionally Approved by PREPA's Hazard Communication Section.

38.5 The Contractor shall comply with all applicable laws, ordinances, rules, regulations and lawful orders of any public authority having jurisdiction for the safety of persons or property or to protect them from damage, injury or loss. He shall erect and maintain, as required by existing conditions and progress of the work, all reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations and notifying owners and users of adjacent utilities.

38.6 Compliance with all safety provisions by subcontractors shall be the responsibility of the Contractor.

38.7 Contractor agrees that it shall perform all work in compliance with federal, state and local occupational safety and health regulations, as described in the Site Specific Work Plan.

38.8 Contractor will not cause or permit any hazardous chemical or product containing a hazardous chemical to be at, or in the vicinity of, any place where any employee, agent, or contractor of PREPA, or any employee of any such agent or Contractor, may be at risk or exposed to hazard as a result thereof during normal use or any foreseeable emergency.

38.9 Contractor will defend, indemnify and hold harmless, PREPA, its employees, agents or assignees for any and all direct liabilities and expenses arising out of contractor noncompliance with these clauses irrespective of any other terms of this Contract.

ARTICLE 39: Environmental Conditions

39.1 The Contractor covenants and agrees that it shall, at all times during the term of the Contract, and at its sole cost and expense, comply with and assume sole responsibility and liability under all environmental laws applicable to use of or operations at the project site by Contractors, its agents, assigns, and/or employees. Contractor agrees that should it or any of its agents, assigns, or employees know of (a) any violation of environmental law relating to the project site, or (b) the escape, release, or threatened release of any hazardous materials in, on, under, or about the project site, Contractor shall promptly notify PREPA in writing of such, and that it will provide all warnings of exposure to hazardous materials in, on, under, or about the project site, in strict compliance with all applicable environmental laws. Further, Contractor covenants and agrees that it shall at no time use, analyze, generate,



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manufacture, produce, transport, store, treat, release, dispose of, or permit the escape of, or otherwise deposit in, on, under, or about the project site, any hazardous materials, or permit or allow any of its agents, assigns, or employees to do so. Prior to use of the project site, Contractor shall provide to PREPA an inventory of all equipment and materials stored and/or to be stored at the project site.

39.2 The Contractor shall have available, and close to the working area, the necessary equipment to control, pick-up and clean up any spill that could occur during the performance of the work required by the Contract. The equipment should include all the necessary materials for the waste disposal.

39.3 All Contractor's equipment, including vehicles, to be used in the work area should have an inspection and maintenance program, and be free of any hydrocarbon or hydraulic fluid leakage. If the equipment develops a leakage during the work process, it should be repaired or replaced immediately. While the leaking equipment is removed of the work or it is repaired, it is the Contractor's responsibility the replacement of cloth or absorbent material and drip pans. Traces of hydraulic leakages found during the repairs or modification works must be removed and clean immediately in order to prevent Power Plant Outfalls discharge contamination.

39.4 All areas must be clean and organized to prevent accidents or violations of regulations. All equipment to be used in the work area should be in perfect conditions and have a good maintenance program. A monthly record of maintenance shall be filed by the Contractors and submitted to PREPA. Also, will be responsible to maintain their Operation Center and project area clean and organized.

39.5 The contractor will be responsible to contain, mitigate and dispose any type fuel spill, oils or any other substances due to rupture of generator and rotor equipment, as well as auxiliary's related equipment and over and underground pipelines, tanks or storage containers.

ARTICLE 40: Use of Completed Portions

PREPA shall have the right to take possession of and use any completed or partially completed portions of the Work, notwithstanding the fact that the time for completion of the entire Works may not have expired, but such taking possession and use shall not be deemed an acceptance of the Work so taken or used or any part thereof. PREPA may require the Contractor to expedite the completion of any part of the Work for provisional use by PREPA and the Contractor shall comply with such request. If such order of completion or prior use increases the cost of the work or delays the work, the Contractor shall be entitled to such extra compensation or extension of time as agreed by the Parties.

The Contractor shall allow PREPA access to its facilities and documents, so that PREPA, through audits and inspections can verify the quality of the labor, equipment, products, services, and any other related items



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provided by the Contractor. In every case in which the materials or services furnished to PREPA are subcontracted partially or totally, by the Contractor, the Contractor shall request the subcontractor to accept and comply with all the requirements of this Article.

ARTICLE 41: Compliance with the Commonwealth of Puerto Rico Contracting Requirements

The Contractor will comply with all applicable State Law, Regulations or Executive Orders that regulate the contracting process and requirements of the Commonwealth of Puerto Rico.

A. Executive Order No. OE-1991-24 of June 18, 1991 to require certification of compliance with the Internal Revenue Services of the Commonwealth of

Puerto Rico: Pursuant to Executive Order Number OE-1991-24 of June 18, 1991, the Contractor will certify and guarantee that it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last five (5) years.

The Contractor, further will certify that it has complied and is current with the payment of any and all income taxes that are, or were due, to the Government of Puerto Rico. The Contractor shall provide, to the satisfaction of PREPA, and whenever requested by PREPA during the term of this Contract, the necessary documentation to support its compliance with this clause. The Contractor will be given a specific amount of time to produce said documents. During the term of this Contract, the Contractor agrees to pay and/or to remain current with any repayment plan agreed to by the Contractor with the Government of Puerto Rico.

B. Executive Order No. OE-1992-52 of August 28, 1992 to require certification of compliance with the Department of Labor of the Commonwealth of Puerto Rico: Pursuant to Executive Order Number 1992-52, dated August 28, 1992 amending

OE-1991-24, the Contractor will certify and warrant that it has made all payments required for unemployment benefits, workmen's compensation and social security for chauffeurs, whichever is applicable, or that in lieu thereof, has subscribed a payment plan in connection with any such unpaid items and is in full compliance with the terms thereof. The Contractor accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every contractor and Sub Contractor whose service the Contractor has secured in connection with the services to be rendered under this Contract and shall forward evidence to PREPA as to its compliance with this requirement.

C. Government of Puerto Rico Municipal Tax Collection Center: The Contractor will certify and guarantee that it does not have any current debt with regards to property taxes that may be registered with the Government of Puerto Rico's Municipal Tax Collection Center (known in Spanish as Centro de Recaudación de Ingresos Municipales ("CRIM")). The



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Contractor further will certify to be current with the payment of any and all property taxes that are or were due to the Government of Puerto Rico. The Contractor shall provide, to the satisfaction of PREPA and whenever requested by PREPA during the term of this Contract, Certification issued by the Municipal Revenues Collection Center (MRCC), assuring that Contractor does not owe any tax accruing to such governmental agency. To request such Certification, Contractor will use the form issued by the MRCC (called "CRIM-Certificados, Radicación, Estado de Cuenta y Todos los Conceptos" in the website). The Contractor will deliver upon request any documentation requested by PREPA. During the Term of this Contract, the Contractor agrees to pay and/or to remain current with any repayment plan agreed to by the Contractor with the Government of Puerto Rico with regards to its property taxes.

The Contractor shall provide a Personal Property Tax Filing Certification, issued by the MRCC which indicates that Contractor has filed its Personal Property Tax Return for the last five (5) contributory terms or Negative Debt certification issued by the MRCC with respect to real and property taxes and a sworn statement executed by Contractor indicating that (i) its revenues are derived from the rendering of professional services, (ii) during the last five (5) years (or the time in which it has been providing professional services) it has had no taxable business or personal property on the 1st of January of each year, (iii) that for such reasons it has not been required to file personal property tax returns, as required under Article 6.03 of Act 83-1991, as amended, and (iv) that for such reason it does not have an electronic tax file in the MRCC's electronic system.

D. Treasury Department Certification: The Contractor shall furnish a Certification issued by the Treasury Department of Puerto Rico which indicates that Contractor does not owe Puerto Rico Sales and Use taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan and is in full compliance with its terms.

E. The Contractor shall provide a copy of Contractor's Certificate of Merchant's Registration issued by the Treasury Department of Puerto Rico.

F. Sales and Use Tax Filing Certificate, issued by the Treasury Department of Puerto Rico: The Contractor shall provide a Puerto Rico Sales and Use Tax Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that Contractor has filed his Puerto Rico Sales and Use Tax for the last sixty (60) contributory periods.

G. Puerto Rico Child Support Administration (ASUME): The Contractor shall present, to the satisfaction of PREPA, the necessary documentation certifying that the Contractor nor any of its owners, affiliates of subsidiaries, if applicable, have any debt, outstanding debt, or legal procedures to collect child support payments that may be registered with the Puerto Rico Child Support Administration (known in Spanish as the Administración Para El Sustento de Menores (ASUME)).



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H. The Contractor shall present the Certificate of Incorporation, or Certificate of Organization or Certificate of Authorization to do business in Puerto Rico issued by the Puerto Rico Department of State.

I. The Contractor shall present a Good Standing Certificate issued by the Puerto Rico Department of State.

J. Social Security and Income Tax Retentions: In compliance with Executive Order 1991 OE-24; and C.F.R. Part 404 et. Seq., the Contractor will be responsible for rendering and paying the Federal Social Security and Income Tax Contributions for any amount owed as a result of the income, from this Contract.

K. Income Tax Retention Law: PREPA shall deduct and withhold ten percent (10%) of any and all payments to residents of the Commonwealth of Puerto Rico as required by the Internal Revenue Code of Puerto Rico. In case of US citizens and Non US citizens, which are nonresidents of the Commonwealth of Puerto Rico the Contractor will retain twenty percent (20%) and twenty-nine percent (29%) respectively. PREPA will remit such withholdings to the Government of Puerto Rico's Treasury Department (known in Spanish as Departamento de Hacienda de Puerto Rico). The Contractor will request PREPA not to make such withholdings if, to the satisfaction of PREPA, the Contractor timely provides a release from such obligation by the Puerto Rico's Treasury Department. 3 L.P.R.A. § 8611 et seq., 2011 L.P.R. 232; 232-2011.

L. Special Contribution for Professional and Consulting Services: As required by Act 48-2013, as amended, PREPA will withhold a special contribution of one-point five percent (1.5%) of the gross amounts paid under this Contract.

M. Compliance with Act 1-2012 of Governmental Ethics: The Contractor will certify compliance with Act 1-2012, as amended, known as the Ethics Act of the Government of Puerto Rico, which stipulates that no employee or executive of PREPA nor any member of his/he immediate family (spouse, dependent children or other members of his/her household or any individual whose financial affairs are under the control of the employee) shall have any direct or indirect pecuniary interest in the services to be rendered under this Contract, except as may be expressly authorized by the Governor of Puerto Rico in consultation with the Secretary of Treasury and the Secretary of Justice of the Government. 3 L.P.R.A. § 8611 et seq.;

N. Act. 168-2000: Law for the Strengthening of the Family Support and Livelihood of Elderly People: The Contractor will certify that if there is any Judicial or Administrative Order demanding payment or any economic support regarding Act 168-2000, as amended, the same is current and in all aspects in compliance.

Act 168-2000 "Law for the Strengthening of the Family Support and



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Livelihood of Elderly People" in Spanish: "Ley para el Fortalecimiento del Apoyo Familiar y Sustento de Personas de Edad Avanzada", 3 L.P.R.A. §8611 et seq.

O. Act. 127-2004: Contract Registration in the Comptroller's Office of Puerto Rico Act: Payment for services object of this Contract will not be made until this Contract is properly registered in the Office of the Comptroller of the Government of Puerto Rico pursuant to Act. No. 18 of October 30, 1975, as amended.

P. Dispensation: Any and all necessary dispensations have been obtained from any government entity and that said dispensations shall become part of the contracting record.

Q. Rules of Professional Ethics: The Contractor acknowledges and accepts that it is knowledgeable of the rules of ethics of his/her profession and assumes responsibility for his/her own actions.

R. Anti-Corruption Code for a New Puerto Rico: Contractor agrees to comply with the provisions of Act 2-2018, as the same may be amended from time to time, which establishes the Anti-Corruption Code for a New Puerto Rico. The Contractor hereby certifies that it does not represent particular interests in cases or matters that imply a conflict of interest, or of public policy, between the executive agency and the particular interests it represents.

The Contractor shall furnish a sworn statement to the effect that neither Contractor nor any president, vice president, executive director or any member of a board of officials or board of directors, or any person performing equivalent functions for Contractor has been convicted of or has pled guilty to any of the crimes listed in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico or any of the crimes included in Act 2-2018.

The Contractor hereby certifies that it has not been convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.

PREPA shall have the right to terminate the Contract in the event Contractor is convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended,



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known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.

S. Prohibition with respect to execution by public officers: (3 L.P.R.A. 8615(c)):

No public officer or employee authorized to contract on behalf of the executive agency for which he/she works may execute a contract between the agency for which he/she works and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.

T. Prohibition with respect to contracting with officers or employees: (3 L.P.R.A. 8615(d)):

No executive agency may execute a contract in which any of its officers or employees or any member of their family units has or has had direct or indirect economic interest during the last four (4) years prior to their holding office, unless the Governor gives authorization thereto with the previous recommendation of the Secretary of the Treasury and the Secretary of Justice.

U. Prohibition with respect to contracts with officers and employees of other Government entities: (3 L.P.R.A. 8615(e)):

No public officer or employee may be a party to or have any interest in any profits or benefits produced by a contract with any other executive agency or government dependency unless the Governor gives express authorization thereto with previous recommendation from the Secretary of the Treasury and the Secretary of Justice.

V. Prohibition with respect to evaluation and approval by public officers: (3 L.P.R.A. 8615(f)):

No public officer or employee who has the power to approve or authorize contracts shall evaluate, consider, approve or authorize any contract between an executive agency and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.

W. Prohibition with respect to execution by public officers contracts with former public officers: (3 L.P.R.A. 8615(h)):

No executive agency shall execute contracts with or for the benefit of



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persons who have been public officers or employees of said executive agency until after two (2) years have elapsed from the time said person has ceased working as such.

X. Provisions Required under Act 14-2004: Contractor agrees that articles extracted, produced, assembled, packaged or distributed in Puerto Rico by enterprises with operations in Puerto Rico, or distributed by agents established in Puerto Rico shall be used when the service is rendered, if they are available.

Y. Consequences of Non-Compliance: If any of the previously required Certifications shows a debt, and Contractor has requested a review or adjustment of this debt, Contractor will certify that it has made such request at the time of the Contract execution. If the requested review or adjustment is denied and such determination is final, Contractor will provide, immediately, to PREPA a proof of payment of this debt; otherwise, Contractor accepts that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments. The Contractor expressly agrees that the conditions outlined above and throughout this Article are essential requirements of this Contract. Consequently, should any one of these representations, warranties or certifications be incorrect, inaccurate or misleading, in whole or in part, there shall be enough cause for PREPA to terminate this Contract.

ARTICLE 42: Termination by the Chief of Staff of the Governor of Puerto Rico and Interagency Services

The Chief of Staff shall have the authority to terminate this Contract at any time. PREPA shall be liable only for payment of services rendered up to and including the effective date of termination.

Both Parties acknowledge and agree that the contracted services herein may be provided to another entity of the Executive Branch which enters into an interagency agreement with PREPA or by direct disposition of the Office of the Chief of Staff. These services will be performed under the same terms and conditions in terms of hours of work and compensation set forth in this Agreement. For the purpose of this clause, the term "entity of the Executive Branch" includes all agencies of the Government of Puerto Rico, as well as public instrumentalities, and public corporations.

ARTICLE 43: Compliance with Applicable Federal Law, Regulations And Executive Orders. [REQUIRED FOR AGREEMENTS FUNDED IN WHOLE OR IN PART WITH FEMA and CDBG-DR FUNDS]

43.1 Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708).

A. Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such



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work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

B. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (A) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (A) of this section, in the sum of \$27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (A) of this section.

C. Withholding for unpaid wages and liquidated damages. PREPA shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (B) of this section.

D. Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (A) through (D) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (A) through (D) of this section.

43.2 Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended). Contractor certifies that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall so certify to the tier above it. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any



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Federal award. Such disclosures are forwarded from tier to tier up to the recipient (COR3). Contractor shall also submit to PREPA the required certification regarding lobbying at Appendix A, 44 C.F.R. Part 18.

43.3 Remedies. Any violation or breach of terms of this Contract on the part of the Contractor or a subcontractor may result in the suspension or termination of this Contract or such other action, including the recovery of damages, as may be necessary to enforce the rights of PREPA. The duties and obligations imposed by this Contract and the rights and remedies available hereunder shall be in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law. Upon a material breach by Contractor, PREPA may utilize any remedy available by law, including precluding Contractor from further work with PREPA in the future and recommend suspension and debarment. Clean Air Act and the Federal Water Pollution Control Act.

A. The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq., and the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.

B. The Contractor agrees to report each violation to PREPA and understands and agrees that PREPA will, in turn, report each violation as required to assure notification to the COR3, the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.

C. The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance.

Changes. At any time changes in the Services or work to be performed within the general scope of this Contract may be made in accordance with Article 7, Changes/Extra Work; provided, however, that no changes shall be made to the scope of the Services that would render the costs incurred in the performance of this Contract unallowable or not allocable under, or outside the scope, or not reasonable for the completion of, Federal grant awards from FEMA or any other U.S. federal agency.

Sufficiency of Funds. The Contractor recognizes and agrees that all or a portion of the funding for this Contract shall be derived from assistance awarded by Federal agencies of the United States of America to PREPA or the Government of Puerto Rico. As part of its obligations under this Contract, Contractor shall ensure that the work performed hereunder is eligible for funding by complying with all applicable Federal law, regulations, executive orders, Federal agency policy, procedures, directives and guidelines. If during the term of this Contract, Federal or local funding is reduced, deobligated, or withdrawn, PREPA may reduce the scope of or terminate the Contract, without penalty, by providing written notice to Contractor of the changes in scope or termination. PREPA shall not be obligated to pay nor shall be held financially liable if any work



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performed by Contractor under this Contract is deemed ineligible by any Federal agency. The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to PREPA, Contractor, or any other party pertaining to any matter resulting from this Agreement. FEMA Disaster Assistance Survivor/Registrant Data.

A. If the Contractor has access to Disaster Assistance Survivor/Registrant data or any other personally identifiable information, the Contractor shall comply with the provisions of the Terms and Conditions for Sharing FEMA Disaster Assistance Survivor/Registrant Data with State Governments set forth in the FEMA-Government of Puerto Rico Contract for FEMA-4339-DR-PR.

B. The Contractor shall indemnify, defend, and hold harmless PREPA and the Government of Puerto Rico for any and all costs associated with the defense of that litigation, including costs and attorneys' fees, settlements, or adverse judgments arising from the Contractor's failure to comply with the requirements under this contract.

Costs. All costs incurred by the Contractor in performance of this Contract must be in accord with the cost principles of 2 C.F.R. pt. 200, Subpart E. PREPA shall not be required to make payments to the Contractor for costs which are found to be contrary to the cost principles 2 C.F.R. pt. 200, Subpart E.

Financial Management System. The Contractor's financial management system shall provide for the following:

A. accurate, current, and complete disclosure of the financial results of this Contract and any other contract, grant, program, or other activity administered by the Contractor;

B. records adequately identifying the source and application of all Contractor funds and all funds administered by the Contractor which shall contain information pertaining to all contract and grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays and income, and shall be segregated by contract or on a contract-by-contract basis;

C. effective internal control structure over all funds, property, and other assets, sufficient to allow the Contractor to adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes;

D. comparison of actual outlays with budgeted amounts for this Contract and for any other contract, grant, program, or other activity administered by the Contractor;

E. accounting records supported by source documentation;

F. procedures to minimize elapsed time between any advance payment issued and the disbursement of such advance funds by the Contractor; and

G. procedures consistent with the provisions of any applicable policies of the Federal Government and the Government of Puerto Rico and procedures for determining the reasonableness, allowability and allocability of costs



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under this Contract.

Penalties, Fines, and Disallowed Costs. In the event that any U.S. Federal agency or the Government of Puerto Rico disallows or demands repayment for costs incurred in the performance of this Contract, or if any penalty is imposed due to an act or omission by the Contractor, the Contractor shall be solely responsible for such penalty, disallowed costs, or repayment demand, and shall reimburse PREPA in full within ten days of receiving notice from PREPA of such penalty, disallowance, or repayment demand. Any monies paid by the Contractor pursuant to this provision shall not relieve the Contractor of liability to PREPA for damages sustained by PREPA by virtue of any other provision of this Contract. Debarment, Suspension, and Ineligibility.

A. This Contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such the Contractor represents and warrants that none of the Contractor, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935). The Contractor further represents and warrants that it will not enter into any contracts or subcontracts with any individual or entity which has been debarred, suspended or deemed ineligible under those provisions. During the term of this Contract, the Contractor will periodically review SAM.gov and local notices to verify the continued accuracy of this representation. The Contractor shall require all subcontractors at every tier to comply with this requirement.

B. The Contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.

C. This certification is a material representation of fact relied upon by PREPA. If it is later determined that the Contractor did not comply with 2 C.F.R. pt. 180, subpart C, an 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the Government of Puerto Rico and PREPA, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

Reporting Requirements. The Contractor shall complete and submit all reports, in such form and according to such schedule, as may be required by PREPA.

Review of Laws. The Contractor certifies that it will access online and read each law that is cited in the aforementioned clauses and that, in the event it cannot access the online version, it will notify PREPA in order to obtain printed copies of the laws. Not requiring a printed copy of the laws to PREPA will be evidence that the Contractor was able to find it online and read it as required.

Notice of Federal Emergency Management Agency (FEMA) Reporting Requirements and Regulations.

A. PREPA is using Federal grant funding awarded or administered by FEMA



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to the Government of Puerto Rico and/or PREPA to pay, in full, for the costs incurred under this Contract. As a condition of FEMA funding under major disaster declaration FEMA-4339-DR-PR, FEMA requires the Government of Puerto Rico and PREPA to provide various financial and performance reporting. The Contractor agrees to provide all information, documentation, and reports necessary to satisfy these reporting requirements. Failure by the Contractor to provide information necessary to satisfy these reporting requirements may result in loss of Federal funding for this Contract, and such failure shall be a material breach of this Contract.

B. Applicable Regulations and Policy. Applicable regulations, FEMA policy, and other sources setting forth these reporting requirements include, but are not limited to:

- (1) 2 C.F.R. § 327 (Financial Reporting);
- (2) 2 C.F.R. § 200.328 (Monitoring and Reporting Program Performance);
- (3) Performance and financial reporting requirements set forth in 2 C.F.R. Part 206.

Access to Records.

A. The Contractor agrees to provide PREPA, the Government of Puerto Rico, the FEMA Administrator, the Secretary of HUD, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts, and transcriptions.

B. The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

C. The Contractor agrees to provide the FEMA Administrator, the Secretary of HUD, or his authorized representatives access to work sites pertaining to the work being completed under the Contract.

Retention requirements for records. The Contractor agrees to maintain all books, records, accounts, and reports and all other records produced or collected in connection with this Contract for a period of not less than three years from the date of submission by PREPA or the Puerto Rico Emergency Management Agency, on PREPA's behalf, of the final expenditure report for disaster declaration FEMA-4339-DR-PR, as reported to FEMA. If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken. It is the responsibility of the Contractor to inquire of PREPA whether the aforementioned final expenditure report has been submitted.

Program Fraud and False or Fraudulent Statements or Related Acts. The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor's actions



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pertaining to this Contract.

Procurement of Recovered Materials. In the performance of this Contract, the Contractor shall make maximum use of products containing recovered materials that are Environmental Protection Agency ("EPA")- designated items unless the product cannot be acquired-

- A. Competitively within a timeframe providing for compliance with the Contract performance schedule;
- B. Meeting Contract performance requirements; or
- C. At a reasonable price.

Information about this requirement, along with the list of EPA-designated items, is available at EPA's Comprehensive Procurement Guidelines web site,

<https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.

Energy Efficiency. The Contractor agrees to comply with the requirements of 42 U.S.C. § 6201, which contain policies relating to energy efficiency that are defined in the Government of Puerto Rico's energy conservation plan issued in compliance with said statute.

Equal Employment Opportunity. During the performance of this Contract, the Contractor agrees as follows:

- A. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment, or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
- B. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- C. The Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to



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individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Contractor's legal duty to furnish information.

D. The Contractor will send to each labor union or representative of workers with which it has a collective bargaining Contract or other contract or understanding (if any) a notice advising the labor union or workers' representative of the Contractor's commitments under section 202 of the US Executive Order 11246 of September 24, 1965, as amended, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

E. The Contractor will comply with all provisions of Executive Order 11246, and of the rules, regulations, and relevant orders of the Secretary of Labor.

F. The Contractor will furnish all information and reports required by Executive Order 11246, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by PREPA, the Government of Puerto Rico, and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

G. In the event of the Contractor's non-compliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations, or orders, this Contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

H. The Contractor will include the provisions of paragraphs (A) through (H) in every subcontract or purchase order, unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

Age Discrimination Act of 1975. The Contractor shall comply with the provisions of the Age Discrimination Act of 1975. No person in the United States shall, on the basis of age, be excluded from participation in, be



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denied the benefits of, or be subjected to discrimination under, any program or activity receiving federal financial assistance.

Americans with Disabilities Act. The Contractor shall comply with the appropriate areas of the Americans with Disabilities Act of 1990, as enacted and from time to time amended, and any other applicable federal regulation. A signed, written certificate stating compliance with the Americans with Disabilities Act may be requested at any time during the term of this Contract.

Title VI of the Civil Rights Act of 1964. The Contractor shall comply with the provisions of Title VI of the Civil Rights Act of 1964. No person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

Section 504 of the Rehabilitation Act of 1973, as Amended. The Contractor agrees that no otherwise qualified individual with disabilities shall, solely by reason of his disability, be denied the benefits, or be subjected to discrimination including discrimination in employment, any program or activity that receives the benefits from the federal financial assistance.

Drug-Free Workplace. The Contractor shall maintain a drug-free work environment in accordance with the Drug-Free Workplace Act of 1988 (41 U.S.C. § 8101 et seq.), and implementing regulations at 2 C.F.R Part 3001. Compliance with Laws, Regulation and Executive Orders. The Contractor acknowledges that FEMA financial assistance will be used to fund this Contract. The Contractor shall comply will all applicable Federal and Government of Puerto Rico law, regulations, executive orders, policies, procedures, and directives, including but not limited to all Federal Cost Principles set forth in 2 C.F.R. Part 200, and all applicable FEMA regulations in 44 C.F.R. Chapter I, and 2 C.F.R. Part 200.

Provisions Required by Law Deemed Inserted. Each and every provision required by law regulation, executive order, policy, procedure, directive, Federal grant award or agreement, or cooperative agreement with any Federal agency to be inserted in this Contract shall be deemed to be inserted herein and the Contract shall be read and enforced as though it were included herein. If, through mistake or otherwise, any provision is not inserted, or is not correctly inserted, then upon the application of either party the Contract shall be amended to make such insertion or correction.

Agreement to Execute Other Required Documents. Contractor and all subcontractors, by entering into the Contract, understand and agree that funding for the Services is provided under Federal programs with specific contracting requirements. To the extent any such requirement is not otherwise set forth herein, Contractor agrees to execute such amendments or further agreements as may be necessary to ensure that PREPA receives



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Federal funding for this Contract.

U.S. Department of Homeland Security Seal, Logo, and Flags. The Contractor shall not use the U.S. Department of Homeland Security seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.

No Obligation by the Federal Government. PREPA and the Contractor acknowledge and agree that the Federal Government is not a party to this Contract and is not subject to any obligations or liabilities to PREPA, Contractor, or any other party pertaining to any matter resulting from the contract.

General. All contracts shall contain a clause identifying the type of Contract and the mandatory clauses contained on the latest released HUD forms, as applicable to the Contract type. All contracts, except for general management consulting services, will include performance requirements and liquidated damages.

Puerto Rico Energy Conservation Plan. Contractor must act in compliance, when applicable, with the mandatory standards and policies relating to energy efficiency which are contained in the Commonwealth's energy conservation plan.

Patent Rights. All contracts are subject to the patent rights with respect to any discovery or invention which arises or is developed during or under such Contract in accordance with 37 C.F.R. Section 401.2(a) and 37 C.F.R. Part 401.

Davis Bacon Act And Copeland Anti-Kickback Act

A. Contractor. Contractor shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this Contract.

B. Subcontracts. Contractor or subcontractors shall insert in any subcontracts the clause above and such other clauses as FEMA or HUD may by appropriate instructions require, and also a clause requiring the subcontractor to include these clauses in any lower tier subcontracts. Contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.

C. Breach. A breach of the contract clauses above may be grounds for termination of the Contract, and for debarment as a contractor and subcontractor as provided in 29 C.F.R. § 5.12.

HUD Section 3 Clause

A. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.



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B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

C. Contractor agrees to send to each labor organization or representative of workers with which Contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. Contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. Contractor will not subcontract with any subcontractor where Contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

E. Contractor will certify that any vacant employment positions, including training positions, that are filled (i) after Contractor is selected but before the contract is executed, and (ii) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 CFR part 135.

F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).



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HUD Section 3 Requirements

A. Section 3 clause required in subcontracts. All Section 3 covered contracts must include a Section 3 clause in accordance with 24 C.F.R. § 135.38. A Section 3 covered contract means a contract or subcontract (including a professional service contract) awarded by a recipient or Contractor for work generated by the expenditure of section 3 covered assistance, or for work arising in connection with a section 3 covered project. "Section 3 covered contracts" do not include contracts for the purchase of supplies and materials. However, whenever a contract for materials includes the installation of the materials, the contract constitutes a section 3 covered contract. For example, a contract for the purchase and installation of a furnace would be a section 3 covered contract because the contract is for work (i.e., the installation of the furnace) and thus is covered by section 3.

(1) "Section 3 covered assistance" means assistance provided under any HUD housing or community development program that is expended for work arising in connection with public construction projects (which includes other buildings or improvements, regardless of ownership).

(2) A "Section 3 covered project" means, among other things, public construction which includes buildings or improvements (regardless of ownership) assisted with community development assistance.

B. Section 3 minimum contracting goals. Contractor must endeavor to meet the following minimum goals for contracting under HUD funded contracts, as applicable:

(1) Arising in connection with public construction shall be awarded to Section 3 businesses. Public construction includes infrastructure work, such as extending water and sewage lines, sidewalk repairs, site preparation, installing conduits for utility services, etc.

(2) Three (3) percent of the total dollar amount of all non-construction Section 3 covered contracts shall be awarded to Section 3 businesses. Section 3 covered non-construction projects include maintenance contracts, including lawn care, re-painting, routine maintenance, HVAC servicing, and professional service contracts associated with construction (e.g., architectural, engineering, legal services, accounting, marketing, etc.).

C. A Section 3 business is one that can demonstrate it meets one of the following criteria:

(1) 51 percent or more owned by Section 3 residents; or

(2) has permanent, full time employees at least 30 percent of whom are currently Section 3 residents, or within three years of the date of first employment with the business concern were Section 3 residents; or

(3) has a commitment to sub-contract in excess of 25 percent of the total dollar award of all sub-contracts to be awarded to such businesses described above.

D. Order of preference for Section 3 business concerns in contracting



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opportunities. Contractor and any subcontractors shall direct their efforts to award section 3 covered contracts, to the greatest extent feasible, to section 3 business concerns in the following order of priority (24 C.F.R. § 135.36), where feasible:

- (1) section 3 business concerns that provide economic opportunities for section 3 residents in the service area or neighborhood in which the section 3 covered project is located (category 1 businesses);
- (2) applicants (as this term is defined in 42 U.S.C. 12899) selected to carry out HUD Youthbuild programs (category 2 businesses); and
- (3) other section 3 business concerns.

E. Eligibility for preference. A business concern seeking to qualify for a section 3 contracting preference shall certify or submit evidence, if requested, that the business concern is a section 3 business concern as defined in 24 C.F.R. § 135.5.

F. Ability to complete contract. A section 3 business concern seeking a contract or a subcontract shall submit evidence to Contractor or Subcontractor (as applicable), if requested, sufficient to demonstrate to the satisfaction of the Party awarding the contract that the business concern is responsible and has the ability to perform successfully under the terms and conditions of the proposed contract. (The ability to perform successfully under the terms and conditions of the proposed contract is required of all contractors and subcontractors subject to the procurement standards of 24 CFR 85.36 (2 CFR 200.318(h).) This regulation requires consideration of, among other factors, the potential Contractor's record in complying with public policy requirements. Section 3 compliance is a matter properly considered as part of this determination.

Additional Fair Labor Standards Provisions (HUD Form 4010)

A. Applicability. The project or program to which the construction work covered by this contract pertains is being assisted by the United States of America and the following Federal Labor Standards Provisions are included in this Contract pursuant to the provisions applicable to such Federal assistance.

B. Minimum Wages. All laborers and mechanics employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between Contractor and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under Section 1 (b) (2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such



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laborers or mechanics, subject to the provisions of 29 CFR 5. 5(a) (1) (iv); also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs, which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a) (4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under 29 CFR 5.5(a) (1) (ii) and the Davis-Bacon poster (WH-1321) shall be posted at all times by Contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

(1) (a) Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate and fringe benefits therefor only when the following criteria have been met:

(i) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(ii) The classification is utilized in the area by the construction industry; and

(iii) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(b) If Contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and HUD or its designee agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by HUD or its designee to the Administrator of the Wage and Hour Division, Employment Standards Administration, U. S. Department of Labor, Washington, D.C. 20210, The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB control number 1215- 0140.)

(c) In the event the Contractor, the laborers or mechanics to be employed in the classification or their representatives, and HUD or its designee do not agree on the proposed classification and wage rate



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(including the amount designated for fringe benefits, where appropriate), HUD or its designee shall refer the questions, including the views of all interested parties and the recommendation of HUD or its designee, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

(d) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (B)(1)(b) or (c) of this paragraph, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(2) Whenever the minimum wage rate prescribed in the contract for a class of laborer or mechanics includes a fringe benefit which is not expressed as an hourly rate, Contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(3) If Contractor does not make payments to a trustee or other third person, Contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the Contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require Contractor to set aside in a separate account assets for the meeting of obligations under the plan or program. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

C. Withholding. HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from Contractor under this contract or any other Federal contract with the same prime contractor, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees and helpers, employed by Contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee or helper, employed or working on the site of the work, all or part of the wages required by the contract, HUD or its designee may, after written notice to the Contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased. HUD or its designee may, after written notice to Contractor, disburse such amounts withheld for and on account of Contractor or Subcontractor to the respective employees to whom



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they are due. The Comptroller General shall make such disbursements in the case of direct Davis-Bacon Act contracts.

D. Payrolls and basic records. Payrolls and basic records relating thereto shall be maintained by Contractor during the course of the work preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in Section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5 (a) (1) (iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in Section 1(b)(2)(B) of the Davis-Bacon Act, Contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs. (Approved by the Office of Management and Budget under OMB Control Numbers 1215-0140 and 1215-0017.)

(1) (a) Contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to HUD or its designee if the agency is a Party to the contract, but if the agency is not such a Party, Contractor will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i) except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e. g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Website at <http://www.dol.gov/esa/whd/forms/wh347instr.htm> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and Subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to HUD or its designee if the agency is a Party to the contract, but if the agency is not such a



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Party, Contractor will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee, Contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this subparagraph for a prime contractor to require a Subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to HUD or its designee. (Approved by the Office of Management and Budget under OMB Control Number 1215-0149.)

(b) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by Contractor or Subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(i) That the payroll for the payroll period contains the information required to be provided under 29 CFR 5.5(a)(3)(ii), the appropriate information is being maintained under 29 CFR 5.5(a)(3)(i), and that such information is correct and complete;

(ii) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 CFR Part 3;

(iii) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(c) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by subparagraph A.3.(ii)(b).

(d) The falsification of any of the above certifications may subject Contractor or any Subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code.

(2) Contractor or Subcontractor shall make the records required under subparagraph A.3.(i) available for inspection, copying, or transcription by authorized representatives of HUD or its designee or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If Contractor or Subcontractor fails to submit the required records or to make them available, HUD or its designee may, after written notice to the Contractor, sponsor, applicant or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be



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grounds for debarment action pursuant to 29 CFR 5.12.

E. Apprentices and Trainees.

(1) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to contractors to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the Contractor's or Subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, Contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(2) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work



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performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, Contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(3) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under 29 CFR Part 5 shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

F. Compliance with Copeland Act requirements. Contractor shall comply with the requirements of 29 CFR Part 3 which are incorporated by reference in this contract.

G. Subcontracts. Contractor or Subcontractor will insert in any subcontracts the clauses contained in subparagraphs 1 through 11 in this paragraph A and such other clauses as HUD or its designee may by appropriate instructions require, and a copy of the applicable prevailing wage decision, and also a clause requiring the Subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any Subcontractor or lower tier Subcontractor with all the contract clauses in this paragraph.

H. Contract termination; debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract and for debarment as a contractor and a Subcontractor as provided in 29 CFR 5.12.



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I. Compliance with Davis-Bacon and Related Act Requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this contract.

J. Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between Contractor (or any of its Subcontractors) and HUD or its designee, the U.S. Department of Labor, or the employees or their representatives.

K. Certification of Eligibility.

(1) By entering into this contract, Contractor certifies that neither it (nor he or she) nor any Person or firm who has an interest in the Contractor's firm is a Person or firm ineligible to be awarded Government contracts by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a) (1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(2) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a) (1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(3) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001. Additionally, U.S. Criminal Code, Section 1010, Title 18, U.S.C., "Federal Housing Administration transactions", provides in part: "Whoever, for the purpose of . . . influencing in any way the action of such Administration . . . makes, utters or publishes any statement knowing the same to be false . . . shall be fined not more than \$5,000 or imprisoned not more than two years, or both."

L. Complaints, Proceedings, or Testimony by Employees. No laborer or mechanic to whom the wage, salary, or other labor standards provisions of this Contract are applicable shall be discharged or in any other manner discriminated against by Contractor or any Subcontractor because such employee has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable under this Contract to his employer.

M. Health and Safety. The provisions of this paragraph are applicable where the amount of the prime contract exceeds \$100,000:

(1) No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor by regulation.

(2) Contractor shall comply with all regulations issued by the



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Secretary of Labor pursuant to Title 29 Part 1926 and failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act, (Public Law 91-54, 83 Stat 96). 40 USC 3701 et seq.

(3) Contractor shall include the provisions of this paragraph in every subcontract so that such provisions will be binding on each Subcontractor. Contractor shall take such action with respect to any Subcontractor as the Secretary of Housing and Urban Development or the Secretary of Labor shall direct as a means of enforcing such provisions.

Buy American-Construction Materials Under Trade Agreements (Oct 2016)

A. Definitions. As used in this Article-

1. Caribbean Basin country construction material means a construction material that-

a. Is wholly the growth, product, or manufacture of a Caribbean Basin country; or

b. In the case of a construction material that consists in whole or in part of materials from another country; has been substantially transformed in a Caribbean Basin country into a new and different construction material distinct from the materials from which it was transformed.

2. Commercially available off-the-shelf (COTS) item-

a. Means any item of supply (including construction material) that is-

i. A commercial item (as defined in paragraph (1) of the definition at FAR 2.101);

ii. Sold in substantial quantities in the commercial marketplace; and

iii. Offered to the Government, under a contract or subcontract at any tier, without modification, in the same form in which it is sold in the commercial marketplace; and

b. Does not include bulk cargo, as defined in 46 U.S.C. § 40102(4), such as agricultural products and petroleum products.

3. Component means an article, material, or supply incorporated directly into a construction material.

4. Construction material means an article, material, or supply brought to the Site by the Contractor or Subcontractor for incorporation into the building or Work. The term also includes an item brought to the Site preassembled from articles, materials, or supplies. However, emergency life safety systems, such as emergency lighting, fire alarm, and audio evacuation systems, that are discrete systems incorporated into a public building or Work and that are produced as complete systems, are evaluated as a single and distinct construction material regardless of when or how the individual parts or components of those systems are delivered to the Site. Materials purchased directly by the Government are supplies, not construction material.

5. Cost of components means-

a. For components purchased by the Contractor, the acquisition cost, including transportation costs to the place of incorporation into the



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construction material (whether or not such costs are paid to a domestic firm), and any applicable duty (whether or not a duty-free entry certificate is issued); or

b. For components manufactured by the Contractor, all costs associated with the manufacture of the component, including transportation costs as described in paragraph (1) of this definition, plus allocable overhead costs, but excluding profit. Cost of components does not include any costs associated with the manufacture of the construction material.

6. Designated country means any of the following countries:

a. A World Trade Organization Government Procurement Agreement (WTO GPA) country (Armenia, Aruba, Austria, Belgium, Bulgaria, Canada, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea (Republic of), Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Moldova, Montenegro, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Singapore, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Taiwan, Ukraine, or United Kingdom);

b. A Free Trade Agreement (FTA) country (Australia, Bahrain, Canada, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Korea (Republic of), Mexico, Morocco, Nicaragua, Oman, Panama, Peru, or Singapore);

c. A least developed country (Afghanistan, Angola, Bangladesh, Benin, Bhutan, Burkina Faso, Burundi, Cambodia, Central African Republic, Chad, Comoros, Democratic Republic of Congo, Djibouti, Equatorial Guinea, Eritrea, Ethiopia, Gambia, Guinea, Guinea-Bissau, Haiti, Kiribati, Laos, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Nepal, Niger, Rwanda, Samoa, Sao Tome and Principe, Senegal, Sierra Leone, Solomon Islands, Somalia, South Sudan, Tanzania, Timor-Leste, Togo, Tuvalu, Uganda, Vanuatu, Yemen, or Zambia); or

d. A Caribbean Basin country (Antigua and Barbuda, Aruba, Bahamas, Barbados, Belize, Bonaire, British Virgin Islands, Curacao, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, Saba, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Sint Eustatius, Sint Maarten, or Trinidad and Tobago).

7. Designated country construction material means a construction material that is a WTO GPA country construction material, an FTA country construction material, a least developed country construction material, or a Caribbean Basin country construction material.

8. Domestic construction material means-

a. An unmanufactured construction material mined or produced in the United States;

b. A construction material manufactured in the United States, if-

i. The cost of its components mined, produced, or manufactured in the United States exceeds fifty percent (50%) of the cost of all its components. Components of foreign origin of the same class or kind for



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which non-availability determinations have been made are treated as domestic; or

ii. The construction material is a COTS item.

9. Foreign construction material means a construction material other than a domestic construction material.

10. Free Trade Agreement country construction material means a construction material that-

a. Is wholly the growth, product, or manufacture of a Free Trade Agreement (FTA) country; or

b. In the case of a construction material that consists in whole or in part of materials from another country, has been substantially transformed in an FTA country into a new and different construction material distinct from the materials from which it was transformed.

11. Least developed country construction material means a construction material that-

a. Is wholly the growth, product, or manufacture of a least developed country; or

b. In the case of a construction material that consists in whole or in part of materials from another country, has been substantially transformed in a least developed country into a new and different construction material distinct from the materials from which it was transformed.

12. United States means the fifty (50) States, the District of Columbia, and outlying areas.

13. WTO GPA country construction material means a construction material that-

a. Is wholly the growth, product, or manufacture of a WTO GPA country; or

b. In the case of a construction material that consists in whole or in part of materials from another country, has been substantially transformed in a WTO GPA country into a new and different construction material distinct from the materials from which it was transformed.

B. Construction materials.

1. This Article implements 41 U.S.C. chapter 83, Buy American, by providing a preference for domestic construction material. In accordance with 41 U.S.C. § 1907, the component test of the Buy American statute is waived for construction material that is a COTS item. (See FAR 12.505(a)(2)). In addition, the Contracting Officer has determined that the WTO GPA and Free Trade Agreements (FTAs) apply to this acquisition. Therefore, the Buy American restrictions are waived for designated country construction materials.

2. The Contractor shall use only domestic or designated country construction material in performing this Contract, except as provided in paragraphs (B) (3) and (B) (4) of this Article.

3. The requirement in paragraph (B) (2) of this Article does not apply to information technology that is a commercial item or to the construction



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materials or components listed by the Government as follows:

[Contracting Officer is to list applicable excepted materials or indicate "none"]

4. The Contracting Officer may add other foreign construction material to the list in paragraph (B) (3) of this Article if the Government determines that-

- a. The cost of domestic construction material would be unreasonable. The cost of a particular domestic construction material subject to the restrictions of the Buy American statute is unreasonable when the cost of such material exceeds the cost of foreign material by more than 6 percent;
- b. The application of the restriction of the Buy American statute to a particular construction material would be impracticable or inconsistent with the public interest; or
- c. The construction material is not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities of a satisfactory quality.

C. Request for determination of inapplicability of the Buy American statute.

1. (i) Any Contractor request to use foreign construction material in accordance with paragraph (B) (4) of this Article shall include adequate information for Government evaluation of the request, including-

- a. A description of the foreign and domestic construction materials;
- b. Unit of measure;
- c. Quantity;
- d. Price;
- e. Time of delivery or availability;
- f. Location of the Work;
- g. Name and address of the proposed supplier; and
- h. A detailed justification of the reason for use of foreign construction materials cited in accordance with paragraph (B) of this Article.

i. A request based on unreasonable cost shall include a reasonable survey of the market and a completed price comparison table in the format in paragraph (D) of this Article.

ii. The price of construction material shall include all delivery costs to the Site and any applicable duty (whether or not a duty-free certificate may be issued).

iii. Any Contractor request for a determination submitted after contract award shall explain why the Contractor could not reasonably foresee the need for such determination and could not have requested the determination before contract award. If the Contractor does not submit a satisfactory explanation, the Contracting Officer need not make a determination.

i. If the Government determines after Contract award that an exception to the Buy American statute applies and the Contracting Officer and the



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Contractor negotiate adequate consideration, the Contracting Officer shall modify the Contract to allow use of the foreign construction material. However, when the basis for the exception is the unreasonable price of a domestic construction material, adequate consideration is not less than the differential established in paragraph (B) (4) (a) of this Article.

j. Unless the Government determines that an exception to the Buy American statute applies, use of foreign construction material is noncompliant with the Buy American statute.

D. To permit evaluation of requests under paragraph (C) of this Article based on unreasonable cost, the Contractor shall include the following information and any applicable supporting data based on the survey of suppliers:

Foreign and Domestic Construction Materials Price Comparison

Construction material description	Unit of measure	Quantity	Price (dollars) ¹
-----------------------------------	-----------------	----------	------------------------------

Item 1:

Foreign construction material

Domestic construction material

Item 2:

Foreign construction material

Domestic construction material

E. Include all delivery costs to the Site and any applicable duty (whether or not a duty-free entry certificate is issued).

F. List name, address, telephone number, and contact for suppliers surveyed. Attach copy of response; if oral, attach summary.

G. Include other applicable supporting information.

Notes:

1. List in paragraph (B) (3) of the clause all foreign construction material excepted from the requirements of the Buy American statute, other than designated country construction material.

2. If the head of the agency determines that a higher percentage is appropriate, substitute the higher evaluation percentage in paragraph (B) (4) (i).

H. Restrictions on Certain Foreign Purchase

1. Except as authorized by the Office of Foreign Assets Control (OFAC) in the Department of the Treasury, the Contractor shall not acquire, for use in the performance of this Contract, any supplies or services if any proclamation, Executive order, or statute administered by OFAC, or if OFAC's implementing regulations at 31 C.F.R. chapter V, would prohibit such a transaction by a person subject to the jurisdiction of the United States.

2. Except as authorized by OFAC, most transactions involving Cuba,



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Iran, and Sudan are prohibited, as are most imports from Burma or North Korea, into the United States or its outlying areas. Lists of entities and individuals subject to economic sanctions are included in OFAC's List of Specially Designated Nationals and Blocked Persons at <http://www.treas.gov/offices/enforcement/ofac/sdn>. More information about these restrictions, as well as updates, is available in the OFAC's regulations at 31 C.F.R. chapter V and/or on OFAC's Web site at <http://www.treas.gov/offices/enforcement/ofac>.

3. The Contractor shall insert this Article, including this paragraph (3), in all Subcontracts.

I. Inconsistency Between English Version and Translation of Contract
In the event of inconsistency between any terms of this Contract and any translation into another language, the English language meaning shall control.

ARTICLE 51: Correlation of Documents

In case of discrepancy or in the event of conflict among the different Contract documents such as: Contract and the Contractors Proposal, these shall take precedence in the order given. The terms and conditions contained in the Contract shall prevail over any conflictive terms and conditions contained in the Contractor's Proposal.

ARTICLE 52: Complete Agreement

This document, together with all attachments referenced herein, constitutes the complete agreement between the Parties.

* * * End of Contract * * *

Anejo # 1



2020 TOOL/EQUIPMENT RENTAL SCHEDULE

U.S. and CANADA
(01/01/20 THRU 12/31/20)

Equipment Rentals <i>(Note1)</i>	Daily	Weekly
Turbine Tool Container	\$ 1,265.00	\$ 7,590.00
Generator Repair Equipment and Tool Rental		
Induction Heating Set	N/A	\$ 6,800.00
Generator Tool Trailer	N/A	\$ 2,950.00
Power Rollers	N/A	\$ 1,650.00
Field Removal System	N/A	\$ 8,620.00
Stator Cooling Water Vacuum-Pressure Test Skid	\$ 685.00	\$ 4,110.00
Voltage Regulator Test Set	\$ 105.00	\$ 630.00
AC Hi-Pot	\$ 570.00	\$ 3,420.00
Test Box	\$ 310.00	\$ 1,850.00
Stator ElCid Test Equipment.....	\$ 915.00	\$ 5,490.00
Specialty Generator Equipment.....	Available upon request	
Turbine Repair Equipment and Tool Rental		
Portable Lathe (over 60 tons)	\$ 660.00	\$ 3,950.00
Portable Lathe (60 tons or less)	\$ 467.00	\$ 2,800.00
Portable Machine Shops	\$ 500.00	\$ 3,000.00
Line Boring Bars (1 1/2" to 4" diameter)	\$ 355.00	\$ 2,130.00
Line Boring Bars (over 4" diameter)	\$ 375.00	\$ 2,250.00
Vertical Turning Lathe/Boring Machine	\$ 265.00	\$ 1,590.00
Flange Facing Machine.....	\$ 250.00	\$ 1,500.00
Metal Disintegration Machine (MDM)	\$ 990.00	\$ 5,940.00
Stud Removal Machine.....	\$ 310.00	\$ 1,860.00
Lamina Hydraulic Drill and Power Pack	\$ 420.00	\$ 2,520.00
Cylinder Boring Machine	\$ 285.00	\$ 1,710.00
Portable Honing Machine	\$ 135.00	\$ 800.00
CNC Milling Machine	\$ 260.00	\$ 1,560.00
Three Axis Master Milling Machine	\$ 275.00	\$ 1,650.00
Knee Milling Machine, 24"	\$ 310.00	\$ 1,860.00
Bucket/Blade Milling Machine	\$ 142.00	\$ 850.00
Punch Press	\$ 142.00	\$ 850.00
Cover/Shroud Roller	\$ 142.00	\$ 850.00
Welding Machine	\$ 150.00	\$ 900.00
Laser Joint Flatness Measurement Instrumentation	\$ 365.00	\$ 2,190.00
Welding Package (manual welding machine, cables, stingers)	\$ 165.00	\$ 990.00
Automatic MIG Orbital Welding System (no consumables included)	\$ 465.00	\$ 2,790.00
Automatic TIG Orbital Welding System (no consumables included)	\$ 1,250.00	\$ 7,500.00
ASME Certified Weld Procedures (labor supervisor required)	\$2,800.00/procedure/use	
Heat Treating Equipment (6-ways, heating pads, thermocouples, etc.)	\$ 325.00	\$ 1,950.00
Turbobalancer	\$ 308.00	\$ 1,848.00
ADRE 408.....	\$ 500.00	\$ 3,000.00
Rotor Shipping Skids and Containers.....	Available upon request	
Other Tooling and Equipment	Available upon request	

NOTES:

1. Pricing does not include shipping and freight. Shipping and freight will be invoiced at cost plus 17%.
2. Rate does not include consumables. All consumables will be charged at cost plus 17%.
3. Requires the use of an MD&A Specialty Field Engineer (not included in rental rate).

TERMS:

1. Payment terms – Net 30 days.
2. 1½% per month finance charge applied to late payments.
3. All prices in U.S. Dollars.
4. Subject to MD&A TERMS AND CONDITIONS, SALE OF SERVICES AND PARTS (dated 9/11/17).

2020 MD&A Rate Schedule

is available upon request.

MD&A LLC, 19 British American Blvd., Latham, NY 12110
Tel: 518-399-3616, Fax: 518-399-3929
WWW.MDATURBINES.COM



2020 RATE SCHEDULE
 U.S. and CANADA (01/01/20 THRU 12/31/20)

	Hourly Rates (Note 2)	
	S.T.	O.T.
Engineering Rates		
Field Engineer, Technical Field Advisor, Generator Specialist	\$ 236.00	\$ 354.00
Project Management, Steampath Engineering Supervision	\$ 257.00	\$ 385.50
Engineering Consultant, Specialty Field Engineer	\$ 321.00	\$ 481.50
<i>Controls, Excitation, Balancing, Alignment, Shell/Casing Repair</i>		
Principal Engineer	\$ 367.00	\$ 550.50
Labor Rates		
Steampath Specialist, Lead Seal Technician, CAD Designer, Reverse Engineering Technician.....	\$ 184.00	\$ 276.00
Steampath Work Leader	\$ 138.00	\$ 207.00
Steampath Technician	\$ 126.50	\$ 190.00
<i>Blader, Machinist, Welder, Seal Technician</i>		
Gas Turbine Bucket/Blade Specialist	\$ 190.00	\$ 285.00
Gas Turbine Repair Technician	\$ 146.00	\$ 219.00
Generator Technician	\$ 178.00	\$ 267.00
Craft Labor, Administrative/Clerical.....	Available upon request	
Equipment, Parts, Services		
Turbine Tool Container	<i>(Note 3)</i>	Daily Weekly
Purchased/Subcontracted Parts and Services		\$1,265.00 \$7,590.00
Steampath Consumables	<i>(Note 4)</i>	Cost + 17%
		\$ 12.00/person/hour
Travel and Living Expenses		
Per Diem	<i>(Note 5)</i>	\$ 250.00/person
Travel Expenses	<i>(Note 6)</i>	Cost + 10%
Personal Vehicle (to and from worksite)		IRS Standard Rate + 10%

NOTES:

- Rates are based on a minimum of ten (10) hours per day, six (6) days per week per person, unless noted differently in the proposal. Any required stand-by time will be billed at S.T. rates and limited to ten (10) hours per day, six (6) days per week per person.
- O.T. is defined as work over eight (8) hours on weekdays and all hours worked on Saturdays, Sundays, and Holidays.
- Pricing does not include shipping and freight, which will be invoiced at cost plus 17%.
- Rate excludes weld filler materials in some high deposition applications and all silver solder.
- Firm price per diem rate includes local transportation, lodging, meals, laundry, communications and incidentals and will be invoiced on a 7 day per week basis. Price shown is based on rural to medium suburban areas. Large metropolitan locations (such as NYC, Chicago, Los Angeles, etc.) or locations where seasonal/special event rates apply will be quoted upon request.
- Travel hours will be invoiced on a straight time basis for actual hours traveled, not to exceed 8 hours.

TERMS:

- Payment terms – Net 30 days.
- 1½% per month finance charge applied to late payments.
- All prices in U.S. Dollars.
- Subject to MD&A TERMS AND CONDITIONS, SALE OF SERVICES AND PARTS (dated 9/11/17).

2020 MD&A Tool/Equipment Rental Schedule
 is available upon request.

MD&A LLC, 19 British American Blvd., Latham, NY 12110
 Tel: 518-399-3616, Fax: 518-399-3929
WWW.MDATURBINES.COM

REQUEST FOR PROPOSAL

THIS IS NOT AN ORDER.



PUERTO RICO ELECTRIC POWER AUTHORITY

RFP : 00002678
Due Date: 06/08/2020
Due Time: 23:59 AST
Printed : 06/05/2020
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Return RFP to:

Vendor:

JOEL D. PANTOJAS-CARABALL

BULLETIN BOARD
DIVISION DE SUMINISTROS
SAN JUAN PR 00936



JPANTOJAS13525@AEEPR.COM

Phone: 787-521-3317

Fax : 787-521-2943

Work Location:

NEOM 606

CARR. NUM. 1, KM 15.1

C. SAN ROBERTO FINAL

MONACILLOS PR 00926

Start Date:

End Date :

Title: TURBINE-GENERATOR INSPECTION WORK UNIT 5 AT COSTA SUR POWER PLANT

Bid Value: OPTION A: \$325,500 USD
OPTION B: \$1,075,000 USD

Currency: USD

Not to Exceed?

Bid Pricing Method:

ESTIMATE

Bid Expiration Date:

Sept 09, 2020

Vendor Authorized Signature

Jose F. Theoktisto

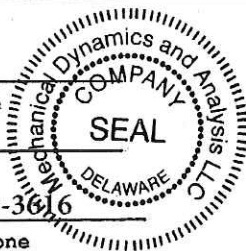
Printed Name/Title

06/05/2020

Date Signed

+1 518 399-3616

Phone



Authorized Signature

JOEL PANTOJAS CARABALLO

Supervisor de Compras Principal

Printed Name/Title

06-05-2020

Date Signed

787-521-3310

Phone

Scope of Work and Terms & Conditions Text follow as attachments

APÉNDICE # 1

REQ. 241109

RFP 00002678

POWER ADVOCATE EVENT # 105433

REQUEST FOR PROPOSAL

THIS IS NOT AN ORDER



PUERTO RICO ELECTRIC POWER AUTHORITY

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Due Date: 06/08/2020
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EMERGENCY PROCUREMENT PROCEDURES FOR COSTA SUR POWER PLANT UNIT 5
REHABILITATION - TURBINE GENERATOR INSPECTION WORK UNIT 5 AT COSTA
SUR POWER PLANT.

SE INFORMA A LOS LICITADORES LO SIGUIENTE:

1. SE REPROGRAMA LA FECHA DE APERTURA DE ESTE RFP PARA EL
SIGUIENTE DÍA:

FECHA: LUNES, 8 DE JUNIO DE 2020
HORA: SIN HORA

2. SE INCLUYE JUNTO CON ESTE APÉNDICE LA CONTESTACIÓN A LAS
PREGUNTAS REALIZADAS POR LOS LICITADORES.

3. DEBIDO A LO DENSO DEL DOCUMENTO, SE INCLUYO EN LOS RFX
DOCUMENTS DEL EVENTO 105433 EN POWER ADVOCATE EL SIGUIENTE DOCUMENTO:

A. UNIT 5 - 2013 TURBINE OVERHAUL FINAL REPORT.

TODOS LOS DEMÁS TÉRMINOS, CONDICIONES, ESPECIFICACIONES Y NOTAS QUE
NO HAYAN SIDO MODIFICADAS POR ESTE APÉNDICE QUEDAN INALTERADOS.

PARA MAYOR INFORMACION SE PUEDEN COMUNICAR CON:

JOEL D. PANTOJAS CARABALLO
SUPERVISOR DE COMPRAS PRINCIPAL
TEL. 787-521-3317
E-MAIL: JOEL.PANTOJAS@PREPA.COM

REQ. 241109
RFP 00002678
POWER ADVOCATE EVENT # 105433

EMERGENCY PROCUREMENT PROCEDURES FOR COSTA SUR POWER PLANT UNIT 5
REHABILITATION - TURBINE GENERATOR INSPECTION WORK UNIT 5 AT COSTA
SUR POWER PLANT.

REQUEST FOR PROPOSAL

THIS IS NOT AN ORDER



PUERTO RICO ELECTRIC POWER AUTHORITY

RFP : 00002678
Due Date: 06/08/2020
Due Time: 23:59 AST
Printed : 06/05/2020
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FECHA DE APERTURA: 06/06/2020 - SIN HORA

INCLUIR LITERATURA SOBRE EQUIPO O MATERIAL.
FAVOR INCLUIR TIEMPO DE VIGENCIA DE SU OFERTA.

LUGAR DEL SERVICIO: CENTRAL COSTA SUR

ATENCION: ING. CARLOS A. NEGRÓN ALFONSO
TEL. 787-521-6421 / 6406

NOTAS:

1. PARA ESTA SOLICITUD DE PRECIOS NO SE ACEPTARAN OFERTAS POR CORREO FEDERAL, ENTREGADAS A LA MANO, FAX O CORREO ELECTRONICO. LAS OFERTAS SE TIENEN QUE RECIBIR A TRAVES DE LA PLATAFORMA DE POWER ADVOCATE, ANTES DE LA FECHA Y HORA ASIGNADA DE APERTURA (CLOSE).
2. ES REQUISITO ESTAR ACTIVO EN EL REGISTRO DE LICITADORES DE LA AEE.
3. LOS LICITADORES TIENEN QUE COTIZAR ENTREGADO EN SITIO. LIBRE DE IMPUESTOS DE PR.
4. DEL SERVICIO INCLUIR MATERIAL EL MISMO PUEDE SER IGUAL O APROBADO IGUAL POR LA AEE PARA DICHO CONCEPTO, EXCEPTO EN AQUEL QUE INDIQUE QUE NO SE ACEPTA SUSTITUTO.
5. ESTE RFP SE REGISTRARÁ POR EL "PROCEDURES FOR ACQUISITION OF GOODS OR SERVICES IN EMERGENCY SITUATIONS" DE MARZO 2018.
6. SE INCLUYE JUNTO CON ESTE RFP EL "BIDDER'S PROPOSAL" EL CUAL TIENE QUE SER COMPLETADO EN SU TOTALIDAD. LICITADOR QUE NO INCLUYA CON SU PROPUESTA DICHO DOCUMENTO O NO LO COMPLETE EN SU TOTALIDAD, LA MISMA SE DECLARARÁ NO RESPONDIENTE.
7. SE ESTABLECE VISITA AL ÁREA NO COMPULSORIA PARA EL SIGUIENTE DÍA:

FECHA: VIERNES, 29 DE MAYO DE 2020
HORA: 9:00 A.M.
LUGAR: CENTRAL COSTA SUR

REQUEST FOR PROPOSAL

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PUERTO RICO ELECTRIC POWER AUTHORITY

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PARA DICHA VISITA TIENEN QUE TENER EL SIGUIENTE EQUIPO DE PROTECCIÓN PERSONAL:

1. MASCARILLA
2. GUANTES LATEX
3. CALZADO DE SEGURIDAD
4. CAPACETE
5. GAFAS DE SEGURIDAD

PERSONA QUE NO LLEVE DICHO EQUIPO DE SEGURIDAD A LA VISITA SE LE PROHIBIRÁ LA ENTRADA A LA CENTRAL.

SOLAMENTE SE HARÁ UNA VISITA. TIENEN QUE SOMETER A TRAVÉS DEL MESSAGING DEL EVENTO NÚM. 105433 EN POWER ADVOCATE SU INTENCIÓN DE PARTICIPAR EN LA VISITA Y EL NOMBRE DE LA PERSONA QUE ESTARÁ ASISTIENDO A LA MISMA. SOLAMENTE SE PERMITIRÁ UNA PERSONA POR COMPAÑÍA.

8. PODRÁN SOMETER PREGUNTAS PARA ESTE PROYECTO HASTA LAS 11:59 P.M. DEL DOMINGO, 31 DE MAYO DE 2020. LAS MISMAS SE SOMETERÁN A TRAVÉS DEL MESSAGING DEL EVENTO NÚM. 105433 EN POWER ADVOCATE.

9. SE INCLUYE CON ESTE RFP LOS SIGUIENTES DOCUMENTOS:

- A. CONTRACT TERMS AND CONDITIONS
- B. BIDDER'S PROPOSAL FORM

PARA MAYOR INFORMACION SE PUEDEN COMUNICAR CON:

JOEL D. PANTOJAS CARABALLO
SUPERVISOR DE COMPRAS PRINCIPAL
TEL. 787-521-3317
E-MAIL: JOEL.PANTOJAS@PREPA.COM

PROJECT TASK: UNIT 5 TURBINE-GENERATOR INSPECTION

Scope of Work/Specification

" Contractor shall supply the necessary labor, mobilization,

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supervision, quality control inspection, equipment and materials to provide inspection services to the turbine-generator of Unit Num. 5 of the Costa Sur Power Plant.

" Contractor shall be able to supply any of both is this work options:

1. Work Option A - Bearing Inspection

1.1. The scope of work for this outage includes the HP/IP, LP-A, LP-B and Generator:

- 1.1.1. Separate A, B and C couplings and check alignment
- 1.1.2. Remove upper half bearing covers and inspect all bearings including thrust bearing
- 1.1.3. Inspect packing casings
- 1.1.4. Remove Crossover and visually inspect LP components
- 1.1.5. Remove generator man-way doors and visually inspect generator
- 1.1.6. Reassembly of all components

1.2. Work Duration Requirement - 14 days

1.3. Work days during a week - Monday through Sunday

2. Work Option B - Open-Inspect-Close

2.1. The scope of work for this outage includes the HP/IP, LP-A, LP-B and Generator:

- 2.1.1. Remove HI/IP upper half casing and diaphragms
- 2.1.2. Remove LP-A & LP-B upper half hood, casing and diaphragms
- 2.1.3. Separate A, B and C couplings and check alignment
- 2.1.4. Remove upper half bearing covers and inspect all bearings including thrust bearing
- 2.1.5. Inspect packing casings
- 2.1.6. Inspect generator hydrogen seal assembly
- 2.1.7. Remove generator man-way doors and visually inspected generator
- 2.1.8. Reassembly of all components

2.2. Work Duration Requirement - 27 days

2.3. Work days during a week - Monday through Sunday

" Contractor shall comply with Federal Requirements including on RFP's Terms and Conditions

" Proponent shall include with its proposal a list of similar work on the same type Unit 5 steam turbine with its proposal

" Proponent shall include a list of standard and overtime rates

REQUEST FOR PROPOSAL

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with its proposal

" Proponent shall fill and include Proposal Form, included with RFP's package

" Proponent's Proposal shall have a validity term of 90 days

" Proponent shall include a list of the responsibilities both the Customer and the Proponent as part of its proposal

" Term & Conditions (Included on Doc on Asset Suite)

" Proposal Form (Included on Doc on Asset Suite)

* * * End of Request For Proposal * * *

GOBIERNO DE PUERTO RICO
AUTORIDAD DE ENERGIA ELECTRICA
SAN JUAN, PUERTO RICO

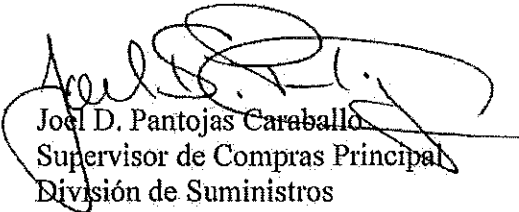
www.aeepr.com



APARTADO 364267
CORREO GENERAL
SAN JUAN, PUERTO RICO 00936-4267

5 de junio de 2020

Ing. Carlos A. Negrón Alfonso
Administrador de Operaciones
Directorado de Generación


Joel D. Pantojas Caraballo
Supervisor de Compras Principal
División de Suministros

ASUNTO: CONTESTACION PREGUNTAS RFP 00002678

Por medio de la presente, desglosamos a continuación las preguntas realizadas por los licitadores para el RFP 00002678 – Turbine Generator Inspection Work Unit 5 at Costa Sur Power Plant:

MD & A:

1. What is the required COVID-19 protocol?

- ✓ All personnel is required to present a negative result for COVID-19 prior entering the plant premises.

2. Bid Bond and performance Bond not required? Please confirm.

- ✓ Bid Bond and performance Bond are not required.

3. Since execution of the project is by need only and keeping personnel and tools in standby is costly and not a reasonable expectation, please explain the mobilization requirements.

Tools and personnel require time to be mobilized in advance specially now with all the COVID-19 requirements and limited flights.

Would PREPA consider mobilizing the Tools in advance upon award with a period rental as a possible line item? That way mobilization of personnel could be expedited if the project moves forward. Should PREPA decide not to execute, they would only have to cover the costs of the shipping and rental of the tools.

- ✓ Please submit as one separate item in the proposal the cost of shipping and one month of rental for the tool trailer. This item will be executed once the contract is signed.

PROPOSAL

SECTION I

June 5, 2020

Puerto Rico Electric Power Authority
San Juan, Puerto Rico



In compliance with your INVITATION TO RFP for the Unit 5 Turbine-Generator Inspection Work at Costa Sur Power Plant (**With Option A – Bearing Inspection**) at Costa Sur Power Plant and having carefully examined and completely understood all of the Contractor's documents, the undersigned proposes to furnish all labor, equipment, and materials not provided by PREPA or Others, and to perform all work as detailed, indicated or described in said Contractor's documents, and subject to all conditions stipulated therein, starting at the date of the Note to Proceed (NTP) and finishing in (14) days

for the LUMP SUM of three hundred twenty five thousand and five hundred (\$325,500) dollars.
(in words)

José F. Theoktisto,
Gerente de Contratos y Propuestas

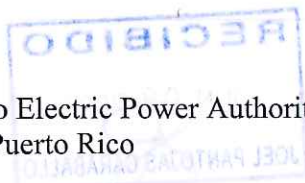
Mechanical Dynamics & Analysis LLC
BIDDER

PROPOSAL

SECTION I

June 5 , 20 20

Puerto Rico Electric Power Authority
San Juan, Puerto Rico



In compliance with your INVITATION TO RFP for the Unit 5 Turbine-Generator Inspection Work at Costa Sur Power Plant (With Option B – Open-Inspect-Close) at Costa Sur Power Plant and having carefully examined and completely understood all of the Contractor's documents, the undersigned proposes to furnish all labor, equipment, and materials not provided by PREPA or Others, and to perform all work as detailed, indicated or described in said Contractor's documents, and subject to all conditions stipulated therein, starting at the date of the Note to Proceed (NTP) and finishing in (27) days

for the LUMP SUM of one million, seventy five thousand (\$1,075,000) dollars.
(in words)

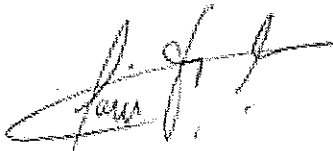
José F. Theoktisto,
Gerente de Contratos y Propuestas

Mechanical Dynamics & Analysis LLC
BIDDER

QUALIFICATIONS OF BIDDERS (continued)

1. The following is a list of equipment I or we have available for use on this work:

<i>ITEM NO.</i>	<i>QTY.</i>	<i>DESCRIPTION, SIZE CAPACITY, ETC.</i>	<i>CONDITION</i>	<i>YEARS OF SERVICES</i>	<i>PRESENT LOCATION</i>
		20ft Container with all			
		the necessary tools for a			
		ST overhaul, with the			
		exception of customer			
		owned tools (Ex.- Lifting			
		Beam, Temporary			
		Generator rotor			
		supports, etc.)			



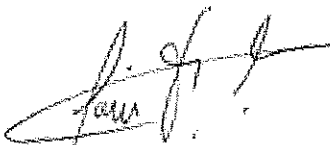
José F. Theoktisto,
Gerente de Contratos y Propuestas

Mechanical Dynamics & Analysis LLC
BIDDER

QUALIFICATIONS OF BIDDERS (continued)

2. The following is a list of additional equipment I or we intend to purchase or rent for use on the proposed work, should the contract be awarded to me or us:

<i>ITEM NO.</i>	<i>QTY.</i>	<i>DESCRIPTION, SIZE, CAPACITY, ETC.</i>	<i>APPROX. COST</i>	<i>DATE OF DELIVERY</i>



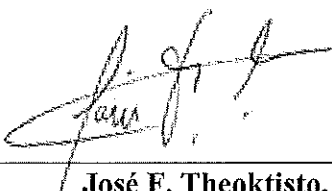
José F. Theoktisto,
Gerente de Contratos y Propuestas

Mechanical Dynamics & Analysis LLC
BIDDER

QUALIFICATIONS OF BIDDERS (continued)

3. The following is a list of similar contracts executed by me or us:

ITEM NO.	QTY.	TYPE OF WORK	CONTRACT PRICE	COMPLETION DATE
		See Attached Experience List		
		and Work in Process List		



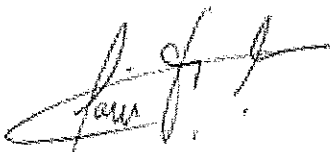
José F. Theoktisto,
Gerente de Contratos y Propuestas

Mechanical Dynamics & Analysis LLC
BIDDER

QUALIFICATIONS OF BIDDERS (continued)

4. The following is a list of contracts on hand:

CONTRACT NUMBER	DESCRIPTION OF WORK	CONTRACT PRICE	% COMPLETED
	N/A		



José F. Theoktisto,
Gerente de Contratos y Propuestas

Mechanical Dynamics & Analysis LLC
BIDDER

QUALIFICATIONS OF BIDDERS (continued)

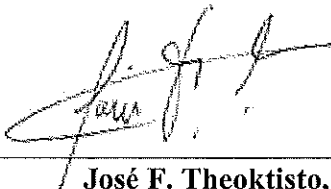
5. Type of Organization and Business

MD&A is one of the largest service providers for generators, gas turbines and steam turbines in the U.S. with annual revenues in excess of \$170MM. Although most of our work is done within the United States, approximately 20% of our annual corporate income comes from work outside the U.S. MD&A has supplied steam turbine, gas turbine and generator parts, technical services, labor and oversight in more than 15 countries. MD&A provides a wide range of turbine generator services including complete labor services on the premises; repair of both fixed equipment and rotating components; parts, bearings and seals, electrical testing and repairs of generators; controls; alignment of turbines, balancing and vibration analysis.

6. The work, if awarded to me or us, will have the personal supervision of

Michael Bridges

Harry Moulton



José F. Theoktisto,
Gerente de Contratos y Propuestas

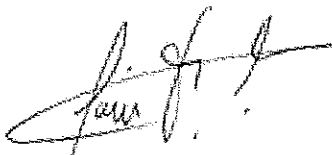
Mechanical Dynamics & Analysis LLC
BIDDER

QUALIFICATIONS OF BIDDERS (continued)

7. Construction Methods to be Used in the Work (Bidder to outline the principal methods and order of procedure to be employed in the work)

See Execution Plan Section of MD&A Proposal Document

(Use additional sheets if necessary and attach to back of this page)



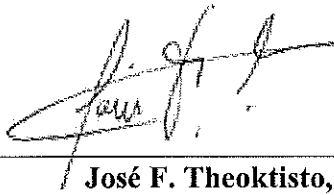
José F. Theoktisto,
Gerente de Contratos y Propuestas

Mechanical Dynamics & Analysis LLC
BIDDER

SECTION IV
ADDENDUM RECEIPT

The undersigned certifies that the following addenda to the Specifications have been received and are made a part of the contract documents:

Addendum No. _____	N/A	Dated _____
Addendum No. _____		Dated _____
Addendum No. _____		Dated _____
Addendum No. _____		Dated _____
Addendum No. _____		Dated _____
Addendum No. _____		Dated _____
Addendum No. _____		Dated _____
Addendum No. _____		Dated _____
Addendum No. _____		Dated _____
Addendum No. _____		Dated _____



José F. Theoktisto,
Gerente de Contratos y Propuestas

Mechanical Dynamics & Analysis LLC
BIDDER

PROPOSAL (continued)

The undersigned, Jose F. Theoktisto
(Print Name of Undersigned)

on behalf of Mechanical Dynamics & Analysis LLC
(Company Name)

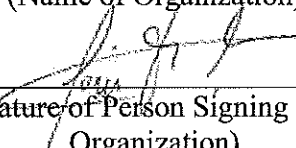
submits the Proposal hereinbefore contained.

Dated

This 5th day of June, 2020.
Mechanical Dynamics & Analysis LLC

(Name of Organization)

By:

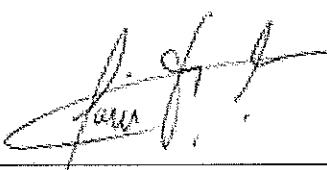

(Signature of Person Signing for the
Organization)

Contracts & Proposals Manager
Official Title of Person Signing

19 British American Boulevard East

Latham, NY 12110
Official Address of Organization

Social Security Organization


José F. Theoktisto,
Gerente de Contratos y Propuestas

Mechanical Dynamics & Analysis LLC
BIDDER



PROPOSAL 200221R2

PUERTO RICO ELECTRIC POWER AUTHORITY

South Coast Station, Unit 5

Submitted:

June 5, 2020

Mechanical Dynamics & Analysis LLC



June 5, 2020

PROPOSAL 200221R2

JOSE CRUZ, Project Manager
MIGUEL BEUCHAMP, Maintenance Manager
PREPA South Coast
Road 127, Km 15.7
Guayanilla, PR 00656
USA

EARTHQUAKE DAMAGE EVALUATION
Re: **SOUTH COAST STATION, U5**

Dear Mr. Cruz and Mr. Beuchamp,

MD&A is pleased to provide this proposal in accordance with the RFP Number - 00002678 for the inspection of Unit #5 at PREPA's South Coast Generation Facility.

MD&A's proposal is organized as follows:

- Workscopes and Pricing
- Pricing Clarifications
- Technical Clarifications
- Division of Responsibilities
- Execution Plan
- Resumes
- Experience List with GE G2 Steam Turbines
- MD&A Rate Schedule(s)

We are confident in our capabilities and experience with PREPA at South Coast to perform this work in a safe and efficient manner to aid in your efforts in restoring this facility. And, we look forward to working with you on this important project.

Sincerely,

John Durkee
Vice President Outage Services

JD200221R2/md
Enclosures

cc: J. Theoktisto, MD&A Manager Contracts and Proposals
A. Brusi, MD&A Regional Sales Manager

WORKSCOPES AND PRICING

ITEM	WORKSCOPE	PRICE	DURATION
1.0 Option A	Bearing Inspection	\$325,500	14 days, two 12 hour shifts/day, 7 days/week
2.0 Option B	Open-Inspect-Close	\$1,075,000	27 days, two 10/12-hour shifts/day, 7 days/week.

WORKSCOPE Item 1.0 OPTION A: **BEARING INSPECTION**

Scope of work for this outage includes the HP/IP, LP-A, LP-B and Generator:

- a. Separate A, B and C couplings and check alignment,
- b. Remove upper half bearing covers and inspect all bearings including thrust bearing,
- c. Inspect packing casings,
- d. Remove Crossover and visually inspect LP components,
- e. Remove generator man-way doors and visually inspect generator,
- f. Reassembly of all components.

We plan to execute this work with (1) Technical Advisor, (1) Superintendent, (1) Foreman and approximately (5) Millwrights working both Day Shift and Night Shift for disassembly and reassembly, working 12-hour shifts each.

WORKSCOPE ITEM 2.0 OPTION B: **OPEN-INSPECT-CLOSE**

Scope of work for this outage includes the HP/IP, LP-A, LP-B and Generator:

- a. Remove HI/IP upper half casing and diaphragms,
- b. Remove LP-A & LP-B upper half hood, casing and diaphragms,
- c. Separate A, B and C couplings and check alignment,
- d. Remove upper half bearing covers and inspect all bearings including thrust bearing,
- e. Inspect packing casings,
- f. Inspect generator hydrogen seal assembly,
- g. Remove generator man-way doors and visually inspect generator,
- h. Reassembly of all components.

We plan to execute this work with (1) Technical Advisor, (1) Superintendent, (1) Foreman and approximately (12) Millwrights working both Day Shift and Night Shift for disassembly and reassembly, working 12-hour shifts each. We will reduce the shifts to (10) hour shifts during inspection time. We expect the total outage to take (27) days.

In order to commence the work in accordance with the current schedule at South Coast, MD&A proposes to ship tooling to site as soon as we receive notice of award and will invoice PREPA the cost of the shipping and (1) months rental in the amount of **\$54,000**. Should PREPA elect to execute either Option A or B above then the amount of \$12,000 for Option A or \$24,000 for Option B may be deducted from the amount above.

In addition, MD&A recommends dispatch of a Vibration Engineer to site to support PREPA's first attempt at start-up prior to any work. This will provide PREPA with technical support to aid in the start-up attempts

and help identify the best path forward in determining which work scope option is the best alternative for PREPA should that be necessary. The price for this option is **\$16,000** inclusive of all travel & living expenses for a period of 2 days on site.

PRICING CLARIFICATIONS

1. **Terms and Conditions** – in Accordance with Contract's Terms and Condition indicated in RFP # 00002678
2. **Payment**
 - a. T&M will be invoiced every two weeks of work performed:
 - b. All invoices net sixty (60).
 - c. Our pricing includes living expenses.
 - d. Our price does not include import / export customs taxes, duties, or the cost of any required work permits or visas. If these are required, they would be billed to the customer at cost plus administrative mark up.
 - e. All pricing is in current, 2020 US Dollars. Pricing quoted would apply for the work to be performed in 2020. All Payments shall be made in US dollars.
3. **Validity** - Proposal is valid for ninety (90) days. Extensions may be requested by the Customer.
4. **Shipping** (*If tooling or equipment requested*)
 - a. Customer to provide assistance with freight forwarding and customs processes, if parts or equipment are requested as part of the emerging works.
 - b. MD&A cannot accept liability for shipping or customs delays for the fields while they are awaiting or in transit. We have allowed seven (7) days for customs clearance and transit time each way for a total of 14 days in customs. Delays in customs clearance and transit time occurring beyond thirty (30) days may entitle MD&A to additional rental costs. Furthermore, it is incumbent that AES has secured the necessary paperwork and/or permits for all import/exports, etc., including paying all duties and taxes needed in advance of shipments.

TECHNICAL CLARIFICATIONS

General

1. In case of a work stoppage of any nature beyond MD&A's control, we will give the Customer the option of keeping our crew standing by locally or returning our crew to their home base. In the event that crew members are required to return to their respective home base location and to return to the Customer's plant at a later date to finish the work, MD&A will submit a quotation for appropriate "in and out" expenses due to the work stoppage.
2. MD&A assumes no liability for the crane inspection or its operational reliability. It will be the Customer's responsibility to determine that the crane meets all operational and safety standards. The proper operation of the overhead crane is critical to the success of this outage. It is therefore imperative that Customer makes every effort to have a complete preventive maintenance check performed prior to the outage. MD&A does not include a crane inspection. Critical spare parts should also be inventoried, and parts' lead times checked with suppliers. We understand that it may be necessary to share the use of the crane with another vendor. Minor delays in crane availability can be accommodated, however extended periods of time during which the crane is not available will be considered delay time. Additional overtime required to regain the schedule will be billed per the Rate Schedules.
3. All electrical testing will be performed at the OEM's recommended voltages, unless otherwise instructed by Customer.
4. The conditions of any tests related to work performed by MD&A, shall be mutually agreed upon and MD&A shall be notified of, and may be represented at, all tests that may be made.
5. Customer is responsible for treatment and removal of hazardous substances and related contamination of any nature.
6. Straight time is defined as work up to (8) hours on weekdays. Overtime is defined as work after (8) hours on weekdays and all-day Saturday. Double time (if applicable) is defined as work performed on Sundays and holidays.
7. Line Boring Services for the "A" coupling are not a part of the proposal. If discovered that the coupling bolt holes need boring the work can be quoted upon discovery.
8. Extra work scope includes:
 - a. All non-specific repairs.
 - b. Removal of bolts, nuts or threaded fasteners other than by normal means.
 - c. All machining.
 - d. Estimated staff and labor is based on the planned work dates. If conditions not within MD&A's ability to control, such as the extension of time for repair activities, cause the schedule to be extended, all staff time and expenses, and any added labor costs beyond the end date above, would be considered extra.
 - e. If standby time is encountered, waiting for work to be completed by others, it will be considered an extra (10 hours straight time, per person per day).
 - f. Labor support such as scaffolding, electrical hookups, moving of equipment, and positioning of components for emergent repair work or for changes in defined re-pair work will be provided on a T&M basis regardless of whether the repairs are performed by MD&A or another contractor.

- g. In the event of inclement weather and MDA crews are unable to work, 8 hours stand by per man plus site overheads will be charged.

Outage Services

- 9. Labor will be provided from MD&A's cadre of non-union turbine mechanics.
- 10. Temporary facilities to be brought on site:
 - a. Tool Container (8' x 8' x 20').
 - b. (1) Office and (1) Craft Trailers.
 - c. Portable toilets.
 - d. Grit blasting tents.
- 11. Our proposal includes checking turbine internal component alignment and making minor alignment charges such as diaphragm elevation shim changes and bearing adjustments. Major alignment changes such as the need to move inner casings are not included.
- 12. We have assumed scaffolding, insulation, electrical services, and instrumentation will be provided by PREPA.
- 13. Rotor stands to be provided by PREPA.

DIVISION OF RESPONSIBILITIES

A. CONSUMABLES / MATERIALS	CUSTOMER	MD&A
1. All parts, including gaskets, material, nuts, keys, washer, bolts and fittings, in a timely manner.	X	
2. Lubricating oils and greases which will be a part of the operating unit.	X	
3. Cribbing and barrier materials.	X	
4. Consumable materials including rags, cleaning fluids, emery cloth, etc.		X
5. Welding/Cutting gasses (for the defined scope of on-site work).	X	
6. Joint and thread lubricants.		X

B. SITE SERVICES	CUSTOMER	MD&A
1. Scaffolding services (as required).	X	
2. Blast cleaning tent (as required).		N/A
3. NDE services (as required).		N/A
4. Insulation services (as required).	X	
5. Compressed air for tools.	X	
6. Night shift lighting (as required).	X	
7. Service water.	X	
8. Drinking (potable) water & coolers		X
9. Electrical services (minimum requirements: 110V 20 amps).	X	
10. Isolation of all electrical services (including disconnect, at Isophase termination enclosures, both generator line side and neutral links, and neutral grounding transformer connections; disconnect all RTD's as required).	X	
11. Drain and refill of main lube oil tank and seal oil system (as required).	X	
12. Blinding of pressurized piping.	X	
13. Temporary office.		X
14. Temporary sanitary facilities.		X
15. Phone, fax and internet connections. (Customer to provide conference call access)	X	
16. Provide a secure area and lay down space for MD&A equipment adjacent to the repair area.	X	

C. TOOLS & EQUIPMENT	CUSTOMER	MD&A
1. Rotor stands, special tools, jigs, non-standard wrenches and alignment fixtures provided by the OEM or fabricated by the Customer to facilitate maintenance.	X	
2. Overhead crane (as required).	X	
3. Flatbed trucks and mobile crane, including outside equipment handling (as required).	X	

C. TOOLS & EQUIPMENT	CUSTOMER	MD&A
4. Forklift for turbine deck.	X	
5. Lapping blocks (as required).	X	
6. Try bar (as required).	X	
7. All hand tools.		X
8. Non-OEM supplied rigging.		X
9. Taps and dies up to 1 1/2 inches.		X
10. Tool container.		X
11. Turbine deck protection, plywood and cribbing.	X	

D. EHS	CUSTOMER	MD&A
1. Safety tagging.	X	
2. Safe access to and from work area.	X	
3. Secure parking area & transportation.	X	
4. Security for parts and tool storage.	X	
5. Hazardous material removal (as required).	X	
6. Written plant safety regulations and procedures.	X	
7. Waste containers for disposal of trash.	X	
8. First aid facilities (emergency use only).	X	
9. All required permits.	X	
10. Fire protection equipment other than local fire fighters.	X	

E. PERSONNEL / DOCUMENTS	CUSTOMER	MD&A
1. Representative for coordination of parts and repair decisions and to authorize Extra Work to avoid delays.	X	
2. Start-up and Operation personnel.	X	
3. Free access to all available drawings, operating procedures, information, historical data and O&M manuals on the equipment covered under this proposal.	X	
4. Electricians and Instrument Technicians.	X	
5. Crane Operator (as required).		X
6. Technical Direction.		X
7. Final report.		X

EXECUTION PLAN

OVERVIEW

In the event of a contract award MD&A is prepared to immediately implement the following execution plan outline. This proposed plan is meant to be a dynamic document. We suggest the customer and MD&A collaboration to jointly review the initial proposed contract execution plan, revise where appropriate and make adjustments as required in order to ensure optimal results.

MD&A has extensive experience and expertise in the successful completion of major and minor turbine generator projects. As such, MD&A is able to apply this knowledge base to manage and support the goals and objectives of the Agreement with a complete range of contract administration, project management, technical support services, labor, tooling, repair services and replacement parts. If selected as the successful bidder, MD&A commits to marshalling the required resources to ensure that all turbine-generator overhauls are executed successfully and to expectation.

MD&A's experience coupled with our approach that emphasizes communication, pre-planning, building project teams, safety, and quality have enabled us to consistently deliver projects with positive results. This section describes MD&A's approach to help ensure successful projects through focus on key areas such as:

- Outage Pre-Planning
- Outage Project Staffing
- Craft Labor
- Schedule Control
- Tooling
- Support Services and Parts Supply
- Performance – Post Outage Reviews
- FME

GENERAL OBJECTIVES

MD&A will work to immediately establish an atmosphere of effective communication and teamwork with the customer throughout the entire process of executing the Steam Turbine Fleet Maintenance Agreement. To this end, MD&A will focus the resources of its organization on the safe and timely planning and fulfillment of this project to meet or exceed the performance expectations that have been defined by the customer.

As previously noted, pre-project planning between the customer and MD&A personnel is a best practice that we strongly encourage to help prepare for the project while developing the relationships and project management routines that correlate to long term project success.

CONTRACT ADMINISTRATION SUPPORT

Maintaining communication and working in concert with the customer a critical part of the job. Therefore, the customer can expect consistent communication and regular updates from the MD&A Operations Manager on contractual matters, outage plan development, schedule development and implementation, findings during overhaul activity, resulting recommendations and other important issues that will arise during the term of the contract.

MD&A will assign a corporate operations manager, who will be responsible for supporting the site team(s) as well as communications with the customer.

Upon contract award, the Operations Manager will immediately lead the MD&A effort detailed in the planning section(s) below.

OUTAGE PROJECT STAFFING

MD&A's approach as detailed in the Outage Pre-Planning section above, includes the selection and assignment of site support personnel. MD&A maintains a permanent staff of Field Engineers (Technical Directors), craft labor Superintendents and Specialist Engineers (Performance, Alignment, Balancing, Start-up, e.g.).

Upon award, MD&A will narrow the list of personnel candidates to determine the best fit based for the work to be performed. Resumes of potential candidates will be reviewed with the customer.

MD&A's on-site technical director will be responsible for all technical data and for assuring that the work is performed in accordance with applicable OEM Instructions and generally accepted engineering standards.

SUPPORT SERVICES AND PARTS SUPPLY

MD&A has several divisions that support field operations that can be called on when needed for requirements that include engineering support, engineered repairs, and parts supply. If repair work becomes necessary, the customer has the option of utilizing MD&A to perform this work either on-site or at a workshop in Bahrain or in the Region if qualified by MD&A and/or the customer.

MD&A maintains full capability to perform minor and major steampath, valve, auxiliary equipment, and generator repairs. Should an emergent need for any determined repair service arise, cost estimates or firm price quotations can be generated and presented to the customer for evaluation and approval. It is anticipated during the initial contract pre-planning process that a formal extra work authorization procedure will be developed and implemented on the initial planned overhauls.

MD&A's Parts, division is a manufacturer of high-quality replacement parts including several patented steam path components. We also have an extensive data base of OEM parts and reverse engineering capabilities. Our Parts division supports all planned and emergent parts requirements for MD&A's Outage Services and Repair Divisions.

MD&A is uniquely positioned to quickly respond to and effectively support any additional the customer requirements beyond defined work scopes that will occur during the term of the agreement.

DAILY OUTAGE MANAGEMENT

During the project, a work list will be generated at the end of each shift and it will serve to identify the work plan and priorities for the subsequent shift, parts needed, and tracking of any open action items. This work list is derived from the project schedule. These complementary project management tools will be updated as the project progresses.

Daily meetings are recommended with key project personnel to discuss progress and upcoming needs. This is an effective means of communication during the execution phase. Weekly status reports will complement the timely ad hoc reports generated for any repair that may emerge. The site Project Manager can combine internal and external reporting into executive summaries highlighting the most pressing or impactful issues to better manage the flow of information as well as the coordination of these resources. These are examples of typical project communications that are drivers of project success but that can be modified to what best suits the customer and MD&A project team needs.

Data readings shall be available for the customer's review as they are taken, and the data sheets shall be included in the MD&A final report. The final report shall be issued per contractual obligation and contain

a comprehensive record of project findings, readings, actions taken, and recommendations for future inspections. A preliminary report will be sent for the customer's review and comment before the final report issued. A sample final report has been included in our tender response package.

Post-project a follow up meeting or conference will be scheduled to explore lessons learned and performance improvement opportunities to enhance the execution of future projects. MD&A will develop a list of lessons learned and recommendations as the basis of this conversation.

FME

MD&A implements a very detailed FME proceed on all of our projects to ensure no foreign material enters the turbine, generator, valves and other components. A copy of our FME procedure has been attached.



Harry E. Moulton

Technical Field Advisor

Experience:

Over forty-five (45) years of experience in the overhaul and maintenance of steam turbine generators and their supporting equipment. Experienced with the direction of large labor crews (35), both union and non-union, on a variety of turbine generators of various sizes produced by all of the major manufacturers. Excellent at directing multiple activities, performing installations, troubleshooting and repairing turbines, generators and auxiliaries during power plant outages and high-priority work. Harry graduated from Wentworth Institute, Boston, MA in May 1963 with Aircraft Technology Degree.

Recent 10 Year Work History:

STATION / PLANT	UNIT TYPE / SIZE	SCOPE
2019		
Western Sugar/ Scotts Bluff	5MW; Westinghouse	
IPL- Harding Street	438MW; GE	
Dogwood Energy	200MW; Toshiba	
GRDA	520MW; Alstom	
2018		
Western Sugar, Torrington	2MW, GE	
JEA/Northside	303MW, GE	Major Turbine Inspection
LG&E-KU; Ghent	511MW, GE	
KCP&L/Iatan	914MW, Toshiba	Turbine & Generator Major
Pacificorp/Dave Johnston	100MW, GE	Minor Turbine Inspection
2017		
JEA/Northside	303MW, GE	Turbine & Generator Major
SCE&G/Wateree	356MW, GE	Turbine & Generator Major
Columbian Chemicals/ North Bend	21MW, GE	Minor Turbine Inspection
Cargill/Cargill Mill	20MW, Westinghouse	Major Turbine Inspection
Westrock/Mahrt	35MW, Westinghouse	Minor Turbine Inspection
2016		
Georgia Pacific/Naheola	47MW, GE	Turbine & Generator Major
SCE&G/Wateree	550MW, GE	Turbine & Generator Major



STATION / PLANT	UNIT TYPE / SIZE	SCOPE
Westrock/Mahrt	Fan, GE	Turbine & Generator Major
2015		
LG&E/Trimble	511MW, GE	Valve Inspection
City of Austin/Decker Creek	400MW, Westinghouse	BPFT Inspection
Resolute Forest Products/Catawba	20MW, GE	Turbine & Generator Major
Expera/Rhineland	12MW, Westinghouse	Minor Turbine Inspection
Rock Tenn/Hopewell	35MW, GE	Minor Turbine Inspection
Verso Paper/Esanaba	20MW, GE	Minor Turbine Inspection
Rock Tenn/West Point	44MW, GE	Turbine & Generator Major
Georgia Pacific/Perry	6MW, GE	Turbine & Generator Major
2014		
Rock Tenn/Fernandina Beach	35MW, GE	Minor Turbine Inspection
PSE/Goldendale	90MW, Hitachi	Turbine & Generator Major
PSE/Mint Farm	133MW, Fuji	Turbine & Generator Major
Columbian Chemicals/North Bend	15MW, GE	Minor Turbine Inspection
2013		
Rock Tenn/Florence	72MW, GE	Minor Turbine Inspection
AES/Itabo	128MW, BBC	Turbine & Generator Major
LAGEN	600MW, GE	LP Rotor Replacement
2012		
GRDA/GRDA Unit 2	550MW, BBC	Turbine & Generator Major
Covanta/Stanislaus	25MW, DR	Turbine & Generator Major
Columbian Chemicals/Franklin	16MW, GE	Minor Turbine Inspection
2011		
Intergen/Millmerran	400MW, Alstom	HP & IP Inspection
SMEPA/Moselle	60MW, GE	Minor Turbine Inspection
PPL/Montour	60MW, GE	Turbine & Generator Major
2010		
MidAmerican Energy/Neal	130MW, GE	Turbine & Generator Major
GDF-Suez/Sholton	75MW, Alstom	Turbine & Generator Major
Pacificorp/Dave Johnson	220MW, GE	Turbine & Generator Major
GRDA/Chouteau	400MW, Westinghouse	Turbine & Generator Major



Michael L. Bridges

Technical Field Advisor

Experience:

Over twenty-five years of experience in the overhaul and maintenance of steam turbine generators and equipment. Experienced with the direction of large labor crews on a variety of turbine generators of various sizes produced by all of the major manufacturers. Direction of multiple production initiatives, overseeing as many as 35 workers at one time performing installations, troubleshooting and repairs on turbines, generators and auxiliaries during power plant outages and high-priority work.

Recent 10 Year Work History:

STATION / PLANT	UNIT TYPE / SIZE	SCOPE
2019		
Basin/ Deer Creek		ST C & Generator B Inspection
PacifiCorp/ Naughton	306MW; Westinghouse	Turbine & Valve Inspection
AES Andres/Dominicana	121MW; Hitachi	
Talen Energy/Martins Creek	850MW; Alstom	
2018		
Northampton Gen Co.	114MW, Alstom	
AES Andres/Dominicana	121MW, Hitachi	
PES/Point Breeze	10MW, Westinghouse	Turbine & Generator Major
Talen/Martins Creek	850MW, Alstom/Mann	Minor Turbine Inspection
AES Dominican/Itabo	155MW, GE	Turbine & Generator Major
SCE&G/Jasper	406MW, Alstom	
PREPA/Palo Seco	235MW, Westinghouse	
2017		
PES		
Duke Energy/Ashville	180MW, Westinghouse	Gen, Bearings, Align
Basin Electric Power/Deer Creek	154MW, Alstom	
Biomass One/White City	15MW, GE	Turbine & Generator Major
Searles Valley Minerals/Trona	Mech, Dresser Rand	Valves & BFPT
AES Dominican/Itabo	128MW, Alstom	Turbine & Generator Major
City of Austin/Decker Creek	400MW, Westinghouse	Valves & BFPT



STATION / PLANT	UNIT TYPE / SIZE	SCOPE
Westrock/West Point	30MW, Westinghouse	Minor Turbine Inspection
2016		
NRG/Will County	532MW, GE	Turbine & Generator Major
Expera/Rhineland	12MW, Westinghouse	Turbine & Generator Major
Jaguar/Guatemala	150MW, Harbin	Turbine & Generator Major
Ameren/Labadie	650MW, GE	Turbine & Generator Major
Pearl Energy/Quezon	490MW, GE	NRV Inspection
2015		
AES/Guayama, PR	300MW, Alstom	Valves, Project Manager
GDF Suez/Bahia Las Minas	44MW, Franco Tosi	Turbine & Generator Major
PGE/Beaver	168 MW, GE	Turbine & Generator Major
Expera/Thilmany	6MW, GE	Turbine & Generator Major
City of Tallahassee/Hopkins	305MW, Westinghouse	Turbine & Generator Major
Santee Cooper/Cross	591MW, GE	Turbine & Generator Major
2014		
GDF Suez/Bahia Las Minas	44MW, Franco Tosi	Turbine & Generator Major
Brazos/Johnson County	100MW, Westinghouse	Turbine & Generator Major
GRDA/Choteau	500MW, GE	Turbine & Generator Major
Doyon/Ft. Wainwright	6MW, GE	Turbine & Generator Major
Equi Power/Kincaid	580MW, Westinghouse	Valves; Project Manager
Eastman/Longview	695MW, Westinghouse	Thrust Bearing
AES/Guayama, PR	300MW, Alstom	Valves, Project Manager
AES/Taumin	288MW, Alstom	Turbine & Generator Major
Dominion/Bremo Bluff	150MW, Westinghouse	Turbine & Generator Major
2013		
PPL/Brunner Island	420MW, Westinghouse	Turbine & Generator Major
GRDA/Choteau	500MW, GE	BFPT
NRG/Bowline	555MW, GE	LO Blade Inspection
Lubbock Power & Light/Massengale	22MW, Westinghouse	Turbine & Generator Major
AES/Dominican	128MW, Alstom	Turbine & Generator Major
AES/Guayama, PR	300MW, Alstom	Turbine & Generator Major
PREPA/Southcoast	410MW, GE	Turbine & Generator Major
2012		
LG&E/Trimble County	800MW, Hitachi	Bearing Inspection
GRDA/Chouteau	505MW, BBC	Turbine & Generator Major



STATION / PLANT	UNIT TYPE / SIZE	SCOPE
PPL/Ironwood	288MW, Westinghouse	Valves
Basin Elec/Laramie River	570MW, GE	Turbine & Generator Major
Southern Power/Franklin	313MW, Alstom	IP Inspection
2011		
MidAmerican/Walter Scott	950MW, Hitachi	Minor Turbine Inspection
AEP/Conesville	403MW, Westinghouse	Turbine & Generator Major
Santee Cooper/Cross	510MW, GE	Turbine & Generator Major
IPL/Petersburg	560MW, GE	Turbine & Generator Major
IPL/Martins Creek	950MW, GE	Turbine & Generator Major
Southern Power/Franklin	313MW, Alstom	Bearing Inspection
Southern Power/Harris	313MW, Alstom	Turbine & Generator Major
2010		
Entergy/Waterford	380MW, Siemens	Turbine & Generator Major
GRDA/Chouteau	505MW, BBC	Turbine & Generator Major
Pacificorp/Carbon Plant	60MW, Westinghouse	Turbine & Generator Major
Alabama Power/Miller	700MW, GE	Turbine & Generator Major
LG&E/Trimble County	512MW, GE	Turbine & Generator Major



Updated: September 2019

TURNKEY OUTAGE SERVICES PROJECTS

Customer	Plant	Scope	OEM	Type	Size	Contact	Phone #	Date
Indiana Power and Light	Petersburg 4	Major	GE	G2		Joe Kokes	317-829-6957	May-19
PacifiCorp	Bridger U3	Minor	GE	G2	540	Ken Cutler	307 705 8052	Apr-19
Santee Cooper	Cross 4	Valves	GE	G2	600	Rob Kallgren	(843) 754-9274	Apr-19
Santee Cooper	Cross 1	Rep	GE	G2	600	Rob Kallgren	(843) 754-9274	Mar-19
Indiana Power and Light	Petersburg	Major	GE	G2	580	Phillip Kahle	812 601 7260	Mar-19
SCANA	Wateree 1	Major	GE	G2	600	Chuck Cook	(803)217-4022	Nov-18
Santee Cooper	Cross 3	Rep	GE	G2	600	Rob Kallgren	(843) 754-9274	Nov-18
Indiana Power and Light	Petersburg IN	Minor	GE	G2	532	Phillip Kahle	812 601 7260	Sep-18
Santee Cooper	Cross 3	Valves	GE	G2	600	Rob Kallgren	(843) 754-9274	May-18
PacifiCorp	Bridger 1	Major	GE	G2		Ken Cutler	307 705 8052	Apr-18
IPL	Pete 2	Valves	GE	G2	600	Brandon Berlin	614 915 8732	Nov-17
SCE&G	Wateree 2A	BFPT Valves	GE	G2	500	Oscle Brown	(803)-217-4054	Oct-17
IPL	Harding St #7	Valves / Exciter	GE	G2	440	Vince Zehne	(317) 261-3648	Oct-17
LG&E	Trimble County 1	Major	GE	G2	511	Kenny Noonan	502-627-4432	Sep-17
Alliant Energy	Columbia U1	Retrofit	GE/Hitachi	G2	600	Jack Bergman	608-745-3608	Mar-17
Santee Cooper	Cross 3	Minor	GE	G2	600	Rob Kallgren	(843) 754-9274	May-16
Amaron	Labadie U4	Major	GE/Alstom	G2	555	Daniel Maners	314-206-9319	Apr-16
SCE&G	Wateree 2	Minor	GE	G2	500	Gary Williams	(803) 217-4021	Apr-16
Alliant Energy	Columbia U2	Retrofit	GE/Hitachi	G2	600	Jack Bergman	608-745-3608	Mar-16
SCE&G	Wateree #1	Major	GE	G2	550	Gary Williams	903 217 4021	Nov-15
Santee Cooper	Cross 2	Valves	GE	G2	600	Rob Kallgren	843-754-9274	Oct-15
LG&E	Trimble Co. #1	Valves	GE	G2	511	Kenny Noonan	502-627-4432	Oct-15
LG&E	Mill Creek 4	Major	GE	G2	525	Kenny Noonan	502-627-4432	Oct-14
LG&E	Ghent 4	Major	GE	G2	525	Kenny Noonan	502-627-4432	Oct-14
Xcel	Cherokee	Minor	GE	G2	600	Garret Durland	303-628-2864	Oct-14
NRG	Bowline Unit 1	Major	GE	G2		Nick Denude	845-786-8077	May-14
NRG	W.A. Parish	HIP Ins	GE	G2	500	Madelyn Guidry	281-343-2127	Feb-14
IPL	Petersburg #2	Major	GE	G2	500	David Everett	812-789-6062	Dec-13
NRG	Big Cajun II #1	HP / IP	GE	G2	500	Chris Benson	225-572-9444	Nov-13
Basin Electric	Laramie River #2	BFPT/Brgs/Vlvs	GE	G2	570	Mike Haroldson	307-322-9601 x3188	May-13
Ameren	Newton Unit 1	LP Retrofit	GE	G2	550	Allen Toennies	618-343-7787	May-13
PacifiCorp	Jim Bridger 2	Retrofit	GE	G2	550	Bob Klein	307-352-4269	May-13
DPL	Killen #2	Major	GE	G2	635	Eric Eads	937-549-2641	Mar-13
PREPA	South Coast #5	Major	GE	G2	550	Sixto Mendez	(787) 448-6817	Feb-13
EKPC	Spurlock 2	Major	GE	G2	600	Tony Ring	606-883-3165	Aug-12

TURNKEY OUTAGE SERVICES PROJECTS

Customer	Plant	Scope	OEM	Type	Size	Contact	Phone #	Date
Basin Electric	Laramie River #1	FPT, Brgs, Cplgs, Valves	GE	G2	570	Mike Haroldson	307-322-9601 x3188	May-12
Luminant	Sandow	Minor (Brigs & Cplgs)	GE	G2	520	Fred Christy	512-314-6283	May-12
IPL	Petersburg #4	Major	GE	G2	600	Dave Everett	812-354-7248	Nov-11
Santee Cooper	Cross #2	Major	GE	G2	600	Jeff Hood	843-351-4586	Nov-11
Santee Cooper	Cross #2	Major	GE	G2	500	KC Patel	843 351 4586	May-11
GenOn	Bowlins, Unit 1	Minor	GE	G2	555	Pete Jones	845-786-8023	Apr-11
Alabama Power	Miller #4	Major	GE	G2	500	Scott Kellum	205-488-2346	Jan-10
SC&G	Wateree #1	Major	GE	G2	700	Gary Williams	803-217-4021	Nov-09
MidAmerican	Neal #4	Major	GE	G2	700	Kent Gray	712-277-6344	Nov-09
LG&E	Trimble County #1	Major	GE	G2	650	Kenny Noonan	502-627-4432	Oct-09
AES	Petersburg #3	Valves	GE	G2	583	David Mitchell	317-261-8513	Oct-09
SC&G	Wateree #1	Major	GE	G2	700	John Knight	803-217-4041	Oct-09
JEA	JURPP #1	Major	GE	G2	500	Wayne Walters	904-665-8864	Apr-09
Pacificorp	Bridger #1 RE	Major	GE	G2	508	Bob Klein	307-382-9141	Nov-08
Louisville Gas & Elec	Trimble County	Major	GE	G2	600	Kenny Noonan	502-933-6690	Oct-07
Louisville Gas & Elec	Ghent #4	Major	GE	G2	510	Marlon Maxey	502-347-4149	Mar-07
NiSource	Schafer #15	Valves	GE	G2	550	Ken Tillich	219-477-6274	Oct-05
Basin Electric	Laramie River #2	Major	GE	G2	550	Sam Keller	701-355-5578	May-05
Georgia Power	Scherer #4	Major	GE	G2	500	Gene Franklin	912-993-3665	Apr-05
AMEREN	Newton	Valves	GE	G2	500	Paul Hardiek	618-783-0397	Apr-05
Georgia Power	Scherer #3	Major	GE	G2	500	Gene Franklin	912-993-3665	Mar-05
Basin Electric	Laramie River #2	Major	GE	G2	560	Sam Keller	701-355-5578	May-04
Georgia Power	Scherer #1	Major	GE	G2	500	Gene Franklin	912-993-3665	Mar-04
Georgia Power	Scherer #4	Major	GE	G2	500	Gene Franklin	912-993-3665	Mar-04
Louisville Gas & Electric	Mill Creek #3	Major	GE	G2	500	Kenny Noonan	502-933-6690	Mar-04
TMPA	Gibbons Creek	BFPT	GE	G2	550	Bruce Parlow	936-873-1116	Mar-03
Georgia Power	Plant Scherer #1	Major	GE	G2	550	Gene Franklin	912-993-3665	Mar-03
Florida Power & Light	Turkey Point #1	Major	GE	G2	550	Rick Diaz	305-242-3814	Mar-03
Jacksonville Elec.	St. John's River #2	Minor	GE	G2	550	Tom Scarborough	904-665-8927	Mar-03
Cinergy	Gibson #4	Major	GE	G2	550	Ed Heaton	812-386-4214	Feb-03
Georgia Power	Plant Scherer #3	Minor	GE	G2	550	Gene Franklin	912-993-3665	Jan-03
Louisville Gas & Elec.	Ghent #4	Minor	GE	G2	500	T. Harrison	502-347-5383	Oct-02
Georgia Power	Plant Scherer	Minor	GE	G2	500	G. Franklin	912-993-3665	Jan-02
Louisville Gas & Elec.	Trimble County	Major	GE	G2	500	K. Noonan	502-933-6690	Oct-01
AES - Edwards	Edwards	Minor	GE	G2	500	T. Rushmeyer	309-633-2450	Mar-01
Georgia Power	Scherer	Minor	GE	G2	500	G. Franklin	912-994-0022	Feb-01
Florida Power & Light	Port Everglades	Minor	GE	G2	500	G. Griffith	561-691-2411	Nov-00
LG&E	Trimble County	Minor	GE	G2	500	K. Noonan	502-627-4432	Oct-00

TURNKEY OUTAGE SERVICES PROJECTS

Customer	Plant	Scope	OEM	Type	Size	Contact	Phone #	Date
Central Hudson E&G	Roseton- #1	Minor	GE	G2	600	M. Acensi	914-563-4944	Mar-00
Central Hudson	Roseton-# 1	Minor	GE	G2	600	L. Bahl	914-563-4944	Mar-99
Central Hudson	Roseton-1	Minor	GE	G2	570	S. Fogarty	914-563-4948	Apr-98
Duquesne Light	Cheswick-1	Major	GE	G2	525	J. Fenningwerth	412-274-6822	Mar-98
South Carolina Elec. & Gas	Waterree-2	Major	GE	G2	356	D. Blanks	803-988-8233	Mar-98

OEM (Original Equipment Manufacturer)

BBC = Brown Boveri **MI** = Mitsubishi
DL = DeLaval **SW** = Siemens Westinghouse
DR = Dresser Rand **TO** = Toshiba
GE = General Electric **WE** = Westinghouse
GEC = GEC Alsthom

SCOPE CODES

NI = New Installation
CT = Combustion



2020 RATE SCHEDULE
 U.S. and CANADA (01/01/20 THRU 12/31/20)

	Hourly Rates (Note 2)	
	S.T.	O.T.
Engineering Rates		
Field Engineer, Technical Field Advisor, Generator Specialist	\$ 236.00	\$ 354.00
Project Management, Steampath Engineering Supervision	\$ 257.00	\$ 385.50
Engineering Consultant, Specialty Field Engineer	\$ 321.00	\$ 481.50
<i>Controls, Excitation, Balancing, Alignment, Shell/Casing Repair</i>		
Principal Engineer	\$ 367.00	\$ 550.50
Labor Rates		
Steampath Specialist, Lead Seal Technician, CAD Designer, Reverse Engineering Technician.....	\$ 184.00	\$ 276.00
Steampath Work Leader	\$ 138.00	\$ 207.00
Steampath Technician	\$ 126.50	\$ 190.00
<i>Blader, Machinist, Welder, Seal Technician</i>		
Gas Turbine Bucket/Blade Specialist	\$ 190.00	\$ 285.00
Gas Turbine Repair Technician	\$ 146.00	\$ 219.00
Generator Technician	\$ 178.00	\$ 267.00
Craft Labor, Administrative/Clerical.....	Available upon request	
Equipment, Parts, Services		
	Daily	Weekly
Turbine Tool Container	\$1,265.00	\$7,590.00
Purchased/Subcontracted Parts and Services	Cost + 17%	
Steampath Consumables	\$ 12.00/person/hour	
Travel and Living Expenses		
Per Diem	\$ 250.00/person	
Travel Expenses	Cost + 10%	
Personal Vehicle (to and from worksite)	IRS Standard Rate + 10%	

NOTES:

1. Rates are based on a minimum of ten (10) hours per day, six (6) days per week per person, unless noted differently in the proposal. Any required stand-by time will be billed at S.T. rates and limited to ten (10) hours per day, six (6) days per week per person.
2. O.T. is defined as work over eight (8) hours on weekdays and all hours worked on Saturdays, Sundays, and Holidays.
3. Pricing does not include shipping and freight, which will be invoiced at cost plus 17%.
4. Rate excludes weld filler materials in some high deposition applications and all silver solder.
5. Firm price per diem rate includes local transportation, lodging, meals, laundry, communications and incidentals and will be invoiced on a 7 day per week basis. Price shown is based on rural to medium suburban areas. Large metropolitan locations (such as NYC, Chicago, Los Angeles, etc.) or locations where seasonal/special event rates apply will be quoted upon request.
6. Travel hours will be invoiced on a straight time basis for actual hours traveled, not to exceed 8 hours.

TERMS:

1. Payment terms – Net 30 days.
2. 1½% per month finance charge applied to late payments.
3. All prices in U.S. Dollars.
4. Subject to MD&A TERMS AND CONDITIONS, SALE OF SERVICES AND PARTS (dated 9/11/17).

2020 MD&A Tool/Equipment Rental Schedule
 is available upon request.

MD&A LLC, 19 British American Blvd., Latham, NY 12110
 Tel: 518-399-3616, Fax: 518-399-3929
WWW.MDATURBINES.COM



2020 TOOL/EQUIPMENT RENTAL SCHEDULE

U.S. and CANADA
(01/01/20 THRU 12/31/20)

Equipment Rentals <i>(Note 1)</i>	<u>Daily</u>	<u>Weekly</u>
Turbine Tool Container	\$ 1,265.00	\$ 7,590.00
Generator Repair Equipment and Tool Rental		
Induction Heating Set	N/A	\$ 6,800.00
Generator Tool Trailer	N/A	\$ 2,950.00
Power Rollers	N/A	\$ 1,650.00
Field Removal System	N/A	\$ 8,620.00
Stator Cooling Water Vacuum-Pressure Test Skid	\$ 685.00	\$ 4,110.00
Voltage Regulator Test Set	\$ 105.00	\$ 630.00
AC Hi-Pot	\$ 570.00	\$ 3,420.00
Test Box	\$ 310.00	\$ 1,850.00
Stator EICid Test Equipment.....	\$ 915.00	\$ 5,490.00
Specialty Generator Equipment.....	Available upon request	
Turbine Repair Equipment and Tool Rental		
Portable Lathe (over 60 tons)	\$ 660.00	\$ 3,950.00
Portable Lathe (60 tons or less)	\$ 467.00	\$ 2,800.00
Portable Machine Shops	\$ 500.00	\$ 3,000.00
Line Boring Bars (1 1/2" to 4" diameter)	\$ 355.00	\$ 2,130.00
Line Boring Bars (over 4" diameter)	\$ 375.00	\$ 2,250.00
Vertical Turning Lathe/Boring Machine	\$ 265.00	\$ 1,590.00
Flange Facing Machine.....	\$ 250.00	\$ 1,500.00
Metal Disintegration Machine (MDM)	\$ 990.00	\$ 5,940.00
Stud Removal Machine.....	\$ 310.00	\$ 1,860.00
Lamina Hydraulic Drill and Power Pack	\$ 420.00	\$ 2,520.00
Cylinder Boring Machine	\$ 285.00	\$ 1,710.00
Portable Honing Machine	\$ 135.00	\$ 800.00
CNC Milling Machine	\$ 260.00	\$ 1,560.00
Three Axis Master Milling Machine	\$ 275.00	\$ 1,650.00
Knee Milling Machine, 24"	\$ 310.00	\$ 1,860.00
Bucket/Blade Milling Machine	\$ 142.00	\$ 850.00
Punch Press	\$ 142.00	\$ 850.00
Cover/Shroud Roller	\$ 142.00	\$ 850.00
Welding Machine	\$ 150.00	\$ 900.00
Laser Joint Flatness Measurement Instrumentation	\$ 365.00	\$ 2,190.00
Welding Package (manual welding machine, cables, stingers)	\$ 165.00	\$ 990.00
Automatic MIG Orbital Welding System (no consumables included)	\$ 465.00	\$ 2,790.00
Automatic TIG Orbital Welding System (no consumables included)	\$ 1,250.00	\$ 7,500.00
ASME Certified Weld Procedures (labor supervisor required)	\$2,800.00/procedure/use	
Heat Treating Equipment (6-ways, heating pads, thermocouples, etc.)	\$ 325.00	\$ 1,950.00
Turbobalancer	\$ 308.00	\$ 1,848.00
ADRE 408.....	\$ 500.00	\$ 3,000.00
Rotor Shipping Skids and Containers.....	Available upon request	
Other Tooling and Equipment	Available upon request	

NOTES:

1. Pricing does not include shipping and freight. Shipping and freight will be invoiced at cost plus 17%.
2. Rate does not include consumables. All consumables will be charged at cost plus 17%.
3. Requires the use of an MD&A Specialty Field Engineer (not included in rental rate).

TERMS:

1. Payment terms – Net 30 days.
2. 1 1/2% per month finance charge applied to late payments.
3. All prices in U.S. Dollars.
4. Subject to MD&A TERMS AND CONDITIONS, SALE OF SERVICES AND PARTS (dated 9/11/17).

2020 MD&A Rate Schedule

is available upon request.

MD&A LLC, 19 British American Blvd., Latham, NY 12110
Tel: 518-399-3616, Fax: 518-399-3929
WWW.MDATURBINES.COM



WORK IN PROGRESS

Week of 6/8/20

CUSTOMER/PLANT:	Domestic or International	STATE
AEP / Clinch River	D	West Virginia
AES / Andres	I	Dominican Republic
Atlantic Power / Cadillac	D	Michigan
Birla Columbia Chemical	D	Georgia
Brazos Electric Power / Jack County	D	Texas
CalEnergy Operating Corp.: Region 1	D	California
Calpine / Bosque	D	Texas
Calpine / Geysers	D	California
Cardinal Operating Company / Cardinal	D	Ohio
Central Agro Industrial Guatemalteca, SA / Ingenio	I	Guatemala
City of Austin TX / Sand Hill	D	Texas
City Public Service / Spruce	D	Texas
Colorado Springs Utilities / Ray D. Nixon	D	Colorado
Detroit Edison / Belle River	D	Michigan
Detroit Edison / Greenwood (MI)	D	Michigan
Dhuruma Electricity Company / Riyadh PP 11 Thermal	I	Saudi Arabia
Dominion / Gordonsville (2 Jobs)	D	Virginia
Dominion Energy / Chesterfield	D	Virginia
Dominion Energy / Columbia Energy Center	D	South Carolina
Dominion Energy / Gordonsville	D	Virginia
Dominion Energy / Possum Point	D	Virginia
Dow Chemical / Plaquemine Cogen	D	Louisiana
EDF Energy (Thermal Generation) / West Burton	I	United Kingdom
Emmissions Group	D	Texas
Enmax Calgary	I	Canada
Evergreen Packaging / Pine Bluff Mill	D	Arkansas
Fairless Energy	D	Pennsylvania
FirstEnergy Corporation / Fort Martin	D	West Virginia
Georgia-Pacific LLC / Toledo Mill	D	Oregon
Grand River Dam Authority / Coal Fired Complex	D	Oklahoma
GRDA	D	Oklahoma
Hermiston Power	D	Oregon
International Paper / Pensacola Mill	D	Florida
IP / Franklin	D	Matt Chamberlin
JBA International FZC	I	UAE
Kentucky Power Company (AEP) / Mitchell	D	Kentucky
Kentucky Utilities / Ghent	D	Kentucky
LG&E / Mill Creek	D	Kentucky
Lincoln Electric System / Rokeby Generation Station (7EA)	D	Nebraska
Louisville Gas and Electric / Trimble County	D	Kentucky



WORK IN PROGRESS

Week of 6/8/20

CUSTOMER/PLANT:	Domestic or International	STATE
LS Power / Santa Rosa	D	Florida
MHPS (501F)	D	Florida
MHPS / Prepa	I	Puerto Rico
MHP SA / FPL	D	Florida
MHP SA / Orlando	D	Florida
Nebraska Public Power District: / Gerald Gentleman	D	Nebraska
Nova Scotia / Trenton (MHPS)	I	Canada
Oglethorpe / Hartwell (V84 HPG)	D	Georgia
PacifiCorp / Hunter	D	Utah
PacifiCorp / Naughton	D	Wyoming
Perennial Power / Hermiston	D	Oregon
Power Gen / Trinidad	I	Trinidad & Tobago
Prairie State Generating Company / Prairie State	D	Illinois
Puerto Rico Electric Power Authority / Palo Seco	I	Puerto Rico
PW Woodgroup (GG8) Bloomfield	D	New Mexico
Quezon Power (Philippines) / Limited Company	I	Phillipines
Rolls Wood Group (Houston) 501K34	D	Texas
Salt River Project / Coronado	D	Arizona
Salt River Project / Santan	D	Arizona
Santee Cooper / Cross	D	South Carolina
Santee Cooper / Winyah	D	South Carolina
Saudi Electric / Rabigh	I	Saudi Arabia
SRP / Gila River (new spare Sets)	D	Arizona
Starwood Energy / Quail Run	D	Texas
Tokyo Electric	D	Japan
Veolia / Kilpilahti	I	Finland
Washino	I	Japan
WestRock / Fernandina Beach	D	Florida
WestRock / North Charleston Mill	D	South Carolina
WestRock / Panama City Mill	D	Florida
WestRock / Roanoke Rapids Mill	D	North Carolina
WestRock / St. Paul	D	Minnesota
XCEL / Plant X	D	Texas
XCEL / Red Wing	D	Minnesota

**UNIT 5 TURBINE-GENERATOR INSPECTION
AT COSTA SUR POWER PLANT
(OPTION A – BEARING INSPECTION)
REQUISITION 241109**

APPEAR

AS FIRST PARTY: 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 83 of May 2, 1941, as amended, represented in this act by its Chief Executive Officer/Executive Director, Mister José F. Ortiz Vázquez, of legal age, married, professional engineer, and resident of San Juan, Puerto Rico.

AS SECOND PARTY: [contractor's name] hereinafter referred to as "the Contractor", a [partnership or corporation] organized and existing under the laws of [State], authorized to do business in Puerto Rico, represented in this act by its [title], [name], of [legal status], and resident of [domicile], by virtue of [document that certifies representative powers] dated as [effective document date].

Both, PREPA and Contractor which are hereinafter referred to individually as a "Party" and jointly as "Parties",

WHEREAS, PREPA, by virtue of its enabling act, Act 83 of May 2, 1941, as amended (Act 83), has the authority to engage those professional, technical and consulting services necessary and convenient to the activities, programs, and operations of PREPA;

WHEREAS, this Contract was awarded to the Contractor on [INSERT DATE] by means of an emergency competitive process [INSERT COMPETITIVE PROCESS NUMBER].

WITNESSETH

THEREFORE, IN CONSIDERATION of the mutual covenants hereinafter stated, the Parties agree themselves, their personal representatives, successors, and assignees, as follows:

TERMS AND CONDITIONS

ARTICLE 1. Scope of Work

The Contractor shall furnish and provide all work, labor, materials, tools, municipal taxes, equipment, inspection, supervision, all necessary services, job administration, municipal and service taxes, and superintendence, required for the Unit 5 Turbine-

Generator Inspection Work (Option A-Bearing Inspection or Option B- Open-Inspect-Close) at Costa Sur Power Plant. In accordance with the specifications stated in herein attached.

All the services described in this Article 1 shall be defined in this Contract as the "Works".

Article 2. Definitions

Whenever the words defined in this Article or their pronouns are used or mentioned in this Contract, they shall have the meanings here given:

2.1 Contracting Officer - shall mean the Chief Executive Officer/Executive Director of PREPA, acting directly or through his properly authorized agents.

2.2 Contract - shall mean, collectively, the documents listed below and all supplementary documents thereto that are incorporated by reference. In the event of a conflict between any such documents, the following descending order from top to bottom shall constitute the order of priority governing the interpretation of the Contract (beginning with the Contract as the top priority):

- a. Contract
- b. Terms and Conditions
- c. Project's Scope of Work
- d. PREPA's Proposal Form
- e. Questions and Answers during the procurement process
- f. Contractor's Proposal

In case of any difference between the terms and conditions of this Contract and the terms of Contractor's Proposals, the terms and conditions of this Contract shall govern.

2.3 Completion Date – date in which all tasks and project scope had completed.

2.4 Change Order - a written agreement between the Parties that sets out changes in price, time, or the Scope of Work.

2.5 Engineer - shall mean PREPA's Generation Director, acting directly or through his properly authorized agents.

- 2.6 Final Acceptance – shall mean written approval by PREPA that the entire work has been completed.
- 2.7 Notice to Proceed - a written order sent to the Contractor by the Contracting Officer or the Engineer, notifying the contractor giving authority to begin the Work or separate portions of the Work, as established in this Contract.
- 2.8 Scope of Work – are all the specific requirements, regulations and/or directions covering particular conditions of the project.
- 2.9 Substantial Completion - shall mean the date certified by PREPA, that the Contractor shall reach the stage of completion of the Works.

ARTICLE 3: Consideration

The Contract Amount is an estimate based in time and material rates. As compensation for services rendered under this Contract, PREPA and the Contractor agree that the total amount to be paid under this Contract shall not exceed _____ (\$_____). PREPA shall have no obligation to pay the Contractor any amounts in excess of the Contract ceiling price. Contractor shall have no obligation to perform any work in excess of the Contract ceiling price. The Contractor will be the only one responsible for any works it or any of its subcontractors, if any, does in excess of the Contract Amount, unless otherwise agreed to in writing, signed by the Parties.

The rates quoted in Contractor's Proposal shall constitute full compensation for the the Unit 5 Turbine-Generator Inspection Work (Option A-Bearing Inspection or Option B-Open-Inspect-Close) at Costa Sur Power Plant, including but, not limited to: labor, tools, equipment, other accessories, cost of all insurance, profit, Contractor's overhead, profit, taxes, etc.

The Contractor shall submit its invoices for work already done according to the payment schedule approved by the Engineer, together with the supporting documents.

The invoices submitted by Contractor must be approved by the Engineer and must be accompanied by the proper supporting documents (such as inspection certifications,

work reports and third-party invoices, if any). No invoices shall be accepted for evaluation without the required documents.

PREPA reserves the right to deduct or withhold any payment under this Contract, until the Contractor complies with any debts or liabilities as a result of poor performance or negligence during the performance of the Works.

All invoices shall be subject to PREPA's approval before being paid, and its payment shall be done within sixty (60) days after the date of PREPA's approval.

Upon completion and Final Acceptance of all Works required hereunder, the amount due to the Contractor, under this Contract, will be paid upon the presentation of a properly executed and duly certified invoice the amount of such excepted claims is not included in the invoice for final payment.

All invoices submitted by the Contractor shall include the following Certification in order to proceed with its payment. This is an essential requirement and those invoices without this Certification, will not be processed for payment.

No interest Certification:

Under penalty of absolute nullity, I hereby certify that no employee, official or director of PREPA is a party or has any interest in the profits or benefits to be obtained under this Contract, or if any employee, official or director of PREPA has any interest in the profits or benefits under this Contract or a waiver has been previously obtained. I, also certify that the only consideration to provide the services under this Contract is the payment agreed with PREPA's authorized representative.

The total amount of this invoice is fair and correct. The works were completed, the services were provided and no payment has been received for said concept.

Contractor's Signature

Nothing herein shall preclude the Parties from agreeing to increase the Contract Amount by written amendment signed by both Parties.

The funds to pay for the services performed by the Contractor will come from account 01-1748-17563-555-354.

ARTICLE 4: Commencement, Prosecution and Completion of Work

PREPA will provide a mobilization letter to the Contractor, prior to begin the Work. All Work shall be performed on fourteen (14 (Option A) or 27 (Option B)) days on a continuous schedule, after the commencement date, specified by PREPA in the

mobilization letter. All Work shall be previously coordinated with the Engineer. Any Work performed without the Engineer's approval will not be subject to payment by PREPA.

Schedule of Proposed Progress

All work on a particular unit shall be carried out on a continuous schedule following the commencement date specified by PREPA.

ARTICLE 5: Suspension of Work

The Contracting Officer or the Engineer may, at any time, suspend the whole or any portion of the works under this Contract, by providing the Contractor with a written notice stating the reasons for the suspension, at least five (5) days in advance of the day the suspension. The right of PREPA to suspend the services shall not be construed as denying the Contractor reimburse for actual reasonable, and necessary expenses due to delays, caused by such suspension, it being understood that expenses will not be allowed for such suspension when ordered by the Contracting Officer or the Engineer on account of a force majeure event, as defined in Article 9, Force Majeure, of this Contract.

ARTICLE 6. Changes and/or Extra Work

PREPA may, at any time, make changes or order extra work within the Scope of Work subject to previous written approval of the Contracting Officer. Changes requested by PREPA may include, but not limited to, changes:

1. In the specifications including drawings and design.
2. In the method or schedule of performance of the Works.
3. Acceleration in the performance of the Works.

Within ten (10) working days after receipt of PREPA's written Change Order (or such shorter or longer period of time as may be reasonably required as agree by PREPA and the Contractor), Contractor shall promptly notify PREPA of the cost, schedule and other impact(s) Contractor anticipate as a result of the change. If PREPA agrees with the Contractor's statement as to the impact of the change, the Parties shall proceed promptly to enter into a written change order and amendment to the Contract, in connection with such change to equitably adjust: Contractor's cost (increase or

decrease), schedule (lengthen or shorten), or other obligations under the Contract regarding such change. PREPA shall promptly notify Contractor in writing of the basis for any disagreement and PREPA and Contractor shall negotiate in good faith to resolve any issues in order to, when applicable, enter into a written change order to: equitably adjust Contractor's cost (increase or decrease), schedule (lengthen or shorten), or other obligations under the Contract regarding such change. The acceptance of the Change Order and an adjustment in the Contract Amount and/or Contract Term shall not be unreasonable withheld.

In order to facilitate review of quotations for extras or credits, all proposals submitted by Contractor in connection with a Change Order shall be accompanied with a complete breakdown of the costs including: labor, materials, equipment and subcontracts.

ARTICLE 7. Other Work at the Site

PREPA reserves the right to perform other work by force account and/or enter into other contracts related with these Works. The Contractor shall afford PREPA and the other contractors reasonable opportunity to introduce and storage their materials and execute their work and coordinate its work with theirs. If any part of Contractor's Work, depends for proper execution or results, upon the work of PREPA or of any other contractor, the Contractor shall inspect the works and promptly report to PREPA any defects in such work or any conflicts between such work and Contractor's Work, for PREPA to decide, if necessary, the course of action to be followed by each party.

Wherever work being done by PREPA's own forces or by other contractors is contiguous to work covered by this Contract, the respective rights of the various interests involved shall be established by PREPA to secure the completion of the various portions of the work in general harmony. Whenever, in the opinion of PREPA, the orderly progress of the entire services requires the use of PREPA's own forces or by other contractors, PREPA will arrange with the Contractor for such use, at times, and in locations which will

ARTICLE 8: Access to Work

The Contractor shall always permit all persons appointed or authorized by PREPA to visit and inspect the Work or any part thereof.

ARTICLE 9: Force Majeure

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 event not caused by the fault or negligence of, 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 services 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 were not caused by the fault or negligence of the party claiming the force majeure event, 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.

The Contractor is responsible under a predicted force majeure event to take immediate action and employ emergency plans to avoid human hazards and protect public and private properties within or adjacent Work's areas.

ARTICLE 10. Liabilities

11.1 Civil Responsibility

The appearing parties agree that their responsibilities for damages under this Contract will be governed by the Puerto Rico Civil Code and its case law, as dictated by the Supreme Court of Puerto Rico.

11.2 Indirect or Consequential Damages

The Contractor shall not be responsible for indirect or consequential damages that may occur in relation to the Services performed.

11.3. Direct Damages to PREPA's Property

The Contractor shall be insured for all direct damages to PREPA's property that occur as a result of his fault or negligence in connection with the prosecution of the Work, and shall be responsible for the proper care and protection of all materials, equipment and work performed until completion of Work.

11.4. Protection against the Occurrence of Damages

The Contractor agrees to make, use, provide, and take all proper, reasonably necessary and enough precautions, safeguards, and protection against the occurrence of injuries, death and/or damages to any person or property during the progress of the Work. In the performance of its obligations under the Contract, Contractor agrees to comply with all applicable local and federal laws and regulations.

11.5. Save and Harmless Clause

The Contractor agrees to indemnify and save harmless PREPA for all expenses and costs of any nature (including attorneys' fees) incurred by PREPA arising out of any claim made by any person for personal injuries, including death, sustained by any person, including Contractor's employees, and for damages to third party property to the extent such injuries, death or third party damages are caused by the fault, negligent acts or omission of Contractor, its employees, subcontractors or affiliated companies, arising out of its or their performance and/or failure to perform the Works.

11.6. Save Harmless for Operation of PREPA's Equipment

The operation of PREPA's equipment by PREPA at its plant site is within the exclusive control of PREPA. PREPA shall indemnify and save harmless the Contractor from loss, expense or liability imposed upon the Contractor for any injury to a person, including death resulting therefrom or damage to any property resulting from the operation of such equipment by PREPA.

If the Contractor is allowed to operate PREPA's equipment at the plant, the Contractor shall indemnify and save harmless PREPA from loss, expense or liability imposed upon PREPA for any injury to a person, including death resulting therefrom or damage to any property resulting from the operation of such equipment by the Contractor.

ARTICLE 12: Independent Contractor

The Contractor shall be considered as an independent contractor, for all material purposes under this Contract, and all persons engaged or contracted by the Contractor for the performance of its obligations herein, shall not be considered as employees or agents of PREPA. In consequence, the Contractor is not entitled to any fringe benefits, such as, but not limited to vacations, sick leave, and others.

Contractor is an independent contractor and as such shall be responsible for the payment of all its income taxes, its subcontractors and its individual and employers' withholdings under the applicable tax laws of Puerto Rico or the U.S. Internal Revenue Code.

ARTICLE 13: Termination

Either Party may terminate this Contract for any cause if the other Party: (i) becomes insolvent, or (ii) substantially breaches a material obligation, which does not otherwise have a specified contractual remedy. If PREPA terminates the Contract, PREPA shall pay to the Contractor all portions of the Work completed. 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 Contractor in the performance of its obligations under the Contract.

If PREPA terminates the Contract in accordance with this Article, PREPA may take possession of the premises, and of all materials, tools, and appliances thereon, and finish the work by whatever method it may deem convenient. In such a case, the Contractor shall not be entitled to receive any further payment until the Work is finished. If the unpaid balance of the Contract Amount shall exceed the expenses of finishing the

Work, including compensation for additional managerial and administrative services, such excess shall be paid by the Contractor. If such expenses shall exceed such unpaid balance, the Contractor shall pay the difference to PREPA of the expenses incurred by PREPA as herein provided. The remedies established in this Article, shall be each Party's sole and exclusive remedies by reason of such termination. PREPA shall have the right to terminate this Contract immediately in the event of negligence, dereliction of duties or noncompliance by the Contractor.

The Parties acknowledge that PREPA is undergoing a transformation process, and therefore, both Parties agree that in the eventuality of the execution of a Partnership Contract, Sale Contract or any other PREPA Transaction (as these terms are defined in Act 120-2018), PREPA may sell, assign, convey, transfer, pledge, mortgage, sublease, delegate, hypothecate, or otherwise dispose (each, a "Transfer") any of its rights, title, or interest (by novation or other instrument) in this Agreement as permitted by applicable law and at any time, and without Contractor's consent or cost, expense or incremental liability to PREPA, to any future operator of Puerto Rico's electric power transmission and distribution system or any of its affiliates, or to any governmental agency, body, public corporation or municipality of Puerto Rico; provided, that PREPA shall notify Contractor no later than thirty (30) days before the effective date of any such Transfer. The Contractor acknowledges that all his responsibilities and obligations under the Contract, such as work to be performed and services to be provided, etc., will continue in full force and effect until the expiration of the thirty (30) day period.

ARTICLE 14: Insurance and Bonds

The Contractor shall secure and maintain in full force and effect during the life of this Contract as provided herein, policies of insurance covering all operations engaged in by the Contract as follows:

14.1 Commonwealth of Puerto Rico Workmen's Compensation Insurance:

The Contractor shall provide workmen's compensation insurance as required by Act No. 45 of April 18, 1935, as amended, known as the Workmen's Compensation Act of the Commonwealth of Puerto Rico ("Act 45"). Contractor

shall also be responsible for compliance with Act 45 by all its subcontractors, agents and invitees, if any, or shall certify that such subcontractors, agents and invitees have obtained said policies on their own behalf. Contractor shall furnish to PREPA a certificate from the Puerto Rico's State Insurance Fund showing that all personnel employed in the work are covered by the workmen's compensation insurance, in accordance with this Contract.

14.2 Commercial General Liability Insurance:

The Contractor shall provide a Commercial General Liability Insurance with limits of at least \$1,000,000 per occurrence and at least \$1,000,000 aggregate.

14.3 Commercial Automobile Liability Insurance:

The Contractor shall provide a Commercial Automobile Liability Insurance with limits of at least \$1,000,000 combined single limit covering all owned or scheduled autos, non-owned and hired automobiles.

14.4 Employer's Liability Insurance:

The Contractor shall provide Employer's Liability Insurance with minimum bodily injury limits of at least \$1,000,000 for each employee and at least \$1,000,000 for each accident covering against the liability imposed by Law upon the Contractor as result of bodily injury, by accident or disease, including death arising out of and in the course of employment, and outside of and distinct from any claim under the Workmen's Compensation Act of the Commonwealth of Puerto Rico.

Requirements Under the Policies:

The Commercial General Liability and Commercial Automobile Liability Insurance required under this Contract shall be endorsed to include:

a. As Additional Insured:

Puerto Rico Electric Power Authority

Risk Management Office

PO Box 364267

San Juan, PR 00936-4267

b. A 30 day cancellation or nonrenewable notice to be sent to the above address.

- c. An endorsement including this Contract under contractual liability coverage and identifying it by number, date and parties to the contract.
- d. Waiver of Subrogation in favor of Puerto Rico Electric Power Authority (PREPA).
- e. Breach of Warranties or Conditions:

“The Breach of any of the Warranties or Conditions in this policy by the Insured shall not prejudice PREPA’S rights under this policy.”

Furnishing of Policies:

All required policies of insurance and bonds shall be in a form acceptable to PREPA and shall be issued only by insurance companies authorized to do business in Puerto Rico.

The Contractor shall furnish a certificate of insurance in original signed by an authorized representative of the insurer in Puerto Rico, describing the coverage afforded.

ARTICLE 15: Permits and Licenses

The Contractor shall obtain and maintain all the licenses, permits, and authorizations required to perform all Works and tasks under this Contract, and shall send all notices, pay all fees and related costs, and will comply and will have its subcontractors, if any, and agents comply with all laws, ordinances, rules, and regulations applicable to the Work, in accordance with the drawings and Specifications. Should the Contractor find any discrepancy between the drawings and Specifications and the permits, laws, ordinances, rules, and regulations referred to herein, the Contractor shall proceed immediately to notify PREPA of the discrepancy and shall not continue with the Work until PREPA issues and notifies an order informing the Contractor what changes are necessary and when to proceed with the Work as changed.

ARTICLE 16: Contingent Fees

The Contractor guarantees that he has not employed any person to solicit or secure this Contract upon any agreement for a commission percentage, brokerage or contingent fee. Breach of this guarantee shall give PREPA the right to terminate the Contract or, at its discretion to withhold from the Contract Amount the amount of such commission, percentage, brokerage or contingent fees. This guarantee shall not apply to

commission's payable by contractors upon contract or sales secured or made through bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

ARTICLE 17. Transfer of Funds

If Contractor decides to assign or transfer an amount, due or payable, to which he is entitled for services rendered or goods provided during the term of this Contract, Contractor shall notify PREPA of such transfer of funds, in accordance to the provisions of Act 21-2012. Said notice shall clearly indicate the rights granted, including a copy of the contract under which the assignment or transfer of funds is made, the exact amount of funds to be assigned or transferred, and specific identification information regarding the assignee (full name of the person or company), address and any other contact information.

Contractor acknowledges and agrees that PREPA may deduct any amount, due or payable under this Contract, that Contractor owes; PREPA may retain any said amount if Contractor fails to fulfill its obligations and responsibilities under this Contract, or a claim arises for warranty or defects regarding the services rendered or goods provided under this Contract. Contractor also acknowledges and agrees that PREPA's payment obligation under any assignment of funds will cease upon payment of the outstanding amounts under this Contract. PREPA shall not be required to make payments or transfer any funds for an amount that exceeds the payment to which Contractor is entitled to under this Contract.

ARTICLE 18: Conflict of Interest

The Contractor certifies that he does not receive payment or benefit of any nature for services rendered regularly through an appointment to a governmental agency, body, public corporation or municipality of Puerto Rico.

The Contractor represents conflicting interests when on behalf of a client he must contend for that which it is his duty to oppose to comply with its obligations with another previous, present or potential client. Also, the Contractor represents conflicting interests when his conduct is described as such in the canons of ethic applicable to the

Contractor and his personnel or in the laws or regulations of the Commonwealth of Puerto Rico.

In contracts with partnerships or firms, if any of the partners, directors or employees of the Contractor should incur in the conduct described herein, said conduct shall constitute a violation to the prohibitions provided herein. The Contractor shall avoid even the appearance of the existence of conflicting interests.

The Contractor acknowledges that the Contracting Officer shall have the power to intervene the acts of the Contractor and/or its agents, employees, and subcontractors regarding the enforcement of the prohibitions contained herein. If PREPA should discover the existence of adverse interests with the Contractor, the Contracting Officer shall inform the Contractor, in writing, of PREPA's intention to terminate this Contract within a thirty (30) day period. During said period, the Contractor may request a meeting with the Contracting Officer to present his arguments regarding the alleged conflict of interests, which meeting shall be granted by PREPA in every case of alleged conflict of interests. If the Contractor does not request such a meeting during the specified thirty (30) day period or the controversy is not satisfactorily settled during the meeting, this Contract shall be cancelled.

The Contractor certifies that, at the time of award of this Contract, it does not have any other contractual relation that can enter in a conflict of interest with this Contract. The Contractor also certifies that no public employee has any personal or economical interest in this Contract.

ARTICLE 19: Claims for Labor and Materials

The Contractor shall, at his own expense, assume the defense of and save harmless PREPA from claims for labor and materials and not suffer any procedure or other liens to remain outstanding against any of the property used in connection with the Work; and shall, on request, furnish satisfactory evidence that all persons who have done work or furnished materials have been fully paid. If the Contractor fails to comply with his obligations in this respect, PREPA may take such liens or claims and may withhold from

any monies due to the Contractor such amounts as may be necessary to satisfy and discharge any such claims and any cost and expenses incidental thereto.

ARTICLE 19: Other Contracts

PREPA may award other contracts for additional work, and the Contractor shall fully cooperate with such other contractors, in accordance with Article 7, Other Work at the Site, of this Contract, and carefully fit his own work to that provided under other contracts as may be directed by the Contracting Officer. The Contractor shall not commit or permit any acts which interfere with the performance of work by any other Contractor.

ARTICLE 20: Minimum Wage Rates

Laborers and other employees engaged under this Contract shall be paid not less than the minimum wages rates prescribed by law. PREPA may withhold from any payment due to the Contractor any amount necessary to make up the full amount of wages due under this Contract and may distribute it directly to those entitled thereto hereunder.

ARTICLE 21: Unfair Labor Practice

In the event that the Contractor or any of his subcontractors or agents do not comply with an order issued by the Puerto Rico Labor Relations Board and/or the National Labor Relations Board upon their finding that the Contractor or any of his subcontractors or agents have committed an unfair labor practice, no further payments shall be made by PREPA to the Contractor after the date of said order. In addition, the Contract may be terminated by PREPA, in which case PREPA may take possession of the materials, tools, and appliances on the job site and finish the work by whatever method it may deem expedient.

Any declaration by the Puerto Rico Labor Relations Board and/or by the National Labor Relation Board that the Contractor or its agents have not complied with an order issued by the Board relating to any unfair labor practice, shall be binding, final and conclusive unless such order is reversed or set aside by a Court of competent jurisdiction.

ARTICLE 22: Assignment

The Contractor shall not subcontract or assign its obligations under this Contract, without PREPA's previous written authorization for such actions. Provided, that no subcontract shall be considered for PREPA's approval, except when the following requirements are met: (1) Contractor delivers PREPA a copy of the subcontract, not less than thirty (30) days prior to the effective date of the proposed subcontract; (2) the subcontract includes, as a condition for its legal validity and enforceability, a provision whereby PREPA has the right to substitute, subrogate or assume Contractor's rights under the subcontract, in the event that PREPA declares the Contractor in breach or default of any of the Contract terms and conditions; and (3) the subcontract includes, as a condition for its validity and enforceability, a provision establishing for the subcontractor the obligation to comply with all of Contractor's obligations under the Contract (mirror image clause), except for such obligations, terms and conditions which exclusively related with works or services not included under the subcontract.

If the contractor decides to assign any due or payables, to which he is entitled for services rendered or goods provided during the term of this Contract to a different company affiliate or any third party, provisions in Article 22 Transfer of Funds, of this Contract, shall apply.

ARTICLE 23: Subcontractors

PREPA may invalidate any of the contracts with the subcontractors if PREPA determines that they are detrimental to its best interests.

ARTICLE 24: Novation

The Contractor and PREPA expressly agree that no amendment or change order which could be made to this Contract, during its term, shall be understood as a contractual novation, unless both Parties agree to the contrary, specifically and in writing. This previous provision shall be equally applicable in such other cases where PREPA gives the Contractor a time extension for the compliance of any of its obligations under the Contract or where PREPA dispenses the claim or demand of any of its credits or rights under this Contract.

ARTICLE 25: Patents and Copyrights

The Contractor, at its own expense, shall defend any suit or action brought against PREPA 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 PREPA, constitutes an infringement of any patents or copyrights of the United States, if notified promptly in writing by PREPA, and given the authority, information, and assistance for the defense of the same, and the Contractor shall pay all damages and costs awarded therein against PREPA. If in such suit the equipment or any part thereof, or the composition, secret process, invention, article or appliance, is held to constitute infringement and its use is enjoined, the Contractor, at its option and expense, shall either procure for PREPA the right to continue using the same or replace it with non-infringing equipment, composition, secret process, invention, article or appliance, or modify it so it becomes non-infringing; or remove it and refund the purchase price.

ARTICLE 26: Waivers

No waiver of any breach of this Contract shall be held to be a waiver of any other subsequent breach. All remedies afforded by PREPA in this Contract shall be taken and construed as cumulative, that is, in addition to every other remedy provided herein or by law.

ARTICLE 27: Correction of Work After Final Payment

The final certificate for payment shall not relieve the Contractor of responsibility for faulty materials or workmanship and, unless otherwise specified, Contractor shall remedy any defects due thereto in accordance with the Warranty provisions of this Contract, PREPA shall give notice of observed defects with reasonable promptness. All questions arising under this Article shall be decided by the Engineer, subject to appeal by the Contractor, as provided in Article 34, Disputes, in this Contract.

ARTICLE 28: Disputes

All disputes concerning questions of fact arising under this Contract shall be decided by PREPA's Generation Director within 10 days from the submission of the dispute by

Contractor, subject to written appeal by Contractor to the Contracting Officer within thirty (30) days. Within 10 days thereafter, the Contracting Officer shall inform each Party hereto of his decision regarding the dispute. Contractor, at its option, may elect to accept such decision or pursue remedies at law or equity. Contractor may pursue directly the remedies at law or equity for all other disputes other than questions of fact. Notwithstanding the terms above, each party has the right at any time, at its option and where legally available, to commence an action or proceeding in a court of competent jurisdiction to apply for interim or conservatory measures, but not monetary damages. In the event of a dispute arising during the warranty period, Contractor shall ensure that the Performance Bond remains in full force and effect until such dispute is resolved and all obligations of Contractor under the agreement are duly performed.

ARTICLE 29: Laws to be Observed

Contractor shall observe and comply with any and all federal, state and municipal laws, ordinances and regulations that in any manner affect the Work, the equipment or the materials used in connection with the Works and shall observe all such orders and decrees as exist at present or may be enacted prior to the completion of the Works by agencies or courts having any jurisdiction or authority. Contractor shall save harmless and indemnify PREPA and its representatives, officers, agents and servants for fines and penalties paid by PREPA, including attorney's fees, to governmental authorities as sole result of Contractor's violation of any such law, ordinance, regulation, order or decree, whether by the Contractor or its subsidiaries, affiliates and employees, subject to limits of liability in Article 10, Liabilities, of this Contract.

All permits must always be available on site. The Contractor will be responsible to request any extension to the permits before their expiration that may be due to Work schedules delays. Otherwise, the Contractor will assume the responsibility to pay any late fees or fines.

ARTICLE 30: Change in Law

During the term of this Contract, any change in law, including, but not limited to changes in applicable tax law, which causes an increase in Contractor's costs when supplying

the products or services to be acquired by PREPA, shall be of Contractor's responsibility and PREPA shall not be obliged to make additional payments nor to pay additional sums to the price or canon originally agreed for those products or services.

ARTICLE 31: Choice of Law and Venue

This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico. Also, the contracting parties expressly agree that only the state courts of Puerto Rico will be the courts of competent and exclusive jurisdiction to decide over the judicial controversies that the appearing parties may have among them regarding the terms and conditions of this Contract.

ARTICLE 32: Separability

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.

ARTICLE 33: Discrimination

The Contractor certifies that he is an employer with equal opportunity employment, and does not discriminate against any employee or applicant for employment on account of race, color, gender, age, sex, national or social origin, social status, political ideas or affiliation, religion, for being or perceived to be a victim of domestic violence, sexual aggression or harassment, regardless of marital status, sexual orientation, gender identity or immigrant status, for physical or mental disability, for veteran status or genetic information.

ARTICLE 34: Warranty

The Contractor warrants to PREPA that the Works shall be performed in a competent, diligent manner in accordance with any mutually agreed Specifications. The foregoing warranty for services work shall expire one (1) year after the performance of the Works. No warranty claim shall extend the applicable warranty period.

If the works do not meet the above warranties, PREPA shall promptly notify the Contractor in writing prior to expiration of the warranty period. The Contractor shall at

its option, re-perform defective Work. If regardless of the Contractor's reasonable efforts, a deficient Work cannot be re-performed, the Contractor shall refund or credit the amounts paid by PREPA for such deficient Work. Warranty re-performance by the Contractor shall not extend or renew the applicable warranty period. PREPA shall obtain Contractor's agreement on the execution of any tests it plans to perform to determine if any part of the Work does not comply with the Specifications and warranties.

The Contractor will provide the necessary skill labor for any warranty work that has to be performed in order to comply with the requirements established under this Article.

The warranties and remedies are conditioned upon: (a) proper storage, installation, use, operation, and maintenance of products, (b) PREPA keeping accurate and complete records of operation and maintenance during the warranty period and providing Contractor with access to those records, and (c) modification or repair of products or services only as authorized by the Contractor in writing. Failure to meet any such conditions make the warranty null and void. The Contractor is not responsible for normal wear and tear.

ARTICLE 35: Notice

Any required 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: _____
PREPA's Generation Director

To Contractor: [Contractor's Name]
[Mailing Address]

Attention: [Contractor's representative]

ARTICLE 36: Other Taxes

All unemployment, retirement, and other Social Security contributions and taxes; all sales, use and excise, privilege, business and occupational taxes, and any other taxes or fees payable by the Contractor are and shall be included as part of his prices.

ARTICLE 37: Cleaning Up

The Contractor shall, from time to time, as directed by the Engineer, remove from PREPA's property and from all public and private property all waste and materials resulting from his operations.

Upon completion of the Works, the Contractor shall remove from the area of the Works all remaining rubbish, unused materials, and other like material, belonging to him or used under his direction, and shall hand-in the work area free of contaminants. In the event of his failure to do so, PREPA may proceed with cleanup of the affected areas at Contractor's expense, and his surety or sureties shall be liable, therefore.

ARTICLE 38: Safety Provisions

38.1 The Contractor shall have an Occupational Safety and Health Program and a Safety Officer on the site. A copy of this Program will be delivered to PREPA's Occupational Safety Division. The Program shall comply with the following minimum requirements of a health and safety program:

- a. It shall comply with all requirements from all applicable regulations included in the 29 CFR 1900.1. The Program shall have been updated within the past year from the delivery date to PREPA.
- b. It shall establish the mechanisms used to update and audit compliance with itself.
- c. It shall include an accident or incident investigation procedure. This procedure will always include the preparation of a report, which will be submitted to the Occupational Safety Division of PREPA.

38.2 The Contractor shall submit, for evaluation by the Occupational Safety Division, a copy of a Site-Specific Work Plan. This plan shall include, but not be limited to, the following aspects:

- a. Objectives of the Work Plan

- b. Description of the activities
- c. Occupational safety and health considerations to be addressed before commencement of the project.
- d. Procedures for achieving compliance with the applicable regulations, including, but not limited to:
 - i. Occupational Exposure to Lead (29 CFR 1926.62)
 - ii. Scaffolds (29 CFR 1926 Subpart L)
 - iii. Confined Spaces (29 CFR 1910.146)
 - iv. Occupational Exposure to Noise (29 CFR 1910.95)
 - v. Hazardous Materials (29 CFR 1910 Subpart H)
 - vi. Personal Protective Equipment (29 CFR Subpart I)
 - vii. Hazard Communication (29 CFR 1910.1200)
 - viii. HAZWOPER (29 CFR 1910.120)
 - ix. Fire Protection (29 CFR 1910 Subpart L)
 - x. Commercial Diving (29 CFR 1910 Subpart T)
 - xi. Respiratory Protection (29 CFR 1910.134)
 - xii. Fall Protection (29 CFR 1926 Subpart M)
 - xiii. Electrical (29 CFR 1926 Subpart K)
 - xiv. Welding (29 CFR 1926 Subpart J)
 - xv. Excavations (29 CFR 1926 Subpart P)
 - xvi. Demolitions (29 CFR 1926 Subpart T)
 - xvii. Blasting & Explosives (29 CFR 1926 Subpart U)
 - xviii. Ventilation (29 CFR 1926.57)
 - xix. Tools, Hand, and Powered (1926 Subpart I)
 - xx. Electric Industry (29 CFR 1910.269)
 - xxi. Lockout/Tagout (29 CFR 1910.147)
 - xxii. Asbestos (29 CFR 1910.1001)
- e. It will also include any other regulation or guidelines related to safety and health that could be applicable to the scope of work, and contingency

procedures that include how to proceed in an emergency situation, such as fire or chemical spill, among others.

- g. Copy of the Safety Data Sheets (SDS) of all chemical products to be used during the project, for evaluation and approval by PREPA's Occupational Safety and Health Office (Hazard Communication Section).
 - h. Certification of compliance with medical surveillance requirements, according to scope of work.
 - j. Safety equipment and materials to be used during the project.
 - k. Procedures to verify the work area after each work day and at the end of the project.
 - l. Each Contractor/Subcontractor shall comply with a 100% drug /alcohol free work zone. At minimum, pre-project and post-accident testing is required. A positive post-accident test or positive pre-project test will result in worker dismissal from the project. Testing will be performed in following closely the NIDA standards.
- 38.3 Before commencement of work, the Contractor shall take part in a coordination meeting with the designated Safety Officer and Construction Site Manager, and the project manager on PREPA's behalf. During this meeting the areas to be worked on will be toured, the site-specific work plan will be discussed and reviewed, and amendments to it could be required.
- 38.4 All chemical products to be used shall be classified as Approved or Conditionally Approved by PREPA's Hazard Communication Section.
- 38.5 The Contractor shall comply with all applicable laws, ordinances, rules, regulations and lawful orders of any public authority having jurisdiction for the safety of persons or property or to protect them from damage, injury or loss. He shall erect and maintain, as required by existing conditions and progress of the work, all reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations and notifying owners and users of adjacent utilities.

- 38.6 Compliance with all safety provisions by subcontractors shall be the responsibility of the Contractor.
- 38.7 Contractor agrees that it shall perform all work in compliance with federal, state and local occupational safety and health regulations, as described in the Site Specific Work Plan.
- 38.8 Contractor will not cause or permit any hazardous chemical or product containing a hazardous chemical to be at, or in the vicinity of, any place where any employee, agent, or contractor of PREPA, or any employee of any such agent or Contractor, may be at risk or exposed to hazard as a result thereof during normal use or any foreseeable emergency.
- 38.9 Contractor will defend, indemnify and hold harmless, PREPA, its employees, agents or assignees for any and all direct liabilities and expenses arising out of contractor noncompliance with these clauses irrespective of any other terms of this Contract.

ARTICLE 39: Environmental Conditions

- 39.1 The Contractor covenants and agrees that it shall, at all times during the term of the Contract, and at its sole cost and expense, comply with and assume sole responsibility and liability under all environmental laws applicable to use of or operations at the project site by Contractors, its agents, assigns, and/or employees. Contractor agrees that should it or any of its agents, assigns, or employees know of (a) any violation of environmental law relating to the project site, or (b) the escape, release, or threatened release of any hazardous materials in, on under, or about the project site, Contractor shall promptly notify PREPA in writing of such, and that it will provide all warnings of exposure to hazardous materials in, on, under, or about the project site, in strict compliance with all applicable environmental laws. Further, Contractor covenants and agrees that it shall at no time use, analyze, generate, manufacture, produce, transport, store, treat, release, dispose of, or permit the escape of, or otherwise deposit in, on, under, or about the project site, any hazardous materials, or permit or allow any

of its agents, assigns, or employees to do so. Prior to use of the project site, Contractor shall provide to PREPA an inventory of all equipment and materials stored and/or to be stored at the project site.

39.2 The Contractor shall have available, and close to the working area, the necessary equipment to control, pick-up and clean up any spill that could occur during the performance of the work required by the Contract. The equipment should include all the necessary materials for the waste disposal.

39.3 All Contractor's equipment, including vehicles, to be used in the work area should have an inspection and maintenance program, and be free of any hydrocarbon or hydraulic fluid leakage. If the equipment develops a leakage during the work process, it should be repaired or replaced immediately. While the leaking equipment is removed of the work or it is repaired, it is the Contractor's responsibility the replacement of cloth or absorbent material and drip pans. Traces of hydraulic leakages found during the repairs or modification works must be removed and clean immediately in order to prevent Power Plant Outfalls discharge contamination.

39.4 All areas must be clean and organized to prevent accidents or violations of regulations. All equipment to be used in the work area should be in perfect conditions and have a good maintenance program. A monthly record of maintenance shall be filed by the Contractors and submitted to PREPA. Also, will be responsible to maintain their Operation Center and project area clean and organized.

39.5 The contractor will be responsible to contain, mitigate and dispose any type fuel spill, oils or any other substances due to rupture of generator and rotor equipment, as well as auxiliary's related equipment and over and underground pipelines, tanks or storage containers.

ARTICLE 40: Use of Completed Portions

PREPA shall have the right to take possession of and use any completed or partially completed portions of the Work, notwithstanding the fact that the time for completion of

the entire Works may not have expired, but such taking possession and use shall not be deemed an acceptance of the Work so taken or used or any part thereof. PREPA may require the Contractor to expedite the completion of any part of the Work for provisional use by PREPA and the Contractor shall comply with such request. If such order of completion or prior use increases the cost of the work or delays the work, the Contractor shall be entitled to such extra compensation or extension of time as agreed by the Parties.

The Contractor shall allow PREPA access to its facilities and documents, so that PREPA, through audits and inspections can verify the quality of the labor, equipment, products, services, and any other related items provided by the Contractor. In every case in which the materials or services furnished to PREPA are subcontracted partially or totally, by the Contractor, the Contractor shall request the subcontractor to accept and comply with all the requirements of this Article.

ARTICLE 41: Compliance with the Commonwealth of Puerto Rico Contracting Requirements

The Contractor will comply with all applicable State Law, Regulations or Executive Orders that regulate the contracting process and requirements of the Commonwealth of Puerto Rico.

A. Executive Order No. OE-1991-24 of June 18, 1991 to require certification of compliance with the Internal Revenue Services of the Commonwealth of Puerto Rico: Pursuant to Executive Order Number OE-1991-24 of June 18, 1991, the Contractor will certify and guarantee that it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last five (5) years.

The Contractor, further will certify that it has complied and is current with the payment of any and all income taxes that are, or were due, to the Government of Puerto Rico. The Contractor shall provide, to the satisfaction of PREPA, and whenever requested by PREPA during the term of this Contract, the necessary documentation to support its compliance with this clause. The Contractor will be given a specific amount of time to produce said documents. During the term of this

Contract, the Contractor agrees to pay and/or to remain current with any repayment plan agreed to by the Contractor with the Government of Puerto Rico.

B. Executive Order No. OE-1992-52 of August 28, 1992 to require certification of compliance with the Department of Labor of the Commonwealth of Puerto Rico:

Pursuant to Executive Order Number 1992-52, dated August 28, 1992 amending OE-1991-24, the Contractor will certify and warrant that it has made all payments required for unemployment benefits, workmen's compensation and social security for chauffeurs, whichever is applicable, or that in lieu thereof, has subscribed a payment plan in connection with any such unpaid items and is in full compliance with the terms thereof. The Contractor accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every contractor and Sub Contractor whose service the Contractor has secured in connection with the services to be rendered under this Contract and shall forward evidence to PREPA as to its compliance with this requirement.

C. Government of Puerto Rico Municipal Tax Collection Center: The Contractor will certify and guarantee that it does not have any current debt with regards to property taxes that may be registered with the Government of Puerto Rico's Municipal Tax Collection Center (known in Spanish as Centro de Recaudación de Ingresos Municipales ("CRIM")). The Contractor further will certify to be current with the payment of any and all property taxes that are or were due to the Government of Puerto Rico. The Contractor shall provide, to the satisfaction of PREPA and whenever requested by PREPA during the term of this Contract, Certification issued by the Municipal Revenues Collection Center (MRCC), assuring that Contractor does not owe any tax accruing to such governmental agency. To request such Certification, Contractor will use the form issued by the MRCC (called "CRIM-Certificados, Radicación, Estado de Cuenta y Todos los Conceptos" in the website). The Contractor will deliver upon request any documentation requested by PREPA. During the Term of this Contract, the Contractor agrees to pay and/or to remain current with any repayment plan agreed

to by the Contractor with the Government of Puerto Rico with regards to its property taxes.

The Contractor shall provide a Personal Property Tax Filing Certification, issued by the MRCC which indicates that Contractor has filed its Personal Property Tax Return for the last five (5) contributory terms or Negative Debt certification issued by the MRCC with respect to real and property taxes and a sworn statement executed by Contractor indicating that (i) its revenues are derived from the rendering of professional services, (ii) during the last five (5) years (or the time in which it has been providing professional services) it has had no taxable business or personal property on the 1st of January of each year, (iii) that for such reasons it has not been required to file personal property tax returns, as required under Article 6.03 of Act 83-1991, as amended, and (iv) that for such reason it does not have an electronic tax file in the MRCC's electronic system.

- D. Treasury Department Certification: The Contractor shall furnish a Certification issued by the Treasury Department of Puerto Rico which indicates that Contractor does not owe Puerto Rico Sales and Use taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan and is in full compliance with its terms.
- E. The Contractor shall provide a copy of Contractor's Certificate of Merchant's Registration issued by the Treasury Department of Puerto Rico.
- F. Sales and Use Tax Filing Certificate, issued by the Treasury Department of Puerto Rico: The Contractor shall provide a Puerto Rico Sales and Use Tax Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that Contractor has filed his Puerto Rico Sales and Use Tax for the last sixty (60) contributory periods.
- G. Puerto Rico Child Support Administration (ASUME): The Contractor shall present, to the satisfaction of PREPA, the necessary documentation certifying that the Contractor nor any of its owners, affiliates of subsidiaries, if applicable, have any debt, outstanding debt, or legal procedures to collect child support payments that

- may be registered with the Puerto Rico Child Support Administration (known in Spanish as the *Administración Para El Sustento de Menores (ASUME)*).
- H. The Contractor shall present the Certificate of Incorporation, or Certificate of Organization or Certificate of Authorization to do business in Puerto Rico issued by the Puerto Rico Department of State.
- I. The Contractor shall present a Good Standing Certificate issued by the Puerto Rico Department of State.
- J. Social Security and Income Tax Retentions: In compliance with Executive Order 1991 OE-24; and C.F.R. Part 404 et. Seq., the Contractor will be responsible for rendering and paying the Federal Social Security and Income Tax Contributions for any amount owed as a result of the income, from this Contract.
- K. Income Tax Retention Law: PREPA shall deduct and withhold ten percent (10%) of any and all payments to residents of the Commonwealth of Puerto Rico as required by the Internal Revenue Code of Puerto Rico. In case of US citizens and Non US citizens, which are nonresidents of the Commonwealth of Puerto Rico the Contractor will retain twenty percent (20%) and twenty-nine percent (29%) respectively. PREPA will remit such withholdings to the Government of Puerto Rico's Treasury Department (known in Spanish as *Departamento de Hacienda de Puerto Rico*). The Contractor will request PREPA not to make such withholdings if, to the satisfaction of PREPA, the Contractor timely provides a release from such obligation by the Puerto Rico's Treasury Department. 3 L.P.R.A. § 8611 et seq., 2011 L.P.R. 232; 232-2011.
- L. Special Contribution for Professional and Consulting Services: As required by Act 48-2013, as amended, PREPA will withhold a special contribution of one-point five percent (1.5%) of the gross amounts paid under this Contract.
- M. Compliance with Act 1-2012 of Governmental Ethics: The Contractor will certify compliance with Act 1-2012, as amended, known as the Ethics Act of the Government of Puerto Rico, which stipulates that no employee or executive of PREPA nor any member of his/he immediate family (spouse, dependent children

or other members of his/her household or any individual whose financial affairs are under the control of the employee) shall have any direct or indirect pecuniary interest in the services to be rendered under this Contract, except as may be expressly authorized by the Governor of Puerto Rico in consultation with the Secretary of Treasury and the Secretary of Justice of the Government. 3 L.P.R.A. § 8611 et seq.

- N. Act. 168-2000: Law for the Strengthening of the Family Support and Livelihood of Elderly People: The Contractor will certify that if there is any Judicial or Administrative Order demanding payment or any economic support regarding Act 168-2000, as amended, the same is current and in all aspects in compliance. Act 168-2000 "*Law for the Strengthening of the Family Support and Livelihood of Elderly People*" in Spanish: "*Ley para el Fortalecimiento del Apoyo Familiar y Sustento de Personas de Edad Avanzada*", 3 L.P.R.A. §8611 et seq.
- O. Act. 127-2004: Contract Registration in the Comptroller's Office of Puerto Rico Act: Payment for services object of this Contract will not be made until this Contract is properly registered in the Office of the Comptroller of the Government of Puerto Rico pursuant to Act. No. 18 of October 30, 1975, as amended.
- P. Dispensation: Any and all necessary dispensations have been obtained from any government entity and that said dispensations shall become part of the contracting record.
- Q. Rules of Professional Ethics: The Contractor acknowledges and accepts that it is knowledgeable of the rules of ethics of his/her profession and assumes responsibility for his/her own actions.
- R. Anti-Corruption Code for a New Puerto Rico: Contractor agrees to comply with the provisions of Act 2-2018, as the same may be amended from time to time, which establishes the Anti-Corruption Code for a New Puerto Rico. The Contractor hereby certifies that it does not represent particular interests in cases or matters

that imply a conflict of interest, or of public policy, between the executive agency and the particular interests it represents.

The Contractor shall furnish a sworn statement to the effect that neither Contractor nor any president, vice president, executive director or any member of a board of officials or board of directors, or any person performing equivalent functions for Contractor has been convicted of or has pled guilty to any of the crimes listed in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico or any of the crimes included in Act 2-2018.

The Contractor hereby certifies that it has not been convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.

PREPA shall have the right to terminate the Contract in the event Contractor is convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.

S. Prohibition with respect to execution by public officers: (3 L.P.R.A. 8615(c)):

No public officer or employee authorized to contract on behalf of the executive agency for which he/she works may execute a contract between the agency for which he/she works and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.

T. Prohibition with respect to contracting with officers or employees: (3 L.P.R.A. 8615(d)):

No executive agency may execute a contract in which any of its officers or employees or any member of their family units has or has had direct or indirect economic interest during the last four (4) years prior to their holding office, unless the Governor gives authorization thereto with the previous recommendation of the Secretary of the Treasury and the Secretary of Justice.

U. Prohibition with respect to contracts with officers and employees of other Government entities: (3 L.P.R.A. 8615(e)):

No public officer or employee may be a party to or have any interest in any profits or benefits produced by a contract with any other executive agency or government dependency unless the Governor gives express authorization thereto with previous recommendation from the Secretary of the Treasury and the Secretary of Justice.

V. Prohibition with respect to evaluation and approval by public officers: (3 L.P.R.A. 8615(f)):

No public officer or employee who has the power to approve or authorize contracts shall evaluate, consider, approve or authorize any contract between an executive agency and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.

W. Prohibition with respect to execution by public officers contracts with former public officers: (3 L.P.R.A. 8615(h)):

No executive agency shall execute contracts with or for the benefit of persons who have been public officers or employees of said executive agency until after two (2) years have elapsed from the time said person has ceased working as such.

- X. Provisions Required under Act 14-2004: Contractor agrees that articles extracted, produced, assembled, packaged or distributed in Puerto Rico by enterprises with operations in Puerto Rico, or distributed by agents established in Puerto Rico shall be used when the service is rendered, if they are available.
- Y. Consequences of Non-Compliance: If any of the previously required Certifications shows a debt, and Contractor has requested a review or adjustment of this debt, Contractor will certify that it has made such request at the time of the Contract execution. If the requested review or adjustment is denied and such determination is final, Contractor will provide, immediately, to PREPA a proof of payment of this debt; otherwise, Contractor accepts that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments. The Contractor expressly agrees that the conditions outlined above and throughout this Article are essential requirements of this Contract. Consequently, should any one of these representations, warranties or certifications be incorrect, inaccurate or misleading, in whole or in part, there shall be enough cause for PREPA to terminate this Contract.

ARTICLE 42: Termination by the Chief of Staff of the Governor of Puerto Rico and Interagency Services

The Chief of Staff shall have the authority to terminate this Contract at any time. PREPA shall be liable only for payment of services rendered up to and including the effective date of termination.

Both Parties acknowledge and agree that the contracted services herein may be provided to another entity of the Executive Branch which enters into an interagency agreement with PREPA or by direct disposition of the Office of the Chief of Staff. These services will be performed under the same terms and conditions in terms of hours of work and compensation set forth in this Agreement. For the purpose of this clause, the term "entity of the Executive Branch" includes all agencies of the Government of Puerto Rico, as well as public instrumentalities, and public corporations.

ARTICLE 43: Compliance with Applicable Federal Law, Regulations And Executive Orders. [REQUIRED FOR AGREEMENTS FUNDED IN WHOLE OR IN PART WITH FEMA and CDBG-DR FUNDS]

43.1 Contract Work Hours and Safety Standards Act (40 U.S.C. 3701–3708).

- A. Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.
- B. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (A) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (A) of this section, in the sum of \$27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (A) of this section.
- C. Withholding for unpaid wages and liquidated damages. PREPA shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract

Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (B) of this section.

D. Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (A) through (D) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (A) through (D) of this section.

43.2 Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended). Contractor certifies that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall so certify to the tier above it. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient (COR3). Contractor shall also submit to PREPA the required certification regarding lobbying at Appendix A, 44 C.F.R. Part 18, attached to this Contract as Appendix .

43.3 Remedies. Any violation or breach of terms of this Contract on the part of the Contractor or a subcontractor may result in the suspension or termination of this Contract or such other action, including the recovery of damages, as may be necessary to enforce the rights of PREPA. The duties and obligations imposed by this Contract and the rights and remedies available hereunder shall be in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law. Upon a material breach by Contractor, PREPA may utilize any remedy available by law, including precluding Contractor from further work with PREPA in the future and recommend suspension and debarment.

49.1 Clean Air Act and the Federal Water Pollution Control Act.

- A. The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq., and the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
- B. The Contractor agrees to report each violation to PREPA and understands and agrees that PREPA will, in turn, report each violation as required to assure notification to the COR3, the Federal Emergency Management

Agency, and the appropriate Environmental Protection Agency Regional Office.

C. The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance.

49.2 Changes. At any time changes in the Services or work to be performed within the general scope of this Contract may be made in accordance with Article 7, Changes/Extra Work; provided, however, that no changes shall be made to the scope of the Services that would render the costs incurred in the performance of this Contract unallowable or not allocable under, or outside the scope, or not reasonable for the completion of, Federal grant awards from FEMA or any other U.S. federal agency.

49.3 Sufficiency of Funds. The Contractor recognizes and agrees that all or a portion of the funding for this Contract shall be derived from assistance awarded by Federal agencies of the United States of America to PREPA or the Government of Puerto Rico. As part of its obligations under this Contract, Contractor shall ensure that the work performed hereunder is eligible for funding by complying with all applicable Federal law, regulations, executive orders, Federal agency policy, procedures, directives and guidelines. If during the term of this Contract, Federal or local funding is reduced, deobligated, or withdrawn, PREPA may reduce the scope of or terminate the Contract, without penalty, by providing written notice to Contractor of the changes in scope or termination. PREPA shall not be obligated to pay nor shall be held financially liable if any work performed by Contractor under this Contract is deemed ineligible by any Federal agency. The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to PREPA, Contractor, or any other party pertaining to any matter resulting from this Agreement.

49.4 FEMA Disaster Assistance Survivor/Registrant Data.

A. If the Contractor has access to Disaster Assistance Survivor/Registrant data or any other personally identifiable information, the Contractor shall comply

with the provisions of the Terms and Conditions for Sharing FEMA Disaster Assistance Survivor/Registrant Data with State Governments set forth in the FEMA-Government of Puerto Rico Contract for FEMA-4339-DR-PR.

B. The Contractor shall indemnify, defend, and hold harmless PREPA and the Government of Puerto Rico for any and all costs associated with the defense of that litigation, including costs and attorneys' fees, settlements, or adverse judgments arising from the Contractor's failure to comply with the requirements under this contract.

49.5 Costs. All costs incurred by the Contractor in performance of this Contract must be in accord with the cost principles of 2 C.F.R. pt. 200, Subpart E. PREPA shall not be required to make payments to the Contractor for costs which are found to be contrary to the cost principles 2 C.F.R. pt. 200, Subpart E.

49.6 Financial Management System. The Contractor's financial management system shall provide for the following:

A. accurate, current, and complete disclosure of the financial results of this Contract and any other contract, grant, program, or other activity administered by the Contractor;

B. records adequately identifying the source and application of all Contractor funds and all funds administered by the Contractor which shall contain information pertaining to all contract and grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays and income, and shall be segregated by contract or on a contract-by-contract basis;

C. effective internal control structure over all funds, property, and other assets, sufficient to allow the Contractor to adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes;

D. comparison of actual outlays with budgeted amounts for this Contract and for any other contract, grant, program, or other activity administered by the Contractor;

E. accounting records supported by source documentation;

- F. procedures to minimize elapsed time between any advance payment issued and the disbursement of such advance funds by the Contractor; and
- G. procedures consistent with the provisions of any applicable policies of the Federal Government and the Government of Puerto Rico and procedures for determining the reasonableness, allowability and allocability of costs under this Contract.

49.7 Penalties, Fines, and Disallowed Costs. In the event that any U.S. Federal agency or the Government of Puerto Rico disallows or demands repayment for costs incurred in the performance of this Contract, or if any penalty is imposed due to an act or omission by the Contractor, the Contractor shall be solely responsible for such penalty, disallowed costs, or repayment demand, and shall reimburse PREPA in full within ten days of receiving notice from PREPA of such penalty, disallowance, or repayment demand. Any monies paid by the Contractor pursuant to this provision shall not relieve the Contractor of liability to PREPA for damages sustained by PREPA by virtue of any other provision of this Contract.

49.8 Debarment, Suspension, and Ineligibility.

- A. This Contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such the Contractor represents and warrants that none of the Contractor, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935). The Contractor further represents and warrants that it will not enter into any contracts or subcontracts with any individual or entity which has been debarred, suspended or deemed ineligible under those provisions. During the term of this Contract, the Contractor will periodically review SAM.gov and local notices to verify the continued accuracy of this representation. The Contractor shall require all subcontractors at every tier to comply with this requirement.

B. The Contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.

C. This certification is a material representation of fact relied upon by PREPA. If it is later determined that the Contractor did not comply with 2 C.F.R. pt. 180, subpart C, an 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the Government of Puerto Rico and PREPA, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

49.9 Reporting Requirements. The Contractor shall complete and submit all reports, in such form and according to such schedule, as may be required by PREPA.

49.10 Review of Laws. The Contractor certifies that it will access online and read each law that is cited in the aforementioned clauses and that, in the event it cannot access the online version, it will notify PREPA in order to obtain printed copies of the laws. Not requiring a printed copy of the laws to PREPA will be evidence that the Contractor was able to find it online and read it as required.

49.11 Notice of Federal Emergency Management Agency (FEMA) Reporting Requirements and Regulations.

A. PREPA is using Federal grant funding awarded or administered by FEMA to the Government of Puerto Rico and/or PREPA to pay, in full, for the costs incurred under this Contract. As a condition of FEMA funding under major disaster declaration FEMA-4339-DR-PR, FEMA requires the Government of Puerto Rico and PREPA to provide various financial and performance reporting. The Contractor agrees to provide all information, documentation, and reports necessary to satisfy these reporting requirements. Failure by the Contractor to provide information necessary to satisfy these reporting requirements may result in loss of Federal funding for this Contract, and such failure shall be a material breach of this Contract.

B. Applicable Regulations and Policy. Applicable regulations, FEMA policy, and other sources setting forth these reporting requirements include, but are not limited to:

- (1) 2 C.F.R. § 327 (Financial Reporting);
- (2) 2 C.F.R. § 200.328 (Monitoring and Reporting Program Performance);
- (3) Performance and financial reporting requirements set forth in 2 C.F.R. Part 206.

49.12 Access to Records.

- A. The Contractor agrees to provide PREPA, the Government of Puerto Rico, the FEMA Administrator, the Secretary of HUD, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts, and transcriptions.
- B. The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
- C. The Contractor agrees to provide the FEMA Administrator, the Secretary of HUD, or his authorized representatives access to work sites pertaining to the work being completed under the Contract.

49.13 Retention requirements for records. The Contractor agrees to maintain all books, records, accounts, and reports and all other records produced or collected in connection with this Contract for a period of not less than three years from the date of submission by PREPA or the Puerto Rico Emergency Management Agency, on PREPA's behalf, of the final expenditure report for disaster declaration FEMA-4339-DR-PR, as reported to FEMA. If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken. It is the responsibility of the Contractor to

inquire of PREPA whether the aforementioned final expenditure report has been submitted.

49.14 Program Fraud and False or Fraudulent Statements or Related Acts. The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor's actions pertaining to this Contract.

49.15 Procurement of Recovered Materials. In the performance of this Contract, the Contractor shall make maximum use of products containing recovered materials that are Environmental Protection Agency ("EPA")- designated items unless the product cannot be acquired—

- A. Competitively within a timeframe providing for compliance with the Contract performance schedule;
- B. Meeting Contract performance requirements; or
- C. At a reasonable price.

Information about this requirement, along with the list of EPA-designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.

49.16 Energy Efficiency. The Contractor agrees to comply with the requirements of 42 U.S.C. § 6201, which contain policies relating to energy efficiency that are defined in the Government of Puerto Rico's energy conservation plan issued in compliance with said statute.

49.17 Equal Employment Opportunity. During the performance of this Contract, the Contractor agrees as follows:

- A. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but

not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment, or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

- B. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- C. The Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Contractor's legal duty to furnish information.
- D. The Contractor will send to each labor union or representative of workers with which it has a collective bargaining Contract or other contract or understanding (if any) a notice advising the labor union or workers' representative of the Contractor's commitments under section 202 of the US Executive Order 11246 of September 24, 1965, as amended, and shall post

copies of the notice in conspicuous places available to employees and applicants for employment.

- E. The Contractor will comply with all provisions of Executive Order 11246, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- F. The Contractor will furnish all information and reports required by Executive Order 11246, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by PREPA, the Government of Puerto Rico, and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- G. In the event of the Contractor's non-compliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations, or orders, this Contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- H. The Contractor will include the provisions of paragraphs (A) through (H) in every subcontract or purchase order, unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

- 49.18 Age Discrimination Act of 1975. The Contractor shall comply with the provisions of the Age Discrimination Act of 1975. No person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity receiving federal financial assistance.
- 49.19 Americans with Disabilities Act. The Contractor shall comply with the appropriate areas of the Americans with Disabilities Act of 1990, as enacted and from time to time amended, and any other applicable federal regulation. A signed, written certificate stating compliance with the Americans with Disabilities Act may be requested at any time during the term of this Contract.
- 49.20 Title VI of the Civil Rights Act of 1964. The Contractor shall comply with the provisions of Title VI of the Civil Rights Act of 1964. No person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.
- 49.21 Section 504 of the Rehabilitation Act of 1973, as Amended. The Contractor agrees that no otherwise qualified individual with disabilities shall, solely by reason of his disability, be denied the benefits, or be subjected to discrimination including discrimination in employment, any program or activity that receives the benefits from the federal financial assistance.
- 49.22 Drug-Free Workplace. The Contractor shall maintain a drug-free work environment in accordance with the Drug-Free Workplace Act of 1988 (41 U.S.C. § 8101 et seq.), and implementing regulations at 2 C.F.R Part 3001.
- 49.23 Compliance with Laws, Regulation and Executive Orders. The Contractor acknowledges that FEMA financial assistance will be used to fund this Contract. The Contractor shall comply will all applicable Federal and Government of Puerto Rico law, regulations, executive orders, policies, procedures, and directives, including but not limited to all Federal Cost Principles set forth in 2 C.F.R. Part

200, and all applicable FEMA regulations in 44 C.F.R. Chapter I, and 2 C.F.R. Part 200.

49.24 Provisions Required by Law Deemed Inserted. Each and every provision required by law regulation, executive order, policy, procedure, directive, Federal grant award or agreement, or cooperative agreement with any Federal agency to be inserted in this Contract shall be deemed to be inserted herein and the Contract shall be read and enforced as though it were included herein. If, through mistake or otherwise, any provision is not inserted, or is not correctly inserted, then upon the application of either party the Contract shall be amended to make such insertion or correction.

49.25 Agreement to Execute Other Required Documents. Contractor and all subcontractors, by entering into the Contract, understand and agree that funding for the Services is provided under Federal programs with specific contracting requirements. To the extent any such requirement is not otherwise set forth herein, Contractor agrees to execute such amendments or further agreements as may be necessary to ensure that PREPA receives Federal funding for this Contract.

49.26 U.S. Department of Homeland Security Seal, Logo, and Flags. The Contractor shall not use the U.S. Department of Homeland Security seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre- approval.

49.27 No Obligation by the Federal Government. PREPA and the Contractor acknowledge and agree that the Federal Government is not a party to this Contract and is not subject to any obligations or liabilities to PREPA, Contractor, or any other party pertaining to any matter resulting from the contract.

49.28 General. All contracts shall contain a clause identifying the type of Contract and the mandatory clauses contained on the latest released HUD forms, as applicable to the Contract type. All contracts, except for general management

consulting services, will include performance requirements and liquidated damages.

49.29 Puerto Rico Energy Conservation Plan. Contractor must act in compliance, when applicable, with the mandatory standards and policies relating to energy efficiency which are contained in the Commonwealth's energy conservation plan.

49.30 Patent Rights. All contracts are subject to the patent rights with respect to any discovery or invention which arises or is developed during or under such Contract in accordance with 37 C.F.R. Section 401.2(a) and 37 C.F.R. Part 401.

49.31 Davis Bacon Act And Copeland Anti-Kickback Act

A. Contractor. Contractor shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this Contract.

B. Subcontracts. Contractor or subcontractors shall insert in any subcontracts the clause above and such other clauses as FEMA or HUD may by appropriate instructions require, and also a clause requiring the subcontractor to include these clauses in any lower tier subcontracts. Contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.

C. Breach. A breach of the contract clauses above may be grounds for termination of the Contract, and for debarment as a contractor and subcontractor as provided in 29 C.F.R. § 5.12.

49.32 HUD Section 3 Clause

A. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

- B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
- C. Contractor agrees to send to each labor organization or representative of workers with which Contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- D. Contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. Contractor will not subcontract with any subcontractor where Contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.
- E. Contractor will certify that any vacant employment positions, including training positions, that are filled (i) after Contractor is selected but before the contract is executed, and (ii) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 CFR part 135.

- F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
- G. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

49.33 HUD Section 3 Requirements

- A. Section 3 clause required in subcontracts. All Section 3 covered contracts must include a Section 3 clause in accordance with 24 C.F.R. § 135.38. A Section 3 covered contract means a contract or subcontract (including a professional service contract) awarded by a recipient or Contractor for work generated by the expenditure of section 3 covered assistance, or for work arising in connection with a section 3 covered project. "Section 3 covered contracts" do not include contracts for the purchase of supplies and materials. However, whenever a contract for materials includes the installation of the materials, the contract constitutes a section 3 covered contract. For example, a contract for the purchase and installation of a furnace would be a section 3 covered contract because the contract is for work (i.e., the installation of the furnace) and thus is covered by section 3.

(1) "Section 3 covered assistance" means assistance provided under any HUD housing or community development program that is expended for

work arising in connection with public construction projects (which includes other buildings or improvements, regardless of ownership).

(2) A "Section 3 covered project" means, among other things, public construction which includes buildings or improvements (regardless of ownership) assisted with community development assistance.

B. Section 3 minimum contracting goals. Contractor must endeavor to meet the following minimum goals for contracting under HUD funded contracts, as applicable:

(1) Arising in connection with public construction shall be awarded to Section 3 businesses. Public construction includes infrastructure work, such as extending water and sewage lines, sidewalk repairs, site preparation, installing conduits for utility services, etc.

(2) Three (3) percent of the total dollar amount of all non-construction Section 3 covered contracts shall be awarded to Section 3 businesses. Section 3 covered non-construction projects include maintenance contracts, including lawn care, re-painting, routine maintenance, HVAC servicing, and professional service contracts associated with construction (e.g., architectural, engineering, legal services, accounting, marketing, etc.).

C. A Section 3 business is one that can demonstrate it meets one of the following criteria:

(1) 51 percent or more owned by Section 3 residents; or

(2) has permanent, full time employees at least 30 percent of whom are currently Section 3 residents, or within three years of the date of first employment with the business concern were Section 3 residents; or

(3) has a commitment to sub-contract in excess of 25 percent of the total dollar award of all sub-contracts to be awarded to such businesses described above.

D. Order of preference for Section 3 business concerns in contracting opportunities. Contractor and any subcontractors shall direct their efforts to

award section 3 covered contracts, to the greatest extent feasible, to section 3 business concerns in the following order of priority (24 C.F.R. § 135.36), where feasible:

- (1) section 3 business concerns that provide economic opportunities for section 3 residents in the service area or neighborhood in which the section 3 covered project is located (category 1 businesses);
- (2) applicants (as this term is defined in 42 U.S.C. 12899) selected to carry out HUD Youthbuild programs (category 2 businesses); and
- (3) other section 3 business concerns.

E. Eligibility for preference. A business concern seeking to qualify for a section 3 contracting preference shall certify or submit evidence, if requested, that the business concern is a section 3 business concern as defined in 24 C.F.R. § 135.5.

F. Ability to complete contract. A section 3 business concern seeking a contract or a subcontract shall submit evidence to Contractor or Subcontractor (as applicable), if requested, sufficient to demonstrate to the satisfaction of the Party awarding the contract that the business concern is responsible and has the ability to perform successfully under the terms and conditions of the proposed contract. (The ability to perform successfully under the terms and conditions of the proposed contract is required of all contractors and subcontractors subject to the procurement standards of 24 CFR 85.36 (2 CFR 200.318(h).) This regulation requires consideration of, among other factors, the potential Contractor's record in complying with public policy requirements. Section 3 compliance is a matter properly considered as part of this determination.

49.34 Additional Fair Labor Standards Provisions (HUD Form 4010)

A. Applicability. The project or program to which the construction work covered by this contract pertains is being assisted by the United States of America

and the following Federal Labor Standards Provisions are included in this Contract pursuant to the provisions applicable to such Federal assistance.

B. Minimum Wages. All laborers and mechanics employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between Contractor and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under Section I (b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of 29 CFR 5.5(a)(1)(iv); also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs, which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under 29 CFR 5.5(a)(1)(ii) and the Davis-Bacon poster (WH-1321) shall be posted at all times by Contractor and its

subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

(1) (a) Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate and fringe benefits therefor only when the following criteria have been met:

- (i) The work to be performed by the classification requested is not performed by a classification in the wage determination; and
- (ii) The classification is utilized in the area by the construction industry; and
- (iii) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(b) If Contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and HUD or its designee agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by HUD or its designee to the Administrator of the Wage and Hour Division, Employment Standards Administration, U. S. Department of Labor, Washington, D.C. 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB control number 1215- 0140.)

(c) In the event the Contractor, the laborers or mechanics to be employed in the classification or their representatives, and HUD or its designee

do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), HUD or its designee shall refer the questions, including the views of all interested parties and the recommendation of HUD or its designee, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary.

(Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

(d) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (B)(1)(b) or (c) of this paragraph, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(2) Whenever the minimum wage rate prescribed in the contract for a class of laborer or mechanics includes a fringe benefit which is not expressed as an hourly rate, Contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(3) If Contractor does not make payments to a trustee or other third person, Contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the Contractor, that the applicable standards of the Davis- Bacon Act have been met. The Secretary of Labor may require Contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

(Approved by the Office of Management and Budget under OMB Control
Number 1215-0140.)

- C. Withholding. HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from Contractor under this contract or any other Federal contract with the same prime contractor, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees and helpers, employed by Contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee or helper, employed or working on the site of the work, all or part of the wages required by the contract, HUD or its designee may, after written notice to the Contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased. HUD or its designee may, after written notice to Contractor, disburse such amounts withheld for and on account of Contractor or Subcontractor to the respective employees to whom they are due. The Comptroller General shall make such disbursements in the case of direct Davis-Bacon Act contracts.
- D. Payrolls and basic records. Payrolls and basic records relating thereto shall be maintained by Contractor during the course of the work preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in Section I(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours

worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5 (a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in Section 1(b)(2)(B) of the Davis-Bacon Act, Contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs. (Approved by the Office of Management and Budget under OMB Control Numbers 1215-0140 and 1215-0017.)

(1) (a) Contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to HUD or its designee if the agency is a Party to the contract, but if the agency is not such a Party, Contractor will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i) except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e. g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Website at <http://www.dol.gov/esa/whd/forms/wh347instr.htm> or its successor site.

The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and Subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to HUD or its designee if the agency is a Party to the contract, but if the agency is not such a Party, Contractor will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee, Contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this subparagraph for a prime contractor to require a Subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to HUD or its designee. (Approved by the Office of Management and Budget under OMB Control Number 1215-0149.)

(b) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by Contractor or Subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

- (i) That the payroll for the payroll period contains the information required to be provided under 29 CFR 5.5(a)(3)(ii), the appropriate information is being maintained under 29 CFR 5.5(a)(3)(i), and that such information is correct and complete;
- (ii) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 CFR Part 3;

- (iii) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.
 - (c) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by subparagraph A.3.(ii)(b).
 - (d) The falsification of any of the above certifications may subject Contractor or any Subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code.
- (2) Contractor or Subcontractor shall make the records required under subparagraph A.3.(i) available for inspection, copying, or transcription by authorized representatives of HUD or its designee or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If Contractor or Subcontractor fails to submit the required records or to make them available, HUD or its designee may, after written notice to the Contractor, sponsor, applicant or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

E. Apprentices and Trainees.

- (1) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and

Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to contractors to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the Contractor's or Subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification,

fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, Contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

- (2) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall

be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, Contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(3) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under 29 CFR Part 5 shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

F. Compliance with Copeland Act requirements. Contractor shall comply with the requirements of 29 CFR Part 3 which are incorporated by reference in this contract.

G. Subcontracts. Contractor or Subcontractor will insert in any subcontracts the clauses contained in subparagraphs 1 through 11 in this paragraph A and such other clauses as HUD or its designee may by appropriate instructions require, and a copy of the applicable prevailing wage decision, and also a clause requiring the Subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any Subcontractor or lower tier Subcontractor with all the contract clauses in this paragraph.

H. Contract termination; debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract and for debarment as a contractor and a Subcontractor as provided in 29 CFR 5.12.

I. Compliance with Davis-Bacon and Related Act Requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this contract.

J. Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general

disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between Contractor (or any of its Subcontractors) and HUD or its designee, the U.S. Department of Labor, or the employees or their representatives.

K. Certification of Eligibility.

(1) By entering into this contract, Contractor certifies that neither it (nor he or she) nor any Person or firm who has an interest in the Contractor's firm is a Person or firm ineligible to be awarded Government contracts by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(2) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(3) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001. Additionally, U.S. Criminal Code, Section 1 01 0, Title 18, U.S.C., "Federal Housing Administration transactions", provides in part: "Whoever, for the purpose of . . . influencing in any way the action of such Administration....makes, utters or publishes any statement knowing the same to be false....shall be fined not more than \$5,000 or imprisoned not more than two years, or both."

L. Complaints, Proceedings, or Testimony by Employees. No laborer or

mechanic to whom the wage, salary, or other labor standards provisions of this Contract are applicable shall be discharged or in any other manner discriminated against by Contractor or any Subcontractor because such employee has filed any complaint or instituted or caused to be instituted any

proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable under this Contract to his employer.

M. Health and Safety. The provisions of this paragraph are applicable where the amount of the prime contract exceeds \$100,000:

(1) No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor by regulation.

(2) Contractor shall comply with all regulations issued by the Secretary of Labor pursuant to Title 29 Part 1926 and failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act, (Public Law 91-54, 83 Stat 96). 40 USC 3701 et seq.

(3) Contractor shall include the provisions of this paragraph in every subcontract so that such provisions will be binding on each Subcontractor. Contractor shall take such action with respect to any Subcontractor as the Secretary of Housing and Urban Development or the Secretary of Labor shall direct as a means of enforcing such provisions.

49.35 Buy American—Construction Materials Under Trade Agreements (Oct 2016)

A. Definitions. As used in this Article—

1. **Caribbean Basin country construction material** means a construction material that—
 - a. Is wholly the growth, product, or manufacture of a Caribbean Basin country; or
 - b. In the case of a construction material that consists in whole or in part of materials from another country, has been substantially transformed in a Caribbean Basin country into a new and different construction material distinct from the materials from which it was transformed.

2. Commercially available off-the-shelf (COTS) item—

- a. Means any item of supply (including construction material) that is—
 - i. A commercial item (as defined in paragraph (1) of the definition at FAR 2.101);
 - ii. Sold in substantial quantities in the commercial marketplace; and
 - iii. Offered to the Government, under a contract or subcontract at any tier, without modification, in the same form in which it is sold in the commercial marketplace; and
- b. Does not include bulk cargo, as defined in 46 U.S.C. § 40102(4), such as agricultural products and petroleum products.

3. **Component** means an article, material, or supply incorporated directly into a construction material.
4. **Construction material** means an article, material, or supply brought to the Site by the Contractor or Subcontractor for incorporation into the building or Work. The term also includes an item brought to the Site preassembled from articles, materials, or supplies. However, emergency life safety systems, such as emergency lighting, fire alarm, and audio evacuation systems, that are discrete systems incorporated into a public building or Work and that are produced as complete systems, are evaluated as a single and distinct construction material regardless of when or how the individual parts or components of those systems are delivered to the Site. Materials purchased directly by the Government are supplies, not construction material.
5. **Cost of components** means—
 - a. For components purchased by the Contractor, the acquisition cost, including transportation costs to the place of incorporation into the construction material (whether or not such costs are paid to a domestic firm), and any applicable duty (whether or not a duty-free entry certificate is issued); or
 - b. For components manufactured by the Contractor, all costs associated with the manufacture of the component, including transportation costs as described in paragraph (1) of this definition, plus allocable overhead costs, but excluding profit. Cost of components does not include any costs associated with the manufacture of the construction material.
6. **Designated country** means any of the following countries:
 - a. A World Trade Organization Government Procurement Agreement (WTO GPA) country (Armenia, Aruba, Austria,

Belgium, Bulgaria, Canada, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea (Republic of), Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Moldova, Montenegro, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Singapore, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Taiwan, Ukraine, or United Kingdom);

- b. A Free Trade Agreement (FTA) country (Australia, Bahrain, Canada, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Korea (Republic of), Mexico, Morocco, Nicaragua, Oman, Panama, Peru, or Singapore);
- c. A least developed country (Afghanistan, Angola, Bangladesh, Benin, Bhutan, Burkina Faso, Burundi, Cambodia, Central African Republic, Chad, Comoros, Democratic Republic of Congo, Djibouti, Equatorial Guinea, Eritrea, Ethiopia, Gambia, Guinea, Guinea-Bissau, Haiti, Kiribati, Laos, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Nepal, Niger, Rwanda, Samoa, Sao Tome and Principe, Senegal, Sierra Leone, Solomon Islands, Somalia, South Sudan, Tanzania, Timor-Leste, Togo, Tuvalu, Uganda, Vanuatu, Yemen, or Zambia); or
- d. A Caribbean Basin country (Antigua and Barbuda, Aruba, Bahamas, Barbados, Belize, Bonaire, British Virgin Islands, Curacao, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, Saba, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Sint Eustatius, Sint Maarten, or Trinidad and Tobago).

7. **Designated country construction material** means a construction material that is a WTO GPA country construction material, an FTA country construction material, a least developed country construction material, or a Caribbean Basin country construction material.
8. **Domestic construction material** means—
 - a. An unmanufactured construction material mined or produced in the United States;
 - b. A construction material manufactured in the United States, if—
 - i. The cost of its components mined, produced, or manufactured in the United States exceeds fifty percent (50%) of the cost of all its components. Components of foreign origin of the same class or kind for which non-availability determinations have been made are treated as domestic; or
 - ii. The construction material is a COTS item.
9. **Foreign construction material** means a construction material other than a domestic construction material.
10. **Free Trade Agreement country construction material** means a construction material that—
 - a. Is wholly the growth, product, or manufacture of a Free Trade Agreement (FTA) country; or
 - b. In the case of a construction material that consists in whole or in part of materials from another country, has been substantially transformed in an FTA country into a new and different construction material distinct from the materials from which it was transformed.

11. **Least developed country construction material** means a construction material that—
 - a. Is wholly the growth, product, or manufacture of a least developed country; or
 - b. In the case of a construction material that consists in whole or in part of materials from another country, has been substantially transformed in a least developed country into a new and different construction material distinct from the materials from which it was transformed.
12. **United States** means the fifty (50) States, the District of Columbia, and outlying areas.
13. **WTO GPA country construction material** means a construction material that—
 - a. Is wholly the growth, product, or manufacture of a WTO GPA country; or
 - b. In the case of a construction material that consists in whole or in part of materials from another country, has been substantially transformed in a WTO GPA country into a new and different construction material distinct from the materials from which it was transformed.

B. Construction materials.

1. This Article implements 41 U.S.C. chapter 83, Buy American, by providing a preference for domestic construction material. In accordance with 41 U.S.C. § 1907, the component test of the Buy American statute is waived for construction material that is a COTS item. (See FAR 12.505(a)(2)). In addition, the Contracting Officer has determined that the WTO GPA and Free Trade Agreements (FTAs) apply to this acquisition. Therefore, the Buy American

restrictions are waived for designated country construction materials.

2. The Contractor shall use only domestic or designated country construction material in performing this Contract, except as provided in paragraphs (B)(3) and (B)(4) of this Article.
3. The requirement in paragraph (B)(2) of this Article does not apply to information technology that is a commercial item or to the construction materials or components listed by the Government as follows:

[Contracting Officer is to list applicable excepted materials or indicate "none"]

4. The Contracting Officer may add other foreign construction material to the list in paragraph (B)(3) of this Article if the Government determines that—
 - a. The cost of domestic construction material would be unreasonable. The cost of a particular domestic construction material subject to the restrictions of the Buy American statute is unreasonable when the cost of such material exceeds the cost of foreign material by more than 6 percent;
 - b. The application of the restriction of the Buy American statute to a particular construction material would be impracticable or inconsistent with the public interest; or
 - c. The construction material is not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities of a satisfactory quality.
- C. Request for determination of inapplicability of the Buy American statute.
1. (i) Any Contractor request to use foreign construction material in accordance with paragraph (B)(4) of this Article shall

include adequate information for Government evaluation of the request, including—

- a. A description of the foreign and domestic construction materials;
- b. Unit of measure;
- c. Quantity;
- d. Price;
- e. Time of delivery or availability;
- f. Location of the Work;
- g. Name and address of the proposed supplier; and
- h. A detailed justification of the reason for use of foreign construction materials cited in accordance with paragraph (B) of this Article.
 - i. A request based on unreasonable cost shall include a reasonable survey of the market and a completed price comparison table in the format in paragraph (D) of this Article.
 - ii. The price of construction material shall include all delivery costs to the Site and any applicable duty (whether or not a duty-free certificate may be issued).
 - iii. Any Contractor request for a determination submitted after contract award shall explain why the Contractor could not reasonably foresee the need for such determination and could not have requested the determination before contract award. If the Contractor does not submit a satisfactory explanation, the Contracting Officer need not make a determination.
- i. If the Government determines after Contract award that an exception to the Buy American statute applies and the

Contracting Officer and the Contractor negotiate adequate consideration, the Contracting Officer shall modify the Contract to allow use of the foreign construction material. However, when the basis for the exception is the unreasonable price of a domestic construction material, adequate consideration is not less than the differential established in paragraph (B)(4)(a) of this Article.

j. Unless the Government determines that an exception to the Buy American statute applies, use of foreign construction material is noncompliant with the Buy American statute.

D. To permit evaluation of requests under paragraph (C) of this Article based on unreasonable cost, the Contractor shall include the following information and any applicable supporting data based on the survey of suppliers:

Foreign and Domestic Construction Materials Price Comparison

Construction material description	Unit of measure	Quantity	Price (dollars) ¹
Item 1:			
Foreign construction material			
Domestic construction material			
Item 2:			
Foreign construction material			
Domestic construction material			

E. Include all delivery costs to the Site and any applicable duty (whether or not a duty-free entry certificate is issued).

F. List name, address, telephone number, and contact for suppliers surveyed. Attach copy of response; if oral, attach summary.

G. Include other applicable supporting information.

Notes:

1. List in paragraph (B)(3) of the clause all foreign construction material excepted from the requirements of the Buy American statute, other than designated country construction material.
2. If the head of the agency determines that a higher percentage is appropriate, substitute the higher evaluation percentage in paragraph (B)(4)(i).

H. Restrictions on Certain Foreign Purchase

1. Except as authorized by the Office of Foreign Assets Control (OFAC) in the Department of the Treasury, the Contractor shall not acquire, for use in the performance of this Contract, any supplies or services if any proclamation, Executive order, or statute administered by OFAC, or if OFAC's implementing regulations at 31 C.F.R. chapter V, would prohibit such a transaction by a person subject to the jurisdiction of the United States.
2. Except as authorized by OFAC, most transactions involving Cuba, Iran, and Sudan are prohibited, as are most imports from Burma or North Korea, into the United States or its outlying areas. Lists of entities and individuals subject to economic sanctions are included in OFAC's List of Specially Designated Nationals and Blocked Persons at <http://www.treas.gov/offices/enforcement/ofac/sdn>. More information about these restrictions, as well as updates, is available in the OFAC's regulations at 31 C.F.R. chapter V and/or on OFAC's Web site at <http://www.treas.gov/offices/enforcement/ofac>.
3. The Contractor shall insert this Article, including this paragraph (3), in all Subcontracts.

I. Inconsistency Between English Version and Translation of Contract

In the event of inconsistency between any terms of this Contract and any translation into another language, the English language meaning shall control.

ARTICLE 51: Correlation of Documents

In case of discrepancy or in the event of conflict among the different Contract documents such as: Contract and the Contractors Proposal, these shall take precedence in the order given. The terms and conditions contained in the Contract shall prevail over any conflictive terms and conditions contained in the Contractor's Proposal.

ARTICLE 52: Complete Agreement

This document, together with all attachments referenced herein, constitutes the complete agreement between the Parties.

IN WITNESS WHEREOF, the Parties hereto have executed this Contract this _____ day of _____ of 2020, in San Juan, Puerto Rico.

PUERTO RICO ELECTRIC
POWER AUTHORITY

CONTRACTOR

José F. Ortiz Vázquez
Chief Executive Officer
Social Security Number 660-43-3747

Name
Title
Social Security Number

Exhibit B-2



Contract

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Mail Invoice To:

**AUTORIDAD DE ENERGIA ELECTRICA
DIVISION DE TESORERIA
P.O. BOX 70253
SAN JUAN PR 00936-8253**

Vendor:

**ORLANDO SOTO
ALSTOM CARIBE INC
EL MUNDO OFFICE BUILDING
SUITE 205
383 FD ROOSEVELT AVENUE
HATO REY PR 00918**

Please Direct Inquiries to:

**JOEL D. PANTOJAS-CARABALLO
JPANTOJAS13525@AEEPR.COM**

Title: **PROCUREMENT SUPV G5**

Phone: **787-521-3034**

Ext:

Fax : **787-521-3171**

Work Location:

**JEFE SUB DIVISION SERV TECNICO
NEOM 505
CARR. NUM. 1, KM 15.1
C. SAN ROBERTO FINAL
MONACILLOS PR 00926**

Title: **SUPERHEATER DESUPERHEATER LINKS INSTALLATION SC#6**

***** DRAFT COPY *****

Total Value : **\$1,694,369.81 USD**

**** NOT TO EXCEED ****

Pricing Method: **FIXED**

Contract Type : **SERVICES**

Start Date: **06/29/2020**

Project :

End Date : **09/15/2020**

Vendor Authorized Signature

Authorized Signature

Printed Name/Title

Printed Name/Title

Date Signed

Phone

Date Signed

Phone

Insurance Requirements

Coverage	Start	End	Insurance Description
\$1,000,000	01/01/2020	01/01/2021	AUTOMOBILE LIABILITY INSURANCE
\$1,000,000	01/01/2020	01/01/2021	COMMERCIAL GENERAL LIABILITY INSURAN



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\$1,000,000	01/01/2020	01/01/2021	EMPLOYER'S LIABILITY INSURANCE
\$1,000,000	01/01/2020	01/01/2021	PROFESSIONAL LIABILITY
\$1,700,000	07/01/2019	06/30/2020	WORKMEN'S COMPENSATION INSURANCE OF

Scope of Work

ORDEN DE SERVICIO, MATERIALES Y EQUIPOS

REQ. 241461
RFP 00002723

SUPERHEATER DESUPERHEATER LINKS INSTALLATION UNIT 6 AT COSTA SUR POWER PLANT

SE ADJUDICA ESTA ORDEN DE ACUERDO A NUESTRAS ESPECIFICACIONES, TERMINOS Y CONDICIONES SOLICITADOS Y ACEPTADOS POR LA COMPAÑÍA PARA LA SOLICITUD RFP 00002723.

INFORMACION DE PERSONA CONTACTO:

ING. JAIME A. UMPIERRE MONTALVO
TEL. 787-521-5185
E-MAIL: JAIME.UMPIERRE@PREPA.COM

COMPRADOR:

JOEL D. PANTOJAS CARABALLO
SUPERVISOR DE COMPRAS PRINCIPAL
TEL. 787-521-3317
E-MAIL: JOEL.PANTOJAS@PREPA.COM

SUPLIDOR: ALSTOM CARIBE INC.
TEL. 787-999-6410

Solicitud de Contrato Para la Instalación de los Tubos de Enlace de Vapor Sobrecalentado para Atemperación de la Unidad 6, Central Costa Sur.



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WITNESSETH

WHEREAS, PREPA, by virtue of its enabling act (Act No. 83), has the authority to engage those professional, technical, and consulting services necessary and convenient to the activities, programs, and operations of PREPA;

WHEREAS, Pursuant to Section 205(2) (e) of Act No. 83 competitive bidding shall not be necessary when prices are noncompetitive because there is only one source of supply or they are regulated by law.

WHEREAS, the Contractor states that it is ready, willing, and able to provide the Services described herein pursuant to the terms and conditions set forth herein.

IN CONSIDERATION of the mutual covenants hereinafter stated, the Parties agree themselves, their personal representatives, successors, and assignees, as follows:

TERMS AND CONDITIONS

I. TYPE OF CONTRACT

A. Scope of Services and approvals.

1. The Contractor will perform the services provided in the Proposal 1523500 Rev. 2 (the "Services").
2. PREPA represents and guarantees and it has all approvals to enter into this Contract and to grant this direct contracting in accordance with the applicable public procurement laws and regulations.

B. Additional Provisions Regarding the Services

1. Any and all changes and/or modifications to the scope of the Services shall be in writing and must be signed by both Parties.
2. The Contractor represents that it has or shall obtain, or cause to be obtained, all personnel necessary to undertake and provide the Services according to Contract specifications and scope of services as included in the Proposal 1523500 Rev. 2, dated June 22th, 2020.

3. The Contractor may not subcontract any of the Services that it has



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committed to perform or provide pursuant to this Contract without the prior written approval of the Chief Executive Officer of PREPA or any of his or her authorized representatives. Such consent to subcontract shall not relieve the Contractor of its full responsibilities under this Contract. Consent to the subcontracting of any part of the services shall not be construed to be an approval of said subcontract or of any of its terms but shall operate only as an approval of the Contractor's request for execute a contract with its chosen subcontractor (hereinafter a "Subcontractor"). The Contractor shall be responsible for all services performed by the Subcontractor and all such services shall conform to the provisions of this Contract. The Parties agree that the subcontracting to Affiliates of Contractor is authorized and does not require prior approval.

II. DEFINITIONS

Whenever the words defined in this article or pronouns used instead are mentioned in this Contract, they shall have the meanings here given:

1. Affiliate: shall mean, with respect to Contractor, any other entity (including without limitation any corporation, limited liability company, association or trust) which is a wholly-owned subsidiary of the General Electric Company.
2. Conflict of Interest: shall have the meaning ascribed to it in the Anti-corruption Code for the New Puerto Rico, No. 2-2018 (the "Puerto Rico Anti-corruption Code"), Section 3.1(b).
3. Contractor: designates the company that will perform all work as defined in Articles I.A Scope of Services and I.B Additional Provisions Regarding the Services, of this Contract and the Special Conditions and Specifications contained in it.
4. Contracting Officer: shall mean the chief executive officer/executive director of PREPA, acting directly or through his properly authorized representatives.
5. Engineer: shall mean the PREPA's Director of Generation, acting directly or through his properly authorized representatives.
6. Final Acceptance: shall mean the written approval by PREPA that the entire work has been completed.
7. Services: shall mean the work, services and labor, including but not limited to any technical advisory services, craft labor, repair services



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and/or training services, required to be provided by Contractor in accordance with Proposal 1523500 Rev. 2, dated June 22th, 2020

8. Special Conditions: are all special requirements, regulations and/or directions covering conditions peculiar to a particular service.

9. Subcontractor: shall mean any subcontractor, supplier, or vendor of Contractor engaged for the purposes of progressing the work under a subcontract with the Contractor and in which the Contractor has no equity interest or profit-sharing affiliation. Any such entity in which the Contractor owns equity or has a profit-sharing affiliation shall be considered to be the Contractor. Contractor shall comply with requirements set herein.

III. TERM OF CONTRACT; TERMINATION

A. Term

This Contract shall be in effect from the date of its execution until June 30, 2021 (the "Contract Period"). The Contract may be extended, at the exclusive option of PREPA and subject to Contractor prior acceptance, for additional annual fiscal periods subject to the availability of funds. The Contractor expressly recognizes that in the event that there are no funds budgeted or provided for the payment of services contracted herein, PREPA shall have the right to terminate the Contract, and the Contractor shall have no right to be paid except for the services already performed and rendered to PREPA plus the amounts provided in this Article III, clause c), (ii).

The Parties acknowledge that PREPA is undergoing a transformation process, and therefore, both Parties agree that in the eventuality of the execution of a Partnership Contract, Sale Contract or any other PREPA Transaction (as these terms are defined in Act 120-2018), PREPA may sell, assign, convey, transfer, pledge, mortgage, sublease, delegate, hypothecate, or otherwise dispose (each, a "Transfer") any of its rights, title, or interest in this Agreement as permitted by applicable law and at any time, and without Contractor's consent or cost, expense or incremental liability to PREPA, to any future operator of Puerto Rico's electric power transmission and distribution system or any of its affiliates, or to any governmental agency, body, public corporation or municipality of Puerto Rico; provided, that PREPA shall notify Contractor no later than thirty (30) days before the effective date of any such Transfer.

The Contractor acknowledges that all his responsibilities and obligations under the Contract, such as work to be performed and services to be



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provided, etc., will continue in full force and effect until the expiration of the thirty (30) day period.

B. Termination for Convenience

Either party shall have the right to terminate this Contract for convenience, at any moment, by providing the other party thirty (30) days written notice by registered mail, return receipt requested, or overnight express mail. If notice is given, this Contract shall terminate upon the expiration of thirty (30) days and PREPA shall be obligated to pay all fees and expenses incurred up to the day of effective termination, in accordance with the terms of this Contract. The rights, duties and responsibilities of the Parties shall continue in full force and effect during the thirty (30) day notice period. Contractor shall have no further right to compensation except for what has been accrued for services rendered under this Contract until said date of effective termination plus the amounts provided in this Article III, item c), (ii).

C. Termination for Cause

(i) PREPA shall have the right to terminate this Contract immediately in the event of negligence, dereliction of duty, noncompliance, or material breach by the Contractor, to the extent Contractor shall have failed, within 30 days after receipt of the notice, to commence and diligently pursue cure of the breach such negligence, dereliction of duty, noncompliance, or material breach, or for any other reason described elsewhere in this Contract as a basis for termination. In the event the Contract is terminated by PREPA, PREPA shall be obligated to pay all fees and expenses incurred up to the day of effective termination, in accordance with the terms of this Contract. Also, If PREPA terminates the Contract pursuant to this article, (i.a) Contractor shall reimburse PREPA the difference between that portion of the Contract Price allocable to the terminated scope and the actual amounts reasonably incurred by PREPA to complete that scope, and (ii.a) PREPA shall pay to Contractor (a) the portion of the Contract Price allocable to Products and/or Services completed, , and (c) amounts for Services performed before the effective date of termination. The amount due for Services shall be determined in accordance with the milestone schedule (for completed milestones) and/or rates set forth in the Contract (for work toward milestones not yet achieved and where there is no milestone schedule), as applicable or, where there are no milestones and/or rates in the Contract, at Contractor's then-current standard time and material rates. Contractor shall have no further right to compensation except for what has been accrued for services rendered under this Contract until said date of effective termination. The exercise of its right to terminate, cancel or



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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 Contractor in the performance of its obligations under the Contract.

(ii) Contractor may suspend or terminate the Contract (or any affected portion thereof) immediately for convenience or for cause if PREPA (i) finds itself unable to fulfill its payment obligations, or (ii) materially breaches the Contract, including, but not limited to, failure or delay in, making any payment when due, or fulfilling any payment conditions. In this case, PREPA shall pay to contractor (a) the portion of the Contract Price allocable to Services completed, (b) lease fees incurred and clearly defined in the Contractor's Proposal 1523500 Rev. 2, dated June 22th, 2020, and (c) amounts for services performed before the effective date of termination. The amount due for services shall be determined in accordance with the milestone schedule (for completed milestones) and rates set forth in the Contractor's Proposal 1523500 Rev. 2, dated June 22th, 2020. If this Contract is so terminated by Contractor, PREPA shall pay to Contractor (a) the portion of the Contract Price allocable to products and/or services completed and (b) amounts for Services performed before the effective date of termination.

IV. COMPENSATION AND PAYMENT

All invoices shall be subject to the Engineer's approval before being paid and shall include all other documents required in the Special Conditions. No invoices shall be accepted for evaluation without the required documents.

A. As compensation for services rendered under this Contract, PREPA agrees and Contractor accepts that the total amount to be paid under this Contract shall not exceed \$1,694,369.81 (the "Contract Amount"). This amount is based on the proposal which is attached as an Annex A of this Contract. However, nothing herein shall preclude the Parties from agreeing to increase the Contract Amount. PREPA will only pay for services that are evidenced by properly submitted invoice for services rendered. Notwithstanding the foregoing, any increase to the Contract Amount shall be evidenced in writing and signed by both Parties.

B. In addition, Contractor shall present with each invoice a reasonably itemized list of the remaining billable work that is in progress under the Contract.

C. All payments performed under this Contract will be charged to PREPA's



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budget account number 01-1748-17568-555-354.

D. Contractor payment will be performed according to the following:

Milestone	% of Contract Price
Down-payment upon acknowledgement of the order by GE	10%
Mobilization	15%
After desuperheater unerection (See Annex A of proposal 1523500 Rev. 1)	40%
After removal of temporary support (see Annex A of proposal 1523500 Rev. 1)	25%
Demobilization	10%

NOTE: In case discount applicable, % corresponding to Mobilization would also be considered as part of the first 1st milestone

E. Payment is due within sixty (60) days of the receipt of the invoice with all the supporting documents required. PREPA reserves the right to conduct audits to verify time sheets, hours worked, performance of Services and delivery of Products in order to validate the accuracy of the amounts claimed in any invoice, provided that, this audit right shall not include any right to review costs incurred by Contractor, except for those costs for which Contractor is seeking direct reimbursement from PREPA.

F. Invoices must also include a written and signed certification stating that no officer or employee of PREPA, and their respective subsidiaries or affiliates, will personally derive or obtain any benefit or profit of any kind from this Contract, with the acknowledgment that invoices that do not include this certification will not be paid. This certification must read as follows:

We certify under penalty of absolute nullity that no public servant of PREPA is a party or has any interest in the benefit or profit product of the Contract which is the basis of this invoice. If such benefit or profit exists, the required waiver has been obtained prior to entering into the Contract. The only consideration to be received in exchange for the delivery of Services provided is the agreed-upon price that has been negotiated with an authorized representative of PREPA. The total amount shown on this invoice is true and correct. The Services have been rendered, and no payment has been received.

Contractor's Signature

G. Contractor shall submit bank account wiring instructions to PREPA on or before submission of its first invoice in order to facilitate payment by means of electronic transfer.



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H. As required by Act 48-2013, as amended, PREPA will withhold a special contribution of one-point five percent (1.5%) of the gross amounts paid under this Contract.

I. In compliance with Executive Order 1991 OE- 24; and C.F.R. Part 404 et. seq., the Contractor will be responsible for rendering and paying the Federal Social Security and Income Tax Contributions for any amount owed as a result of the income, from this Contract.

J. PREPA shall deduct and withhold ten percent (10%) of any and all payments to residents of the Commonwealth of Puerto Rico as required by the Internal Revenue Code of Puerto Rico. In case of U.S. citizens and non-U.S. citizens, which are nonresidents of the Commonwealth of Puerto Rico, the Contractor will retain twenty percent (20%) and twenty-nine percent (29%) respectively. PREPA will remit such withholdings to the Government of Puerto Rico's Treasury Department (Departamento de Hacienda de Puerto Rico). The Contractor will request PREPA not to make such withholdings if, to the satisfaction of PREPA, the Contractor timely provides a release from such obligation by the Government of Puerto Rico's Treasury Department. 3 L.P.R.A. § 8611 et seq.

V. CONFLICTS OF INTEREST

A. To be best of its knowledge, Contractor acknowledges that in the performance of Services pursuant to this Contract, it has an obligation to comply with the applicable law, including but not limited to, the Conflict of Interest provisions contained in the Puerto Rico Anti-corruption Code, Sections 3.2(h) and 3.2(n). This duty shall include the continued obligation to disclose to PREPA any Conflicts of Interests identified during the term of this Contract.

B. A Conflict of Interest by one of Contractor's partners, members, directors, executives, officers, clerks or employees shall be attributed to Contractor for purposes of this prohibition. Contractor shall endeavor to avoid even the appearance of the existence of a conflict of interest that has not otherwise been waived.

C. Contractor acknowledges the power of the Chief Executive Officer of PREPA to oversee the enforcement of the prohibitions established herein. If the Chief Executive Officer of PREPA determines the existence or the emergence of conflict of interest with Contractor, he shall inform such findings in writing and his intentions to terminate the Contract within a fifteen (15) day term. Within such term, Contractor can request a meeting with the Chief Executive Officer of PREPA to present its arguments



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regarding the alleged conflict of interest. This meeting shall be granted in every case. If such meeting is not requested within the specified term, or if the controversy is not settled satisfactorily during the meeting, this Contract shall be terminated at the end of said fifteen (15) day period. Such termination shall be done according to the termination conditions of Article III, c. of this Contract.

D. Contractor certifies that at the time of the execution of this Contract, to the best of it's knowledge, it does not have any Conflict of Interest. If a Conflict of Interest arise after the execution of this Contract, Contractor shall, to the extent consistent with its obligations to other clients, notify PREPA immediately.

E. No employee, officer, or agent of PREPA shall participate in the selection, or in the award or administration of a contract, supported by federal funds, if a conflict of interest real or apparent would be involved.

VI. RESPONSIBILITIES OF PREPA

PREPA shall use reasonable efforts to cooperate with the Contractor, including by providing any information reasonably requested by Contractor and providing access to any facility at which the Services are to be performed at such times as may reasonably be requested by the Contractor.

VII. OWNERSHIP AND USE OF DOCUMENTS

A. Except for Contractor's working papers and subject to the Confidentiality obligations provided herein, the Contractor acknowledges PREPA shall have the right to use all information, documents, reports, papers, drawings and other similar materials (the "Deliverables") supplied to PREPA under this Contract as strictly necessary to own, operate, maintain, or repair the Products and/or Services supplied hereunder, provided that, Intellectual Property Rights, if any, relating to the Deliverables, are and shall remain the exclusive property of Contractor. For purposes of this article, "Intellectual Property Rights" shall mean means all patents, copyrights, trademarks, trade names, trade dress, service marks, trade secrets, software, firmware, mask works, industrial design rights, rights of priority, know-how, design flows, methodologies and any and all other intellectual property rights protected under any law.

B. Contractor shall defend and indemnify PREPA against any claim by a non-affiliated third party (a "Claim") alleging that Products and/or Services furnished under this Contract infringe a patent in effect in the



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U.S., an EU member state (provided there is a corresponding patent issued by the U.S. or an EU member state), or any copyright or trademark registered in the country of the Site, provided that PREPA (a) promptly notifies Contractor in writing of the Claim, (b) makes no admission of liability and does not take any position adverse to Contractor, (c) gives Contractor authority to control defense and settlement of the Claim, (d) provides Contractor with full disclosure and reasonable assistance as required to defend the Claim, and e) Contractor shall keep PREPA informed at all times of the defense and settlement process over the Claim, and shall finally inform PREPA before agreeing to any Settlement.

B. Article VII, A shall not apply and Contractor shall have no obligation or liability with respect to any Claim based upon (a) Products and/or Services that have been modified, or revised, (b) the combination of any Products and/or Services with other Products and/or services when such combination is a basis of the alleged infringement, (c) failure of PREPA to implement any update provided by Contractor that would have prevented the Claim, (d) unauthorized use of Products and/or Services, or (e) Products and/or Services made or performed to PREPA's specifications.

C. Should any Product and/or Service, or any portion thereof, become the subject of a Claim, Contractor may at its option (a) procure for PREPA the right to continue using the Product and/or Service, or applicable portion thereof, (b) modify or replace it in whole or in part to make it non-infringing, or (c) failing (a) or (b), take back infringing Products and/or discontinue infringing Services and refund the price received by Contractor attributable to the infringing Products and/or Services.

D This Article VII states Contractor's exclusive liability for intellectual property infringement by Products and/or Services.

E. Each party shall retain ownership of all Confidential Information and intellectual property it had prior to the Contract. All rights in and to software not expressly granted to PREPA are reserved by Contractor. All new intellectual property conceived or created by Contractor in the performance of this Contract, whether alone or with any contribution from PREPA, shall be owned exclusively by Contractor. PREPA agrees to deliver assignment documentation as necessary to achieve that result.

F. PREPA will not itself, and will not allow any party (including PREPA Affiliates) to: (i) reverse engineer Products or Services (including any Contractor monitoring or data analysis by Contractor), (ii) prepare derivative works from, alter, modify, disassemble, reverse engineer, reverse assemble, de-compile, or otherwise attempt to reconstruct, discover or derive the object or source code of any software licensed to



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PREPA by Contractor under this Contract (including any third party software); (iii) permit or otherwise grant any third-party access to Products, Services or software for such purpose, even if such third party is performing any corrections, bug fixes and updates.

G. Products furnished by Contractor under this Contract shall not be installed, used, or made available for use in any equipment other than the equipment specified in the Contract at PREPA's Site. PREPA warrants that such equipment, and the Site, is under its ownership and control, and agrees to inform Contractor forthwith should this cease to be the case at any time before expiry of the Warranty Period.

H. PREPA agrees to pass on the restrictions and obligations under Article VII, Sections F and G above to any affiliates or third parties who have obtained or may obtain access to the Products or Services and shall be fully liable for any breach of this Article VII by its affiliates or third parties, as if it had committed such breach itself.

VIII. NON-DISCLOSURE AND CONFIDENTIALITY

A. Contractor and PREPA (as to information disclosed, the "Disclosing Party") may each provide the other party (as to information received, the "Receiving Party") with Confidential Information in connection with this Contract. "Confidential Information" means information that is designated in writing as "confidential" or "proprietary" by Disclosing Party at the time of written disclosure. In addition, prices for Products and/or Services shall be considered Contractor's Confidential Information.

B. Receiving Party agrees: (i) to use the Confidential Information only in connection with the Contract and use of Products and/or Services, (ii) to take reasonable measures to prevent disclosure of the Confidential Information to third parties, and (iii) not to disclose the Confidential Information to a competitor of Disclosing Party. Notwithstanding these restrictions, (a) Contractor may disclose Confidential Information to its affiliates and subcontractors in connection with performance of the Contract, (b) a Receiving Party may disclose Confidential Information to its auditors, (c) PREPA may disclose Confidential Information to lenders as necessary for PREPA to secure or retain financing needed to perform its obligations under the Contract, and (d) a Receiving Party may disclose Confidential Information to any other third party with the prior written permission of Disclosing Party, and in each case, only so long as the Receiving Party obtains a non-disclosure commitment from any such subcontractors, auditors, lenders or other permitted third party that prohibits disclosure of the Confidential Information and provided further that the Receiving Party remains responsible for any unauthorized use or



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disclosure of the Confidential Information. Receiving Party shall upon request return to Disclosing Party or destroy all copies of Confidential Information except to the extent that a specific provision of the Contract entitles Receiving Party to retain an item of Confidential Information. Contractor may also retain one archive copy of PREPA's Confidential Information.

C. The obligations under this Article VIII shall not apply to any portion of the Confidential Information that: (i) is or becomes generally available to the public other than as a result of disclosure by Receiving Party, its representatives or its affiliates; (ii) is or becomes available to Receiving Party on a non-confidential basis from a source other than Disclosing Party when the source is not, to the best of Receiving Party's knowledge, subject to a confidentiality obligation to Disclosing Party; (iii) is independently developed by Receiving Party, its representatives or affiliates, without reference to the Confidential Information; (iv) is required to be disclosed by law or valid legal process provided that the Receiving Party intending to make disclosure in response to such requirements or process shall promptly notify the Disclosing Party in advance of such disclosure and reasonably cooperate in attempts to maintain the confidentiality of the Confidential Information.

D. Each Disclosing Party warrants that it has the right to disclose the information that it discloses. Neither PREPA nor Contractor shall make any public announcement about the Contract without prior written approval of the other party. Article VI does not supersede any separate confidentiality or nondisclosure agreement signed by the parties.

IX. TERMINATION BY THE CHIEF OF STAFF

Pursuant to Memorandum No. 2017-001, Circular Letter 141-17, of the Office of the Chief of Staff of the Governor of Puerto Rico (Secretaría de la Gobernación) and the Office of Management and Budget (Oficina de Gerencia y Presupuesto - OGP), the Chief of Staff shall have the authority to terminate this Contract at any time. If so directed by the Chief of Staff, PREPA will terminate this Contract by delivering to the Contractor a notice of termination specifying the extent to which the performance of the work under this Contract is terminated, and the effective date of termination. Upon the effective date of termination, the Contractor shall immediately discontinue all services affected and deliver to PREPA all information, studies and other materials property of PREPA. In the event of a termination by notice, PREPA shall be liable only for payment of services rendered up to and including the effective date of termination plus the amounts provided in Article III, c), (ii).



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X. INTERAGENCY SERVICES

Both parties acknowledge and agree that the Services may be provided to another entity of the Executive Branch which enters into an interagency agreement with PREPA or by direct disposition of the Office of the Chief of Staff. Such work will be performed under the same terms and conditions in terms of hours of work and compensation set forth in this Contract. For the purpose of this clause, the term "entity of the Executive Branch" includes all agencies of the Government of Puerto Rico, as well as public instrumentalities, public corporations.

XI. COMPLIANCE WITH THE COMMONWEALTH OF PUERTO RICO CONTRACTING REQUIREMENTS

The Contractor will comply will all applicable Law, Regulations, or Executive Orders that regulate the contracting process and requirements of the Commonwealth of Puerto Rico.

A. Filing of Puerto Rico Income Tax Returns

In compliance with Executive Order Number OE-1991-24 of June 18, 1991, the Contractor hereby certifies that it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last five (5) years. As evidence thereof, Contractor has delivered to PREPA an Income Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that Contractor has filed his Income Tax Return for the last five (5) tax years (Form SC 6088). The Contractor accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every Contractor and Subcontractor whose service the Contractor has secured in connection with the services to be rendered under this Contract and shall forward evidence to PREPA as to its compliance with this requirement.

B. Payment of Puerto Rico Income Taxes

In compliance with Executive Order Number OE-1991-24 of June 18, 1991, the Contractor, hereby certifies that it has complied and is current with the payment of all income taxes that are, or were due, to the Government of Puerto Rico. As evidence thereof, Contractor has delivered to PREPA a certification issued by the Treasury Department of Puerto Rico indicating that Contractor does not owe taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan in full compliance with its terms (Form SC 6096). During the term of this Contract, the Contractor agrees to pay and/or to remain current with any repayment plan agreed to



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by the Contractor with the Government of Puerto Rico. The Contractor accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each Subcontractor whose service the Contractor has secured in connection with the services to be rendered under this Contract and shall forward evidence to PREPA as to its compliance with this requirement.

C. Compliance with Requirements of the Department of Labor and Human Resources of the Commonwealth of Puerto Rico

Pursuant to Executive Order Number 1992-52, dated August 28, 1992 amending OE-1991-24, the Contractor certifies and warrants that it has made all payments required for unemployment benefits, workmen's compensation and social security for chauffeurs, whichever is applicable, or that in lieu thereof, has subscribed a payment plan in connection with any such unpaid items and is in full compliance with the terms thereof. As evidence thereof, Contractor has delivered to PREPA:

1. A certification issued by the Bureau of Employment Security (Negociado de Seguridad de Empleo) of the Puerto Rico Department of Labor and Human Resources certifying that Contractor does not owe taxes regarding Unemployment or Disability Insurance.
2. A certification issued by the Program for Social Security for Chauffeurs and Other Employees of the Puerto Rico Department of Labor and Human Resources certifying that contractor has no debt with respect to such program Income Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that Contractor has filed his Income Tax Return for the last five (5) tax years (Form SC 6088).

D. Real and Personal Property Taxes

Contractor hereby certifies and guarantees that it does not have any current debt regarding property taxes that may be registered with the Government of Puerto Rico's Municipal Tax Collection Center (Centro de Recaudación de Ingresos Municipales ("CRIM")).

The Contractor further certifies to be current with the payment of any and all property taxes that are or were due to the Government of Puerto Rico. The Contractor shall provide:

1. A certification issued by the Municipal Revenues Collection Center ("MRCC"), assuring that Contractor does not owe any tax accruing during the last five (5) years to such governmental agency with respect to personal property; or negative Debt certification issued by the MRCC with respect to personal property taxes and a sworn statement executed by Contractor indicating that (i) its revenues are derived from the rendering of professional services, (ii) during the last 5 years (or the time in which it has been providing professional services) it has had no taxable



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business or personal property on the 1st of January of each year, (iii) that for such reasons it has not been required to file personal property tax returns, as required under Article 6.03 of Act 83-1991, as amended and (iv) that for such reason it does not have an electronic tax file in the MRCC's electronic system.

2. All Concepts Debt Certification issued by the MRCC assuring that Contractor does not owe any taxes to such governmental agency with respect to real and personal property; or Negative certification issued by the MRCC with respect to real property taxes.

E. Sales and Use Taxes

The Contractor has delivered to PREPA:

1. Certification issued by the Puerto Rico Treasury Department indicating that Contractor does not owe Puerto Rico Sales and Use taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan and is in full compliance with its terms.
2. Puerto Rico Sales and Use Tax Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that Contractor has filed his Puerto Rico Sales and Use Tax for the last sixty (60) contributory periods.
3. A copy of Contractor's Certificate of Merchant's Registration issued by the Treasury Department of Puerto Rico.

F. Contractors Not Engaged In Trade or Business In Puerto Rico

The Contractor has delivered to PREPA a sworn statement certifying that, under penalty of perjury, Contractor does not have tax liability in Puerto Rico and the execution of the agreement will not result in Contractor being engaged in trade or business in Puerto Rico.

G. Puerto Rico Child Support Administration (ASUME)

Contractor hereby certifies that it is not duty bound to pay child support, or if so, that Contractor is up to date or has a payment plan to such effects. As evidence thereof, the Contractor has delivered to PREPA a certification issued by the Puerto Rico Child Support Administration (Administración Para El Sustento de Menores (ASUME) certifying that the Contractor have any debt, outstanding debt, or legal procedures to collect child support payments that may be registered with ASUME.

If any of the certifications listed in items A through G of this Article X shows a debt, and Contractor has requested a review or adjustment of this debt, Contractor hereby certifies that it has made such request at the time of the Contract execution. If the requested review or adjustment is



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denied and such determination is final, Contractor will provide, immediately, to PREPA a proof of payment of this debt; otherwise, Contractor accepts that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments.

H. Organization Documents

The Contractor shall provide:

1. Good Standing Certificate issued by the Department of State of Puerto Rico.
2. Certification of Incorporation, or Certification of Organization or Certificate of Authorization to do business in Puerto Rico issued by the Department of State of Puerto Rico.

I. Compliance with Act 1 of Governmental Ethics

The Contractor will certify compliance with Act 1-2012, as amended, known as the Ethics Act of the Government of Puerto Rico, which stipulates that no employee or executive of PREPA nor any member of his or her immediate family (spouse, dependent children, or other members of his or her household or any individual whose financial affairs are under the control of the employee) shall have any direct or indirect pecuniary interest in the services to be rendered under this Contract, except as may be expressly authorized by the Governor of Puerto Rico in consultation with the Secretary of Treasury and the Secretary of Justice of the Government. 3 L.P.R.A. § 8611 et seq.

J. Law 168-2000: Law for the Strengthening of the Family Support and Livelihood of Elderly People

The Contractor will certify that if there is any Judicial or Administrative Order demanding payment or any economic support regarding Act 168-2000, as amended, the same is current and in all aspects in compliance. Act 168-2000 "Law for the Strengthening of the Family Support and Livelihood of Elderly People" in Spanish: "Ley para el Fortalecimiento del Apoyo Familiar y Sustento de Personas de Edad Avanzada", 3 L.P.R.A. §8611 et seq.

K. Law 127-2004: Contract Registration in the Controller's Office of Puerto Rico Act.

Payment for Services under this Contract will not be made until this Contract is properly registered in the Office of the Comptroller of the Government of Puerto Rico pursuant to Law Number 18 of October 30, 1975, as amended.



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L. Prohibition with respect to execution by public officers: (3 L.P.R.A. 8615(c))

No public officer or employee authorized to contract on behalf of the executive agency for which he/she works may execute a contract between the agency for which he/she works and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.

M. Prohibition with respect to contracting with officers or employees: (3 L.P.R.A. 8615(d))

No executive agency may execute a contract in which any of its officers or employees or any member of their family units has or has had direct or indirect economic interest during the last four (4) years prior to their holding office, unless the Governor gives authorization thereto with the previous recommendation of the Secretary of the Treasury and the Secretary of Justice.

N. Prohibition with respect to contracts with officers and employees of other Government entities: (3 L.P.R.A. 8615(e))

No public officer or employee may be a party to or have any interest in any profits or benefits produced by a contract with any other executive agency or government dependency unless the Governor gives express authorization thereto with previous recommendation from the Secretary of the Treasury and the Secretary of Justice.

O. Prohibition with respect to evaluation and approval by public officers: (3 L.P.R.A. 8615(f))

No public officer or employee who has the power to approve or authorize contracts shall evaluate, consider, approve or authorize any contract between an executive agency and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.

P. Prohibition with respect to execution by public officers contracts with former public officers: (3 L.P.R.A. 8615(h))



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No executive agency shall execute contracts with or for the benefit of persons who have been public officers or employees of said executive agency until after two (2) years have elapsed from the time said person has ceased working as such.

Q. Dispensation

Any and all necessary dispensations have been obtained from any government entity and that said dispensations shall become part of the contracting record.

R. Rules of Professional Ethics

The Contractor acknowledges and accepts that it is knowledgeable of the rules of ethics of his or her profession and assumes responsibility for his or her own actions.

S. Anti-Corruption Code for a New Puerto Rico

1. Contractor agrees to comply with the provisions of Act 2-2018, as the same may be amended from time to time, which establishes the Anti-Corruption Code for a new Puerto Rico.
2. The Contractor hereby certifies that it does not represent particular interests in cases or matters that imply a conflict of interest, or of public policy, between the executive agency and the particular interests it represents.
3. Contractor will keep currently in the PREPA's Register of Suppliers a sworn statement to the effect that neither Contractor nor any president, vice president, executive director or any member of a board of officials or board of directors, included in its Bylaws has been convicted of or has pled guilty to any of the crimes listed in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico or any of the crimes included in Act 2-2018.
4. Contractor hereby certifies that it has not been convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3, or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.
5. PREPA shall have the right to terminate the Contract in the event



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Contractor is convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3, or 5.7 of Act 1-2012, in connection with the activities of this Contract as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.

T. Provisions Required under Act 14-2004

Contractor agrees that articles extracted, produced, assembled, packaged or distributed in Puerto Rico by enterprises with operations in Puerto Rico, or distributed by agents established in Puerto Rico shall be used when the service is rendered, provided that they are available.

U. Consequences of Non-Compliance

The Contractor expressly agrees that the conditions outlined throughout this Article are essential requirements of this Contract. Consequently, should any one of these representations, warranties or certifications in connection with the Anti-Corruption Code for a New Puerto Rico be incorrect, inaccurate or misleading, in whole or in part, there shall be sufficient cause for PREPA to render this Contract null and void, and the Contractor shall be subject to the remedies set out in the Anti-Corruption Code for a New Puerto Rico in the event of such termination. The Contractor accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every Contractor and Subcontractor whose service the Contractor has secured in connection with the services to be rendered under this Contract and shall forward evidence to PREPA as to its compliance with this requirement. If any of the certifications listed in items A through F of this Section X shows a debt, and Contractor has requested a review or adjustment of this debt, Contractor hereby certifies that it has made such request at the time of the Contract execution. If the requested review or adjustment is denied and such determination is final, Contractor will provide, immediately, to PREPA a proof of payment of this debt; otherwise, Contractor accepts that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments.

XII. INSURANCE



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The Contractor shall secure and maintain in full force and effect during the life of this Contract as provided herein, policies of insurance covering all operations engaged in by the Contract as follows:

A. Commonwealth of Puerto Rico Workmen's Compensation Insurance

1. The Contractor shall provide Workmen's Compensation Insurance as required by the Workmen's Compensation Act 45-1935 of the Commonwealth of Puerto Rico. The Contractor shall also be responsible for compliance with said Workmen's Compensation Act by all its subcontractors, agents, and invitees, if any.

2. The Contractor shall furnish a certificate from the Puerto Rico State Insurance Fund showing that all personnel employed in the work are covered by the Workmen's Compensation Insurance, in accordance with this Contract.

B. Employer's Liability Insurance

The Contractor shall provide Employer's Liability Insurance with a minimum bodily injury limits of \$1,000,000 for each employee and \$1,000,000 for each accident covering against the liability imposed by Law upon the Contractor as result of bodily injury, by accident or disease, including death arising out of and in the course of employment, and outside of and distinct from any claim under the Workmen's Compensation Act of the Commonwealth of Puerto Rico.

C. Commercial General Liability Insurance

The Contractor shall provide a Commercial General Liability Insurance with limits of \$1,000,000 per occurrence and \$1,000,000 aggregate

D. Commercial Automobile Liability Insurance

The Contractor shall provide a Commercial Automobile Liability Insurance with limits of \$1,000,000 combined single limit covering all owned, non-owned, and hired automobiles.

E. Professional Liability Insurance

The Contractor shall provide a Professional Liability Insurance with limits of \$1,000,000 per claim and \$1,000,000 aggregate.

F. Requirements under the Policies



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The Commercial General Liability and Commercial Automobile Liability Insurance required under this Contract shall be endorsed to include:

1. As Additional Insured, naming Puerto Rico Electric Power Authority (PREPA) Risk Management Office as additional insured but only to the extent of the Contractor's indemnification obligations for third party damages as stated under this Agreement.
Puerto Rico Electric Power Authority (PREPA) Risk Management Office
PO Box 364267
San Juan, Puerto Rico 00936-4267
2. A 30-day cancellation or nonrenewable notice to be sent to the above address.
3. An endorsement including this Contract under contractual liability coverage and identifying it by number, date, and parties to the contract.
4. Waiver of subrogation in favor of Puerto Rico Electric Power Authority (PREPA) "... along with a waiver of subrogation to Puerto Rico Electric Power Authority (PREPA)'s benefit to the extent protections are afforded PREPA as an additional insured.
5. Breach of Warranties or Conditions: "The Breach of any of the Warranties or Conditions in this policy by the Insured shall not prejudice PREPA's rights under this policy."

G. Furnishing of Policies

All required policies of insurance shall be issued only by insurance companies authorized to do business in Puerto Rico. The Contractor shall furnish a certificate of insurance signed by an authorized representative of the insurer in Puerto Rico, describing the coverage afforded.

XIII. NOTICES

All notices and other communications hereunder shall be in writing and shall be deemed given when delivered personally or sent by telecopy, or sent, postage prepaid, by registered, certified or express mail (return receipt requested) or reputable overnight courier service and shall be deemed given when so delivered by hand, or telecopied, or if mailed, three days after mailing (one business day in the case of express mail or overnight courier service) to the parties at the following addresses:

If to Contractor:



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Attn:

If to PREPA:

José F. Ortiz Vázquez
Chief Executive Officer
Puerto Rico Electric Power Authority
PO Box 364267
San Juan, Puerto Rico 00936-4267

XIV. INDEPENDENT CONTRACTOR

The Contractor shall be considered as an independent contractor, for all material purposes under this Contract, and all persons engaged or contracted by Contractor for the performance of its obligations herein, shall be considered as its employees or agents, and not as employees or agents of PREPA. As an independent contractor, Contractor shall not be entitled to any fringe benefits, such as, but not limited to vacation, sick leave, and to which PREPA's employees are entitled.

XV. RESPONSIBILITY FOR DAMAGES

A. Except for claims for indemnification under Section F, which are not limited, the total liability of the Contractor for all claims, whether a claim is based in contract, warranty, indemnity, tort/extra contractual liability (including negligence), strict liability or otherwise shall not exceed the following:

Purchase Order Value or Contract Price (POV)	Liability Limit
Less than 50,000	4 X applicable POV or \$150,000 whichever is less
\$50,000 - \$200,000	3 X applicable POV or \$400,000 whichever is less
\$200,000 - \$800,000	2 X applicable POV or \$1,200,000 whichever is less
\$800,000 - \$1,500,000	1.5 X applicable POV or \$2,000,000 whichever is less

Greater than \$1,500,000 1.0 X applicable POV or \$2,000,000 whichever is greater

B. DEFINITION OF CONTRACTOR UNDER THIS ARTICLE ON LIABILITIES:



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For purposes of this article on "Liabilities", the term "Contractor" means Contractor, its affiliates, subcontractors and suppliers of any tier, and their respective employees.

C. INTENTION OF PARTIES TO HAVE THIS ARTICLE ON LIABILITIES APPLY IN ALL CASES:

This article shall apply whether a claim is based in contract, warranty, indemnity, tort/extra-contractual liability (including negligence), strict liability or otherwise and shall prevail over any conflicting terms. The parties agree that their respective responsibilities for damages under this Contract will be governed by the terms of this Contract and shall be each Party's sole and exclusive remedies.

D. TERMINATION OF CONTRACTOR'S LIABILITY:

Contractor's liability shall terminate upon the expiration of the applicable warranty period, provided that PREPA may enforce a claim that accrued prior to that date by commencing an action, as applicable, under the article on Disputes, before the expiration of the applicable statute of limitations but not later than one (5) year after the expiration of the warranty period.

This clause does not place a limit or restriction on the indemnity obligations of Contractor with respect to third party personal injury or death claims or third-party property damages claims as defined under the Indemnity clause.

E. Indirect or Consequential Damages NOT COVERED:

The Contractor shall not be liable or responsible for any loss of profits or any special, indirect, incidental or consequential damages, loss of profits or revenue, loss of business, loss or costs because of a plant shutdown, downtime costs, cost of capital, claims of customers of PREPA, or costs of replacement power, or any other such special, indirect, incidental or consequential types of damages that may be claimed in relation to the work performed, under any legal theory which may be invoked for such claims or damages

F. Save and Hold Harmless (Indemnity for Third Party Claims):

The Contractor agrees to save and hold harmless and to indemnify PREPA for all expenses and costs of any nature (including attorneys' fees) incurred by PREPA arising out of any claims made by any third party for personal injuries, including death, or for physical damage to third party property,



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caused by the Contractor or any of its subcontractors, to the extent of Contractor's or subcontractors negligence in the performance or nonperformance of its obligations under the Contract. For purposes of Contractor's indemnity responsibility under this article, no portion of the unit(s) where the Services are provided or the parts furnished by Contractor are installed, facility where the Services are provided or the Products are installed or the site where the Services are provided or the Products are installed is considered third party property.

PREPA agrees to save and hold harmless and to indemnify Contractor for all expenses and costs of any nature (including attorneys' fees) incurred by Contractor arising out of any claim made by any third party for personal injuries, including death, or for physical damage to third party property, caused by PREPA, to the extent of PREPA's negligence in the performance of its obligations under the Contract.

G. Provision on the Operation of PREPA's Equipment

It is hereby provided that Contractor is NOT allowed to operate PREPA's equipment at any time and that the Scope of Work does not provide for Contractor to operate any of PREPA's equipment. Therefore, PREPA is responsible for the operation of its own equipment at all times

PREPA represents and guarantees that it is the sole owner of the equipment, site and facilities where the Services will be provided and shall indemnify and hold Contractor harmless from any claim from other current or future owner to the extent such claim exceeds the limitations and exclusions of liability of this Contract.

XVI. CHOICE OF LAW AND VENUE

This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico. Also, the Parties expressly agree that only the State Court for the Commonwealth of Puerto Rico will be the court of competent and exclusive jurisdiction to decide over the judicial controversies that the appearing Parties may have among them regarding the terms and conditions of this Contract.

XVII. DISPUTES

All disputes concerning questions of fact arising under this Contract shall be decided by PREPA's Generation Director within 10 days from the submission of the dispute by Contractor, subject to written appeal by Contractor to the Executive Director within thirty (30) days. Within 10



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days thereafter, the Executive Director shall inform each party hereto of his decision regarding the dispute. Contractor, at its option, may elect to accept such decision or pursue remedies at law or equity.

In the event of a dispute arising during the warranty period, Contractor shall ensure all obligations of Contractor under the agreement are duly performed unless Customer is not performing its obligations as defined in the Contract.

XVIIIi. SEVERABILITY

If a court of competent jurisdiction declares any of the Contract provisions as null and void or invalid, such holding will not affect the validity and effectiveness of the remaining provisions of this Contract and the Parties agree to comply with their respective obligations under such provisions not included in the judicial declaration.

XIX. CHANGE IN LAW

If during the term of this contract, Contractor presents evidence that the change in law has caused a material increase in their cost to provide services, the Parties, at the request of the Contractor, will meet to discuss whether an increase in the contract amount is justified. If the Parties are unable to agree on the applicable price increase, Contractor shall not be obligated to continue to perform the affected scope until the parties reach agreement. Any party, at its option, may elect to accept such decision or pursue remedies at law or equity.

XX. FORCE MAJEURE

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 event not caused by the fault or negligence of, 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, terrorism, war, blockades, boycotts, riots, insurrections, epidemics, earthquakes, storms, floods, civil disturbances, lockouts, fires, explosions, interruptions of services due to the acts or failure to act of any governmental authority,



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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 event, and that such Party, within ten (10) business days after the occurrence of the alleged force majeure event, 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 event has occurred shall be on the party claiming the force majeure event.

XXI. NOVATION

The Parties expressly agree that no amendment or change order, which could be made to the Contract during its term, shall be understood as a contractual novation, unless both Parties agree to the contrary, specifically and in writing.

The previous provision shall be equally applicable in such other cases where PREPA gives Contractor a time extension for the compliance of any of its obligations under this Contract, or where PREPA dispenses the claim or demand of any of its credits or rights under the Contract. Neither Party can assign this Contract without the approval in writing of the other Party, but Contractor is authorized to assign this Contract payment rights to an Affiliate, without prior approval.

XXIII. COUNTERPARTS

This Contract may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

XXIV. ENTIRE CONTRACT

Subject to any additional Federal or Commonwealth requirements not specified herein, this Contract and its attachments, (and any executed amendments to either), constitutes the entire Contract between the Parties and supersedes all prior agreements and understandings, oral or written, with respect to the subject matter hereof. This Contract will inure to the benefit of, and be binding upon, the Parties and their respective successors and assigns.

XXV. CORRELATION OF DOCUMENTS

In case of discrepancy or in the event of conflict among the order of precedence of the Contract documents shall be



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1. The Contract,
2. Special Conditions,
3. Technical Specifications,
4. Proposal Forms, and
5. the Contractors Bidding Proposal,

the terms of first stated document shall prevail over shall take precedence in the order given. The terms and conditions contained in the Contract shall prevail over any conflicting terms and conditions contained in the Contractor's Bidding Proposal.

XXVI. WARRANTY

1. The Contractor warrants to PREPA that the Services shall be performed in a competent, diligent manner in accordance with any mutually agreed specifications. The foregoing warranty shall expire twelve (12) months after the date of completion of the applicable Service.
2. If Services do not meet the above warranty, PREPA shall promptly notify the Contractor in writing prior to expiration of the warranty period. The Contractor shall re-perform defective Services. If despite the Contractor's reasonable efforts, non-conforming Services cannot be re-performed, the Contractor shall refund or credit monies paid by PREPA for such non-conforming Services. Warranty repair, replacement or re-performance by the Contractor shall not extend or renew the applicable warranty period. PREPA shall obtain Contractor's agreement on the specifications of any tests it plans to conduct to determine whether a non-conformance exists.
3. PREPA will provide the necessary craft labor for any warranty work that has to be performed in order to comply with the requirements established under this clause. The Performance Bond shall cover and serve as guarantee for this warranty. Upon expiration of the warranty period, the Performance Bond shall expire.
4. The warranties and remedies are conditioned upon (a) PREPA keeping accurate and complete records of operation and maintenance during the warranty period and providing Contractor with access to those records, and (c) modification or repair of Services only as authorized by the Contractor in writing. Failure to meet any such conditions renders the warranty null and void. The Contractor is not responsible for normal wear and tear. This article provides the exclusive remedies for all claims based on failure of or defect in products or services, regardless of when the failure or defect arises, and whether a claim, however described, is based on contract, warranty, indemnity, tort/extra-contractual liability



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(including negligence), strict liability or otherwise. The warranties provided in this Article XXVI are exclusive and are in lieu of all other warranties, conditions and guarantees whether written, oral, implied or statutory. NO IMPLIED OR STATUTORY WARRANTY, OR WARRANTY OR CONDITION OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE APPLIES.

XXVII. ENVIRONMENTAL, HEALTH AND SAFETY MATTERS

- 1) PREPA shall maintain safe working conditions at the Site, including, without limitation, implementing appropriate procedures regarding Hazardous Materials, confined space entry, and energization and de-energization of power systems (electrical, mechanical and hydraulic) using safe and effective lock-out/tag-out ('LOTO') procedures including physical LOTO or a mutually agreed upon alternative method.
- 2) PREPA shall timely advise Contractor in writing of all applicable Site-specific health, safety, security and environmental requirements and procedures. Without limiting PREPA's responsibilities under Article XIII, Contractor has the right but not the obligation to, from time to time, review and inspect applicable health, safety, security and environmental documentation, procedures and conditions at the Site.
- 3) If, in Contractor's reasonable opinion, the health, safety, or security of personnel or the Site is, or is apt to be, imperiled by security risks, terrorist acts or threats, the presence of or threat of exposure to Hazardous Materials, or unsafe working conditions, The Contractor may, in addition to other rights or remedies available to it, evacuate some or all of its personnel from Site, suspend performance of all or any part of the Contract, and/or remotely perform or supervise work. Any such occurrence shall be considered an excusable event. PREPA shall reasonably assist in any such evacuation.
- 4) Operation of PREPA's equipment is the responsibility of PREPA. PREPA shall not require or permit The Contractor's personnel to operate PREPA's equipment at Site.
- 5) PREPA will make its Site medical facilities and resources available to The Contractor personnel who need medical attention.
- 6) The Contractor has no responsibility or liability for the pre-existing condition of PREPA's equipment or the Site. Prior to The Contractor starting any work at Site, PREPA will provide documentation that identifies the presence and condition of any Hazardous Materials existing in or about PREPA's equipment or the Site that The Contractor may encounter while performing under this Contract. PREPA shall disclose to



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PUERTO RICO ELECTRIC POWER AUTHORITY

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The Contractor industrial hygiene and environmental monitoring data regarding conditions that may affect The Contractor's work or personnel at the Site. PREPA shall keep The Contractor informed of changes in any such conditions.

7) The Contractor shall notify PREPA if The Contractor becomes aware of: (i) conditions at the Site differing materially from those disclosed by PREPA, or (ii) previously unknown physical conditions at Site differing materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract. If any such conditions cause an increase in The Contractor's cost of, or the time required for, performance of any part of the work under the Contract, an equitable adjustment in price and schedule shall be made.

8) If the Contractor encounters Hazardous Materials in PREPA's equipment or at the Site that require special handling or disposal, The Contractor is not obligated to continue work affected by the hazardous conditions. In such an event, PREPA shall eliminate the hazardous conditions in accordance with applicable laws and regulations so that The Contractor's work under the Contract may safely proceed, and The Contractor shall be entitled to an equitable adjustment of the price and schedule to compensate for any increase in The Contractor's cost of, or time required for, performance of any part of the work. PREPA shall properly store, transport and dispose of all Hazardous Materials introduced, produced or generated in the course of The Contractor's work at the Site.

9) PREPA shall indemnify The Contractor for any and all claims, damages, losses, and expenses arising out of or relating to any Hazardous Materials which are or were (i) present in or about PREPA's equipment or the Site prior to the commencement of The Contractor's work, (ii) improperly handled or disposed of by PREPA or PREPA's employees, agents, contractors or subcontractors, or (iii) brought, generated, produced or released on Site by parties other than The Contractor.

END TO TERMS & CONDITIONS

* * * End of Contract * * *

Exhibit B-3

**STRUCTURAL REHABILITATION AND MAINTENANCE
NATURAL GAS LINE PIPE LOOP
AT COSTA SUR POWER PLANT**

APPEAR

AS FIRST PARTY: 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 83 of May 2, 1941, as amended, represented in this act by its Chief Executive Officer/Executive Director, Mister José F. Ortiz Vázquez, of legal age, married, professional engineer, and resident of San Juan, Puerto Rico.

AS SECOND PARTY: All Contractors and Services Corp. hereinafter referred to as “the Contractor”, a corporation organized and existing under the laws of the Commonwealth of Puerto Rico, authorized to do business in Puerto Rico, represented in this act by its President, Neil Borrero Vélez, married, and resident of Ponce, by virtue of Corporate Resolution dated as December 24, 2019.

Both, PREPA and Contractor which are hereinafter referred to individually as a “Party” and jointly as “Parties”,

WHEREAS, PREPA, by virtue of its enabling act, Act 83 of May 2, 1941, as amended (Act 83), has the authority to engage those professional, technical and consulting services necessary and convenient to the activities, programs, and operations of PREPA;


WHEREAS, this Contract was awarded to the Contractor on May 13, 2020 by means of an emergency competitive process RFP 00002646, Power Advocate Event Num. 103905.

WITNESSETH

THEREFORE, IN CONSIDERATION of the mutual covenants hereinafter stated, the Parties agree themselves, their personal representatives, successors, and assignees, as follows:

TERMS AND CONDITIONS

ARTICLE 1. Scope of Work



The Contractor shall furnish and provide all work, labor, materials, tools, all taxes, equipment, enclosures, inspection, supervision, all necessary services, job administration, and superintendence, required for the Structural Rehabilitation and Maintenance Natural Gas Line Pipe Loop at the Costa Sur Power Plant. In accordance with the Specifications stated in herein attached.

All the services described in this Article 1 shall be defined in this Contract as the "Works".

Article 2. Definitions

Whenever the words defined in this Article or their pronouns are used or mentioned in this Contract, they shall have the meanings here given:

2.1 Contracting Officer - shall mean PREPA's Chief Executive Officer/Executive Director, acting directly or through his properly authorized agents.

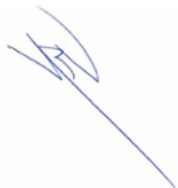
2.2 Contract - shall mean, collectively, the documents listed below and all supplementary documents thereto that are incorporated by reference. In the event of a conflict between any such documents, the following descending order from top to bottom shall constitute the order of priority governing the interpretation of the Contract (beginning with the Contract as the top priority):

- a. Contract
- b. Terms and Conditions
- c. Special Conditions and Technical Specifications
- d. Instructions to Proponents
- e. Questions and Answers during the procurement process
- f. Contractor's Proposal
- g. Performance and Payment Bond as approved by PREPA's Risk Manager and Treasurer.

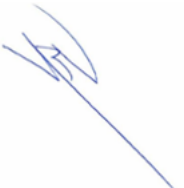
In case of any difference between the terms and conditions of this Contract and the terms of Contractor's Proposals, the terms and conditions of this Contract shall govern.

2.3 Completion Date – date in which all tasks and project scope had completed.

2.4 Change Order - a written agreement between the Parties that sets out changes in price, time, or the Scope of Work.



- 2.5 Engineer - shall mean PREPA's Generation Director, acting directly or through his properly authorized agents.
- 2.6 Final Acceptance – shall mean written approval by PREPA that the entire work has been completed, the final cleaning up of the site has been performed and all Punch List items have been rectified.
- 2.7 Notice to Proceed - a written order sent to the Contractor by the Contracting Officer or the Engineer, notifying the contractor giving authority to begin the Work or separate portions of the Work, as established in this Contract.
- 2.8 (a) Phase I – shall mean items from the “ALCANCE DE TRABAJO” of the Technical Specifications 20-000; letters B, C, E, F, G, I (for Critical Corrosion Areas), L (for Critical Corrosion Areas), M (Critical Corrosion Areas), and any task work to be considered hot work on the surface of the pipe (welding, cutting, polish). Also, any work that may create a dangerous environment with the natural gas pipe pressurized and on service.
- (b) Phase II – shall mean items from the “ALCANCE DE TRABAJO” of the Technical Specifications 20-000; letters D, H, I (for Non Critical Corrosion Areas), J, L (for Non Critical Corrosion Areas), M (For Non Critical Corrosion Areas) and any work that may not create a dangerous environment with the natural gas pipe pressurized and on service.
- 2.9 Punch List - shall mean the list of non-conforming or incomplete works items identified by PREPA to be completed by the Contractor before the Final Acceptance of the Work.
- 2.10 Special Conditions – are all the specific requirements, regulations and/or directions covering specific conditions of the project.
- 2.11 (a) Substantial Completion Phase I - shall mean the date certified by PREPA, that the Contractor shall reached the stage of completion when PREPA accepts the safe use of the facility or system for its intended purposes, even though all work is not completed. Once the substantial completion is provided, it is understood that the



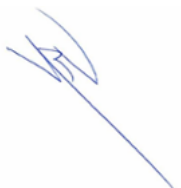
term established to complete the works under Phase I is stopped just for the purposes of the application of penalties for delay. (b) Substantial Completion Phase II - shall mean the date certified by PREPA, that the Contractor shall reached the stage of completion when PREPA accepts the safe use of the facility or system for its intended purposes, even though all work is not completed. Once the substantial completion is provided, it is understood that the term established to complete the works under Phase II is stopped just for the purposes of the application of penalties for delay. However, the Contractor shall finish the items included in the punch list for both the San Juan Steam Plant and Aguirre Steam Plant sites, and all other pending task or requirement of the contract documents, as required in the Substantial Completion certificate for each of the phases.

2.12 Environmental Compliance Officer – PREPA’s personnel in charge of project inspections and environmental regulations compliance, who has the authority to stop the project execution until any environmental deficiencies or violations in the project, identified by PREPA or any environmental regulatory agency, are corrected.

2.13 Health and Security Officer - The Contractor and/or Subcontractor must provide a health and security officer on the project site, which will oversee the prevention of accidents, security enforcement program and work plan in coordination with PREPA’s designated security officer. The Contractor or subcontractor security officer must be having, at least, 30 hours basic training in health standards and occupational security for construction projects, provided by a recognized institution approved by the Occupational Safety and Health Administration. The Contractor must install security barriers around the project boundaries to avoid non authorized personnel in the area.

ARTICLE 3: Consideration

The Contract Amount is based in time and material rates. As compensation for services rendered under this Contract, PREPA and the Contractor agree that the total amount to be paid under this Contract shall not exceed nine hundred eight thousand (\$908,000.00)



(Contract Amount). PREPA shall have no obligation to pay the Contractor any amounts in excess of the Contract Amount. Contractor shall have no obligation to perform any work in excess of the Contract Amount. The Contractor will be the only one responsible for any works it or any of its subcontractors, if any, does in excess of the Contract Amount, unless otherwise agreed to in writing, signed by the Parties.

The rates quoted in Contractor's Proposal shall constitute full compensation for the Structural Rehabilitation and Maintenance Natural Gas Line Pipe Loop at the Costa Sur Power Plant including but, not limited to: labor, tools, equipment, other accessories, cost of all insurance, profit, Contractor's overhead, , taxes, etc.

The Contractor shall submit its invoices for work already done according to the payment schedule approved by the Engineer, together with the supporting documents.

The invoices submitted by Contractor must be approved by the Engineer and must be accompanied by the proper and detail supporting documents (such as inspection certifications, work reports and third-party invoices, if any). No invoices shall be accepted for evaluation without the required documents.

PREPA reserves the right to deduct or withhold any payment under this Contract, until the Contractor complies with any debts or liabilities as a result of poor performance or negligence during the performance of the Works.

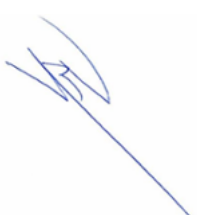
All invoices shall be subject to PREPA's approval before being paid, and its payment shall be done within sixty (60) days after the date of PREPA's approval.

Upon completion and Final Acceptance of all Works required hereunder, the amount due to the Contractor, under this Contract, will be paid upon the presentation of a properly executed and duly certified invoice, the amount of such excepted claims is not included in the invoice for final payment.

All invoices submitted by the Contractor shall include the following Certification in order to proceed with its payment. This is an essential requirement and those invoices without this Certification, will not be processed for payment.

No interest Certification:

Under penalty of absolute nullity, I hereby certify that no employee, official or director of PREPA is a party or has any interest in the profits or benefits to be obtained under this Contract, or if any employee, official or director of PREPA



has any interest in the profits or benefits under this Contract or a waiver has been previously obtained. I, also certify that the only consideration to provide the services under this Contract is the payment agreed with PREPA's authorized representative.

The total amount of this invoice is fair and correct. The works were completed, the services were provided and no payment has been received for said concept.

Contractor's Signature

Nothing herein shall preclude the Parties from agreeing to increase the Contract Amount by written amendment signed by both Parties.

The funds to pay for the services performed by the Contractor will come from account 01-1748-17563-555-354.

ARTICLE 4: Commencement, Prosecution and Completion of Work

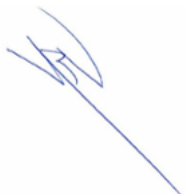
PREPA will provide a mobilization letter to the Contractor, prior to begin the Work. All Work shall be performed on one hundred twenty (120) days on a continuous schedule, after the commencement date, specified by PREPA in the mobilization letter.

The Substantial Completion of the Phase I shall be achieved within sixty (60) calendar days after the date of the Notice to Proceed. Phase II shall commence after Substantial Completion of Phase I and Substantial Completion of the Phase II shall be achieved after sixty (60) calendar days of the Substantial Completion of Phase I. All Work shall be previously coordinated with the Engineer. Any Work performed without the Engineer's approval will not be subject to payment by PREPA.

The Contractor will be responsible to obtain all the necessary permits for the Works, including the operation of emergency electric power generators, fuel and oil storage tanks, use of crane and transportation of equipment in state roads and highways. All copies of approved permits must be on the site project. The Contractor must submit a copy of the approved permits to PREPA's Environmental Protection Quality Assurance Division (EPQAD).

The Contractor must provide and install construction and maintenance signs in a visible area of the project. These signs must comply with the states and federal codes for regulatory, warning and guide signs.

Schedule of Proposed Progress



All work on shall be carried out on a continuous schedule following the commencement date specified by PREPA.

ARTICLE 5: Suspension of Work

The Contracting Officer or the Engineer may, at any time, suspend the whole or any portion of the works under this Contract, by providing the Contractor with a written notice stating the reasons for the suspension, at least five (5) days in advance of the day the suspension. The right of PREPA to suspend the services shall not be construed as denying the Contractor reimburse for actual reasonable, and necessary expenses due to delays, caused by such suspension, it being understood that expenses will not be allowed for such suspension when ordered by the Contracting Officer or the Engineer on account of a force majeure event, as defined in Article 14, Force Majeure, of this Contract.

ARTICLE 6. Specifications and Drawings

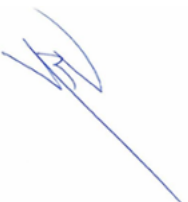
Anything called for in the Specifications and not shown in the drawings, or shown in the drawings and not mentioned in the Specifications shall be deemed to have been called for or shown in both. In case of any difference between drawings and Specifications, the specifications shall govern. In case of discrepancy in the specifications and drawings, the matter shall immediately be submitted to the Engineer, without whose decision said discrepancy in the specifications and drawings shall not be adjusted by Contractor, and Contractor shall not proceed with the work affected thereby until he has received written orders from the Engineer.

The Engineer will, from time to time, furnish such additional detailed drawings or other information as he may consider necessary for carrying out the work.

ARTICLE 7: Changes and/or Extra Work

PREPA may, at any time, make changes or order extra work within the Scope of Work subject to previous written approval of the Contracting Officer. Changes requested by PREPA may include, but not limited to, changes:

1. In the specifications including drawings and design.
2. In the method or schedule of performance of the Works.
3. Acceleration in the performance of the Works.



Within ten (10) working days after receipt of PREPA's written Change Order (or such shorter or longer period of time as may be reasonably required as agree by PREPA and the Contractor), Contractor shall promptly notify PREPA of the cost, schedule and other impact(s) Contractor anticipate as a result of the change. If PREPA agrees with the Contractor's statement as to the impact of the change, the Parties shall proceed promptly to enter into a written change order and amendment to the Contract, in accordance with such change to equitably adjust: Contractor's cost (increase or decrease), schedule (lengthen or shorten), or other obligations under the Contract regarding such change. PREPA shall promptly notify Contractor in writing of the basis for any disagreement and PREPA and Contractor shall negotiate in good faith to resolve any issues in order to, when applicable, enter into a written change order to: equitably adjust Contractor's cost (increase or decrease), schedule (lengthen or shorten), or other obligations under the Contract regarding such change. The acceptance of the Change Order and an adjustment in the Contract Amount and/or Contract Term shall not be unreasonable withheld.

In order to facilitate review of quotations for extra work or credits, all proposals submitted by Contractor in connection with a Change Order shall be accompanied with a complete breakdown of the costs including: labor, materials, equipment and subcontracts, if any.

ARTICLE 8. Other Work at the Site

PREPA reserves the right to perform other work by force account and/or enter into other contracts related with these Works. The Contractor shall afford PREPA and the other contractors reasonable opportunity to introduce and storage their materials and execute their work and coordinate its work with theirs. If any part of Contractor's Work, depends for proper execution or results, upon the work of PREPA or of any other contractor, the Contractor shall inspect the works and promptly report to PREPA any defects in such work or any conflicts between such work and Contractor's Work, for PREPA to decide, if necessary, the course of action to be followed by each party.

Wherever work being done by PREPA's own forces or by other contractors is contiguous to work covered by this Contract, the respective rights of the various interests involved shall be established by PREPA to secure the completion of the various portions of the work in general harmony. Whenever, in the opinion of PREPA, the orderly progress of the entire services requires the use of PREPA's own forces or by other contractors, PREPA will arrange with the Contractor for such use, at times, and in locations which will not interfere with the work being done under this Contract.

ARTICLE 9: Inspection

9.1.1 Periodic Inspection

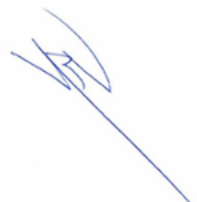
All material and workmanship (if not otherwise designated by the Specifications) shall be subject to inspection and test by PREPA's inspectors, at all reasonable times, during the performance of the Works. PREPA shall have the right to reject defective material, equipment or workmanship or require its correction. Rejected workmanship shall be satisfactorily corrected and rejected material and equipment shall be satisfactorily replaced with proper material and equipment, without charge to PREPA. The Contractor shall promptly remove rejected material from the premises. The Contractor shall furnish promptly all reasonable facilities, labor, materials, and equipment necessary for the safe and convenient inspection and tests that may be performed in such manners as not to unnecessarily delay the Work.

The Contractor must meet all the conditions and recommendations established by PREPA's Environmental, Health and Securities Officers.

Upon completion of the Work, the Contractor shall hand-in the Work area free of contaminants.

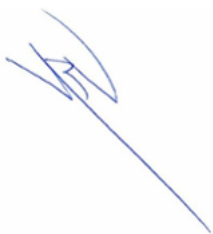
9.1.2 Final Inspection

Whenever all the materials have been furnished and all Work has been performed, including final cleaning up, as contemplated in Article 43, Cleaning Up, of this Contract, all in accordance with the Technical Specifications, the Contractor shall notify in writing the Engineer that the Work is completed and



ready for Final Inspection. Final inspection shall occur within a ten (10) working days after the Engineer has received Contractor's notice of completion of Work. After receipt the Contractor's notice, PREPA will notify it the exact date and time of the Final Inspection and Contractor shall schedule PREPA's specific time. If all the Work included in the Scope of the Contract, is found completed in accordance with the Specifications, this inspection shall constitute the Final Inspection and the Completion Date shall be the date of receipt of Contractor's notice of completion of Work. If, however, upon inspection by the Engineer it is found that any work, in whole or in part, is unsatisfactory, the Engineer shall give the Contractor the instructions as to replacement of material and performance of work necessary to final completion and acceptance, and the Contractor shall immediately comply with and execute such instructions. Upon satisfactory replacement and performance of such work, the Contractor shall notify the Engineer, and another inspection shall be made which will constitute the Final Inspection if said material is found to have been acceptably replaced and the work completed satisfactorily. In such event, the date of receipt of this last Contractor's notice will be established as the Completion Date of the Work or any separable part thereof under the Contract. The Completion Date, thus established, shall be used in calculating the real time of performance of the Work.

The determination of whether a project is substantially completed is at the discretion of PREPA. This project shall be considered substantially completed when PREPA accepts the safe use of the facility or system for its intended purposes, even though not all work is completed. Once the substantial completion is provided, it is understood that the term established to complete the works under Phase I is stopped for the purposes of the application of penalties for delay. However, the Contractor shall finish all items included in the Punch List before Final Acceptance of Services, including items listed in Article 2.11, Substantial Completion, of this Contract.



ARTICLE 10. Submittals

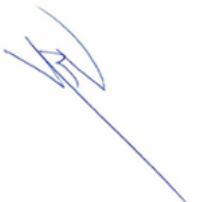
The Engineer shall evaluate submittals within five (5) calendar days to mark them as disapproved; approved as corrected or approved. The Contractor is responsible to submit three (3) sets of the submittals. All disapproved submittals shall be corrected as required and resubmitted for PREPA's evaluation. In case of discrepancy in the submittals, including Contractor's disagreement with corrections requested by the Engineer or PREPA, the matter shall be submitted to the Engineer, and the Contractor shall not proceed with the work so affected until the Parties resolve such discrepancy in good faith.

Review or approval of Contractor's submittals shall in no way relieve the Contractor from its responsibilities, obligations or liabilities under this Contract. The Contractor shall obtain such reviews or approval in writing from PREPA. The Contractor shall keep at the site one hard copy of the Contract documents, Specifications and drawings, and shall give the Engineer access thereto. Anything called for in the Specifications and not shown, or shown on the drawings and not mentioned in the Specifications shall be of like effect as if called for or shown on both. All Work called for in the Specifications and/or shown on the drawings to be performed by the Contractor shall be performed in strict accordance with the Technical Requirements of the Specifications.

Before commencement of Work, the Contractor shall submit for PREPA's approval the Occupational Safety and Health Program, required in Article 44, Safety Provisions.

ARTICLE 11: Superintendence by the Contractor

Before commencement of the Work, the Contractor shall designate a qualified Site Manager, satisfactory to the Engineer, with the expertise and experience necessary to provide the management of the Work, at all times, during the progress of the Work, with authority to act on its behalf. The Site Manager shall represent the Contractor on his absence and all directions given to him by the Engineer shall be as binding as if given to the Contractor. The Contractor shall, at all times, enforce strict discipline and good order among his employees and shall not employ on the Work any unskilled person. In addition, the Contractor shall be fully responsible for the negligent or



wrongful acts or omissions of subcontractors, if any, or of persons both directly or indirectly employed by the Contractor, and shall be liable to PREPA and/or any affected third parties for any acts or omissions.

ARTICLE 12: Sanitary Facilities

The Contractor shall furnish and maintain satisfactory sanitary facilities for the use of the workers engaged in the Work, as required by law or regulations.

ARTICLE 13: Access to Work

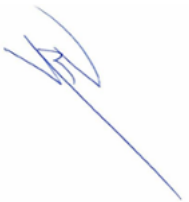
The Contractor shall always permit all persons appointed or authorized by PREPA to visit and inspect the Work or any part thereof.

ARTICLE 14: Force Majeure

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 event not caused by the fault or negligence of, 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 services 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 were not caused by the fault or negligence of the party claiming the force majeure event, 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.

The Contractor is responsible under a predicted force majeure event to take immediate action and employ emergency plans to avoid human hazards and protect public and private properties within or adjacent Work's areas.

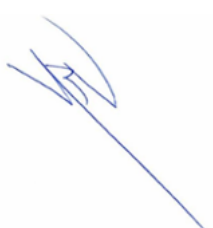


ARTICLE 15: Penalties for Delays

If the Contractor fails to complete the work, or any separable part thereof, within the time established in the Article 4, Commencement Prosecution and Completion of Work, the Contractor shall pay to PREPA a penalty of one thousand four thousand dollars (\$4,000) for each calendar day of delay in completing the work included on Phase I or separable part thereof, up to a maximum of ten percent (10%) of the Contract Amount, and a penalty of two thousand dollars (\$2,000) for each calendar day of delay in completing the work of Phase II or separable part thereof, up to a maximum of fifteen percent (10%) of the Contract Amount, and the Contractor and his sureties shall be jointly and several liable for said amount. In the event that the Contractor, due to his delay, had pay the total amount of the penalty as above mentioned, and has failed to complete the Work or any part separable thereof, it could be considered a breach of the Contract, and PREPA may terminate the Contract, execute the Performance Bond and pursue any other remedies under this Contract, law or equity.

In case of delay, the Contractor shall within two (2) days from the beginning of any such delay shall notify the Engineer in writing of the causes of the delay, who shall find out the facts and the extent of the delay and extend the time for completing the Work when, in his judgment, the findings of facts justify an extension, and his findings of facts thereon shall be final and conclusive for the Parties hereto, subject only to appeal by the Contractor as provided in Article 34, Disputes, hereof; provided that, no claim shall be made by the Contractor against PREPA, its agents, contractors, subcontractors, employees, successors, assignees, for any cause whatsoever, during the progress of any portion of the Work. Any damages by delays or interruptions caused exclusively by PREPA shall be considered as fully compensated for by the extensions of time as provided above.

If PREPA does not terminate the right of the Contractor to proceed, the Contractor shall continue with the Work, in which event shall pay to PREPA a penalty in the amount set forth above for each calendar day of delay until the Work is completed, and the



Contractor and his sureties shall be liable for the amount thereof; provided that, the right of the Contractor to proceed shall not be terminated or the Contractor charged with a penalty because of any delays in the completion of the Work due to force majeure event, or PREPA's failure to carry out its obligations.

PREPA shall have the right to the payment of the penalty or the withholding of Contractor's payments, in case of Contractor's delay in completion of the Work. The Contractor agrees that the penalty shall not be subject to reduction, moderation or modification, since this penalty is a pecuniary punishment for the delay, and not a liquidation of damages.

ARTICLE 16. Liabilities

16.1 Civil Responsibility

The appearing parties agree that their responsibilities for damages under this Contract will be governed by the Puerto Rico Civil Code and its case law, as dictated by the Supreme Court of Puerto Rico.

16.2 Indirect or Consequential Damages

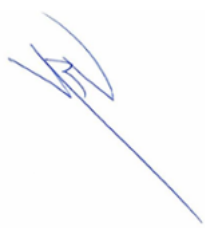
The Contractor shall not be responsible for indirect or consequential damages that may occur in relation to the Services performed.

16.3. Direct Damages to PREPA's Property

The Contractor shall be insured for all direct damages to PREPA's property that occur as a result of his fault or negligence in connection with the prosecution of the Work, and shall be responsible for the proper care and protection of all materials, equipment and work performed until completion of Work.

16.4. Protection against the Occurrence of Damages

The Contractor agrees to make, use, provide, and take all proper, reasonably necessary and enough precautions, safeguards, and protection against the occurrence of injuries, death and/or damages to any person or property during the progress of the Work. In the performance of its obligations under the Contract, Contractor agrees to comply with all applicable local and federal laws and regulations.



16.5 Save and Harmless Clause

The Contractor agrees to indemnify and save harmless PREPA for all expenses and costs of any nature (including attorneys' fees) incurred by PREPA arising out of any claim made by any person for personal injuries, including death, sustained by any person, including Contractor's employees, and for damages to third party property to the extent such injuries, death or third party damages are caused by the fault, negligent acts or omission of Contractor, its employees, subcontractors or affiliated companies, arising out of its or their performance and/or failure to perform the Works.

16.6. Save Harmless for Operation of PREPA's Equipment

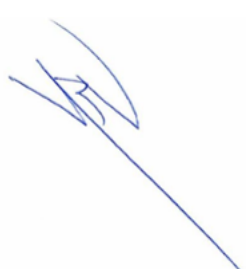
The operation of PREPA's equipment by PREPA at its plant site is within the exclusive control of PREPA. PREPA shall indemnify and save harmless the Contractor from loss, expense or liability imposed upon the Contractor for any injury to a person, including death resulting therefrom or damage to any property resulting from the operation of such equipment by PREPA.

If the Contractor is allowed to operate PREPA's equipment at the plant, the Contractor shall indemnify and save harmless PREPA from loss, expense or liability imposed upon PREPA for any injury to a person, including death resulting therefrom or damage to any property resulting from the operation of such equipment by the Contractor.

ARTICLE 17: Independent Contractor

The Contractor shall be considered as an independent contractor, for all material purposes under this Contract, and all persons engaged or contracted by the Contractor for the performance of its obligations herein, shall not be considered as employees or agents of PREPA. In consequence, the Contractor is not entitled to any fringe benefits, such as, but not limited to vacations, sick leave, and others.

Contractor is an independent contractor and as such shall be responsible for the payment of all its income taxes, its subcontractors and its individual and employers'



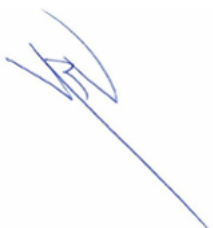
withholdings under the applicable tax laws of Puerto Rico or the U.S. Internal Revenue Code.

ARTICLE 18: Termination

Either Party may terminate this Contract for any cause if the other Party: (i) becomes insolvent, or (ii) substantially breaches a material obligation, which does not otherwise have a specified contractual remedy. If PREPA terminates the Contract, PREPA shall pay to the Contractor all portions of the Work completed. 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 Contractor in the performance of its obligations under the Contract.

If PREPA terminates the Contract in accordance with this Article, PREPA may take possession of the premises, and of all materials, tools, and appliances thereon, and finish the work by whatever method it may deem convenient. In such a case, the Contractor shall not be entitled to receive any further payment until the Work is finished. If the unpaid balance of the Contract Amount shall exceed the expenses of finishing the Work, including compensation for additional managerial and administrative services, such excess shall be paid by the Contractor. If such expenses shall exceed such unpaid balance, the Contractor shall pay the difference to PREPA of the expenses incurred by PREPA as herein provided. The remedies established in this Article, shall be each Party's sole and exclusive remedies by reason of such termination. PREPA shall have the right to terminate this Contract immediately in the event of negligence, dereliction of duties or noncompliance by the Contractor.

The Parties acknowledge that PREPA is undergoing a transformation process, and therefore, both Parties agree that in the eventuality of the execution of a Partnership Contract, Sale Contract or any other PREPA Transaction (as these terms are defined in Act 120-2018), PREPA may sell, assign, convey, transfer, pledge, mortgage, sublease, delegate, hypothecate, or otherwise dispose (each, a "Transfer") any of its rights, title, or interest (by novation or other instrument) in this Agreement as permitted by



applicable law and at any time, and without Contractor's consent or cost, expense or incremental liability to PREPA, to any future operator of Puerto Rico's electric power transmission and distribution system or any of its affiliates, or to any governmental agency, body, public corporation or municipality of Puerto Rico; provided, that PREPA shall notify Contractor no later than thirty (30) days before the effective date of any such Transfer. The Contractor acknowledges that all his responsibilities and obligations under the Contract, such as work to be performed and services to be provided, etc., will continue in full force and effect until the expiration of the thirty (30) day period.

ARTICLE 19: Insurance and Bonds

The Contractor shall secure and maintain in full force and effect during the life of this Contract as provided herein, policies of insurance covering all operations engaged in by the Contract as follows:

19.1 Commonwealth of Puerto Rico Workmen's Compensation Insurance:

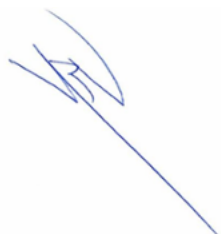
The Contractor shall provide workmen's compensation insurance as required by Act No. 45 of April 18, 1935, as amended, known as the Workmen's Compensation Act of the Commonwealth of Puerto Rico ("Act 45"). Contractor shall also be responsible for compliance with Act 45 by all its subcontractors, agents and invitees, if any, or shall certify that such subcontractors, agents and invitees have obtained said policies on their own behalf. Contractor shall furnish to PREPA a certificate from the Puerto Rico's State Insurance Fund showing that all personnel employed in the work are covered by the workmen's compensation insurance, in accordance with this Contract.

19.2 Commercial General Liability Insurance:

The Contractor shall provide a Commercial General Liability Insurance with limits of at least \$1,000,000 per occurrence and at least \$1,000,000 aggregate.

19.3 Commercial Automobile Liability Insurance:

The Contractor shall provide a Commercial Automobile Liability Insurance with limits of at least \$1,000,000 combined single limit covering all owned or scheduled autos, non-owned and hired automobiles.



19.4 Employer's Liability Insurance:

The Contractor shall provide Employer's Liability Insurance with minimum bodily injury limits of at least \$1,000,000 for each employee and at least \$1,000,000 for each accident covering against the liability imposed by Law upon the Contractor as result of bodily injury, by accident or disease, including death arising out of and in the course of employment, and outside of and distinct from any claim under the Workmen's Compensation Act of the Commonwealth of Puerto Rico.

Requirements Under the Policies:

The Commercial General Liability and Commercial Automobile Liability Insurance required under this Contract shall be endorsed to include:

a. As Additional Insured:

Puerto Rico Electric Power Authority

Risk Management Office

PO Box 364267

San Juan, PR 00936-4267

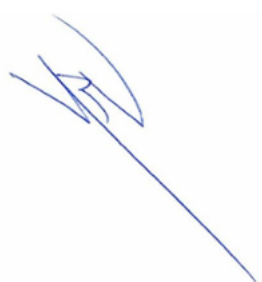
- b. A 30 day cancellation or nonrenewable notice to be sent to the above address.
- c. An endorsement including this Contract under contractual liability coverage and identifying it by number, date and parties to the contract.
- d. Waiver of Subrogation in favor of Puerto Rico Electric Power Authority (PREPA).
- e. Breach of Warranties or Conditions:

"The Breach of any of the Warranties or Conditions in this policy by the Insured shall not prejudice PREPA'S rights under this policy."

Bonds:

As a Contract security, the Contractor shall furnish at the time of the execution of the Contract:

- a. A Performance Bond in the amount of one hundred percent (100%) of the Contract Price, with good and sufficient surety satisfactory to PREPA guaranteeing that the Contractor will well and faithfully perform the contract work.



- b. A Payment Bond in the amount of one hundred percent (100%) of the Contract Price, with good and sufficient surety satisfactory to PREPA to guarantee the prompt payment of all labor, supervision, equipment and materials required in the performance of the work.
- c. All bonds shall be presented to PREPA before commencement of any work and shall be issued in the required official PREPA forms

Furnishing of Policies:

All required policies of insurance and bonds shall be in a form acceptable to PREPA and shall be issued only by insurance companies authorized to do business in Puerto Rico.

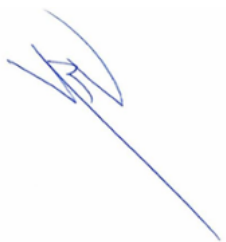
The Contractor shall furnish a certificate of insurance in original signed by an authorized representative of the insurer in Puerto Rico, describing the coverage afforded.

ARTICLE 20: Permits and Licenses

The Contractor shall obtain and maintain all the licenses, permits, and authorizations required to perform all Works and tasks under this Contract, and shall send all notices, pay all fees and related costs, and will comply and will have its subcontractors, if any, and agents comply with all laws, ordinances, rules, and regulations applicable to the Work, in accordance with the drawings and Specifications. Should the Contractor find any discrepancy between the drawings and Specifications and the permits, laws, ordinances, rules, and regulations referred to herein, the Contractor shall proceed immediately to notify PREPA of the discrepancy and shall not continue with the Work until PREPA issues and notifies an order informing the Contractor what changes are necessary and when to proceed with the Work as changed.

ARTICLE 21: Contingent Fees

The Contractor guarantees that he has not employed any person to solicit or secure this Contract upon any agreement for a commission percentage, brokerage or contingent fee. Breach of this guarantee shall give PREPA the right to terminate the Contract or, at its discretion to withhold from the Contract Amount the amount of such commission, percentage, brokerage or contingent fees. This guarantee shall not apply to



commission's payable by contractors upon contract or sales secured or made through bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

ARTICLE 22. Transfer of Funds

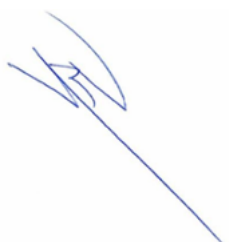
If Contractor decides to assign or transfer an amount, due or payable, to which he is entitled for services rendered or goods provided during the term of this Contract, Contractor shall notify PREPA of such transfer of funds, in accordance to the provisions of Act 21-2012. Said notice shall clearly indicate the rights granted, including a copy of the contract under which the assignment or transfer of funds is made, the exact amount of funds to be assigned or transferred, and specific identification information regarding the assignee (full name of the person or company), address and any other contact information.

Contractor acknowledges and agrees that PREPA may deduct any amount, due or payable under this Contract, that Contractor owes; PREPA may retain any said amount if Contractor fails to fulfill its obligations and responsibilities under this Contract, or a claim arises for warranty or defects regarding the services rendered or goods provided under this Contract. Contractor also acknowledges and agrees that PREPA's payment obligation under any assignment of funds will cease upon payment of the outstanding amounts under this Contract. PREPA shall not be required to make payments or transfer any funds for an amount that exceeds the payment to which Contractor is entitled to under this Contract.

ARTICLE 23: Conflict of Interest

The Contractor certifies that he does not receive payment or benefit of any nature for services rendered regularly through an appointment to a governmental agency, body, public corporation or municipality of Puerto Rico.

The Contractor represents conflicting interests when on behalf of a client he must contend for that which it is his duty to oppose to comply with its obligations with another previous, present or potential client. Also, the Contractor represents conflicting interests when his conduct is described as such in the canons of ethic applicable to the



Contractor and his personnel or in the laws or regulations of the Commonwealth of Puerto Rico.

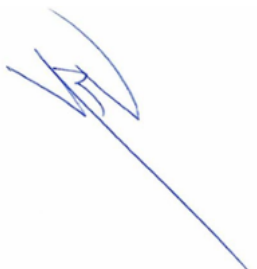
In contracts with partnerships or firms, if any of the partners, directors or employees of the Contractor should incur in the conduct described herein, said conduct shall constitute a violation to the prohibitions provided herein. The Contractor shall avoid even the appearance of the existence of conflicting interests.

The Contractor acknowledges that the Contracting Officer shall have the power to intervene the acts of the Contractor and/or its agents, employees, and subcontractors regarding the enforcement of the prohibitions contained herein. If PREPA should discover the existence of adverse interests with the Contractor, the Contracting Officer shall inform the Contractor, in writing, of PREPA's intention to terminate this Contract within a thirty (30) day period. During said period, the Contractor may request a meeting with the Contracting Officer to present his arguments regarding the alleged conflict of interests, which meeting shall be granted by PREPA in every case of alleged conflict of interests. If the Contractor does not request such a meeting during the specified thirty (30) day period or the controversy is not satisfactorily settled during the meeting, this Contract shall be cancelled.

The Contractor certifies that, at the time of award of this Contract, it does not have any other contractual relation that can enter in a conflict of interest with this Contract. The Contractor also certifies that no public employee has any personal or economical interest in this Contract.

ARTICLE 24: Claims for Labor and Materials

The Contractor shall, at his own expense, assume the defense of and save harmless PREPA from claims for labor and materials and not suffer any procedure or other liens to remain outstanding against any of the property used in connection with the Work; and shall, on request, furnish satisfactory evidence that all persons who have done work or furnished materials have been fully paid. If the Contractor fails to comply with his obligations in this respect, PREPA may take such liens or claims and may withhold from



any monies due to the Contractor such amounts as may be necessary to satisfy and discharge any such claims and any cost and expenses incidental thereto.

ARTICLE 25: Other Contracts

PREPA may award other contracts for additional work, and the Contractor shall fully cooperate with such other contractors, in accordance with Article 8, Other Work at the Site, of this Contract, and carefully fit his own work to that provided under other contracts as may be directed by the Contracting Officer. The Contractor shall not commit or permit any acts which interfere with the performance of work by any other Contractor.

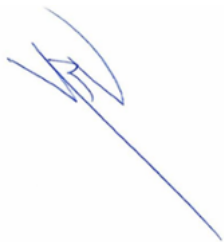
ARTICLE 26: Minimum Wage Rates

Laborers and other employees engaged under this Contract shall be paid not less than the minimum wages rates prescribed by law or the amount established by federal law or regulation, for contracts subject to reimbursement by any federal agency. PREPA may withhold from any payment due to the Contractor any amount necessary to make up the full amount of wages due under this Contract and may distribute it directly to those entitled thereto hereunder.

ARTICLE 27: Unfair Labor Practice

In the event that the Contractor or any of his subcontractors or agents do not comply with an order issued by the Puerto Rico Labor Relations Board and/or the National Labor Relations Board upon their finding that the Contractor or any of his subcontractors or agents have committed an unfair labor practice, no further payments shall be made by PREPA to the Contractor after the date of said order. In addition, the Contract may be terminated by PREPA, in which case PREPA may take possession of the materials, tools, and appliances on the job site and finish the work by whatever method it may deem expedient.

Any declaration by the Puerto Rico Labor Relations Board and/or by the National Labor Relation Board that the Contractor or its agents have not complied with an order issued by the Board relating to any unfair labor practice, shall be binding, final and conclusive unless such order is reversed or set aside by a Court of competent jurisdiction.



ARTICLE 28: Assignment

The Contractor shall not subcontract or assign its obligations under this Contract, without PREPA's previous written authorization for such actions. Provided, that no subcontract shall be considered for PREPA's approval, except when the following requirements are met: (1) Contractor delivers PREPA a copy of the subcontract, not less than thirty (30) days prior to the effective date of the proposed subcontract; (2) the subcontract includes, as a condition for its legal validity and enforceability, a provision whereby PREPA has the right to substitute, subrogate or assume Contractor's rights under the subcontract, in the event that PREPA declares the Contractor in breach or default of any of the Contract terms and conditions; and (3) the subcontract includes, as a condition for its validity and enforceability, a provision establishing for the subcontractor the obligation to comply with all of Contractor's obligations under the Contract (mirror image clause), except for such obligations, terms and conditions which exclusively related with works or services not included under the subcontract.

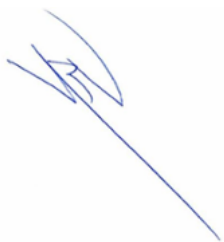
If the contractor decides to assign any due or payables, to which he is entitled for services rendered or goods provided during the term of this Contract to a different company affiliate or any third party, provisions in Article 22 Transfer of Funds, of this Contract, shall apply.

ARTICLE 29: Subcontractors

PREPA may invalidate any of the contracts with the subcontractors if PREPA determines that they are detrimental to its best interests.

ARTICLE 30: Novation

The Contractor and PREPA expressly agree that no amendment or change order which could be made to this Contract, during its term, shall be understood as a contractual novation, unless both Parties agree to the contrary, specifically and in writing. This previous provision shall be equally applicable in such other cases where PREPA gives the Contractor a time extension for the compliance of any of its obligations under the Contract or where PREPA dispenses the claim or demand of any of its credits or rights under this Contract.



ARTICLE 31: Patents and Copyrights

The Contractor, at its own expense, shall defend any suit or action brought against PREPA 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 PREPA, constitutes an infringement of any patents or copyrights of the United States, if notified promptly in writing by PREPA, and given the authority, information, and assistance for the defense of the same, and the Contractor shall pay all damages and costs awarded therein against PREPA. If in such suit the equipment or any part thereof, or the composition, secret process, invention, article or appliance, is held to constitute infringement and its use is enjoined, the Contractor, at its option and expense, shall either procure for PREPA the right to continue using the same or replace it with non-infringing equipment, composition, secret process, invention, article or appliance, or modify it so it becomes non-infringing; or remove it and refund the purchase price.

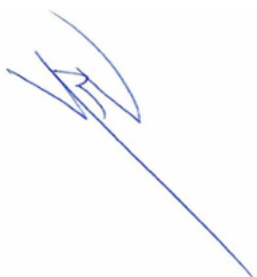
ARTICLE 32: Waivers

No waiver of any breach of this Contract shall be held to be a waiver of any other subsequent breach. All remedies afforded by PREPA in this Contract shall be taken and construed as cumulative, that is, in addition to every other remedy provided herein or by law.

ARTICLE 33: Correction of Work After Final Payment

The final certificate for payment shall not relieve the Contractor of responsibility for faulty materials or workmanship and, unless otherwise specified, Contractor shall remedy any defects due thereto in accordance with the Warranty provisions of this Contract, PREPA shall give notice of observed defects with reasonable promptness. All questions arising under this Article shall be decided by the Engineer, subject to appeal by the Contractor, as provided in Article 34, Disputes, in this Contract.

ARTICLE 34: Disputes



All disputes concerning questions of fact arising under this Contract shall be decided by PREPA's Generation Director within 10 days from the submission of the dispute by Contractor, subject to written appeal by Contractor to the Contracting Officer within thirty (30) days. Within 10 days thereafter, the Contracting Officer shall inform each Party hereto of his decision regarding the dispute. Contractor, at its option, may elect to accept such decision or pursue remedies at law or equity. Contractor may pursue directly the remedies at law or equity for all other disputes other than questions of fact. Notwithstanding the terms above, each party has the right at any time, at its option and where legally available, to commence an action or proceeding in a court of competent jurisdiction to apply for interim or conservatory measures, but not monetary damages.

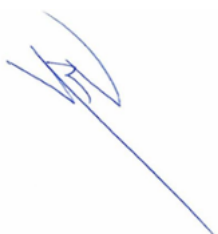
In the event of a dispute arising during the warranty period, Contractor shall ensure that the Performance Bond remains in full force and effect until such dispute is resolved and all obligations of Contractor under the agreement are duly performed.

ARTICLE 35: Laws to be Observed

Contractor shall observe and comply with any and all federal, state and municipal laws, ordinances and regulations that in any manner affect the Work, the equipment or the materials used in connection with the Works and shall observe all such orders and decrees as exist at present or may be enacted prior to the completion of the Works by agencies or courts having any jurisdiction or authority. Contractor shall save harmless and indemnify PREPA and its representatives, officers, agents and servants for fines and penalties paid by PREPA, including attorney's fees, to governmental authorities as sole result of Contractor's violation of any such law, ordinance, regulation, order or decree, whether by the Contractor or its subsidiaries, affiliates and employees, subject to limits of liability in Article 16, Liabilities, of this Contract.

All permits must always be available on site. The Contractor will be responsible to request any extension to the permits before their expiration that may be due to Work schedules delays. Otherwise, the Contractor will assume the responsibility to pay any late fees or fines.

ARTICLE 36: Change in Law



During the term of this Contract, any change in law, including, but not limited to changes in applicable tax law, which causes an increase in Contractor's costs when supplying the products or services to be acquired by PREPA, shall be of Contractor's responsibility and PREPA shall not be obliged to make additional payments nor to pay additional sums to the price or canon originally agreed for those products or services.

ARTICLE 37: Choice of Law and Venue

This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico. Also, the contracting parties expressly agree that only the state courts of Puerto Rico will be the courts of competent and exclusive jurisdiction to decide over the judicial controversies that the appearing parties may have among them regarding the terms and conditions of this Contract.

ARTICLE 38: Separability

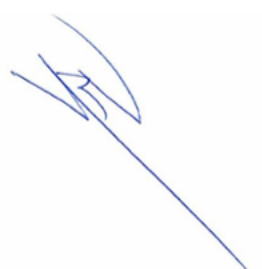
If a court of competent jurisdiction declares any of the Contract provisions as null or invalid, such holding will not affect the validity and effectiveness of the remaining provisions of the Contract and the parties agree to comply with their respective obligations under such provisions not included by the judicial declaration.

ARTICLE 39: Discrimination

The Contractor certifies that he is an employer with equal opportunity employment, and does not discriminate against any employee or applicant for employment on account of race, color, gender, age, sex, national or social origin, social status, political ideas or affiliation, religion, for being or perceived to be a victim of domestic violence, sexual aggression or harassment, regardless of marital status, sexual orientation, gender identity or immigrant status, for physical or mental disability, for veteran status or genetic information.

ARTICLE 40: Warranty

The Contractor warrants to PREPA that the Works shall be performed in a competent, diligent manner in accordance with any mutually agreed Specifications. The foregoing



warranty for services work shall expire one (1) year after the Substantial Completion of the Works. No warranty claim shall extend the applicable warranty period.

If the works do not meet the above warranties, PREPA shall promptly notify the Contractor in writing prior to expiration of the warranty period. The Contractor shall at its option, re-perform defective Work. If regardless of the Contractor's reasonable efforts, a deficient Work cannot be re-performed, the Contractor shall refund or credit the amounts paid by PREPA for such deficient Work. Warranty re-performance by the Contractor shall not extend or renew the applicable warranty period. PREPA shall obtain Contractor's agreement on the execution of any tests it plans to perform to determine if any part of the Work does not comply with the Specifications and warranties.

The Contractor will provide the necessary skill labor for any warranty work that has to be performed in order to comply with the requirements established under this Article. The Performance Bond shall cover and serve as guarantee for this warranty. Upon expiration of the warranty period, the Performance Bond shall expire.

The warranties and remedies are conditioned upon: (a) proper storage, installation, use, operation, and maintenance of products, (b) PREPA keeping accurate and complete records of operation and maintenance during the warranty period and providing Contractor with access to those records, and (c) modification or repair of products or services only as authorized by the Contractor in writing. Failure to meet any such conditions make the warranty null and void. The Contractor is not responsible for normal wear and tear.

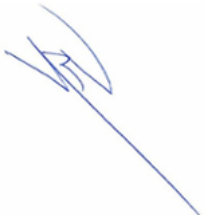
ARTICLE 41: Notice

Any required 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: _____
PREPA's Generation Director

To Contractor: All Contractrs and Services Corp.



P.O. Box 276
Mercedita PR, 00715

Attention: Neil Borrero Vélez

ARTICLE 42: Other Taxes

All unemployment, retirement, and other Social Security contributions and taxes; all sales, use and excise, privilege, business and occupational taxes, and any other taxes or fees payable by the Contractor are and shall be included as part of his prices.

ARTICLE 43: Cleaning Up

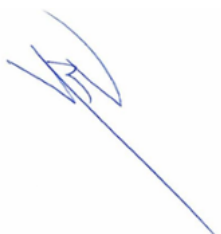
The Contractor shall, from time to time, as directed by the Engineer, remove from PREPA's property and from all public and private property all waste and materials resulting from his operations.

Upon completion of the Works, the Contractor shall remove from the area of the Works all remaining rubbish, unused materials, and other like material, belonging to him or used under his direction, and shall hand-in the work area free of contaminants. In the event of his failure to do so, PREPA may proceed with cleanup of the affected areas at Contractor's expense, and his surety or sureties shall be liable, therefore.

ARTICLE 44: Safety Provisions

44.1 The Contractor shall have an Occupational Safety and Health Program and a Safety Officer on the site. A copy of this Program will be delivered to PREPA's Occupational Safety Division. The Program shall comply with the following minimum requirements of a health and safety program:

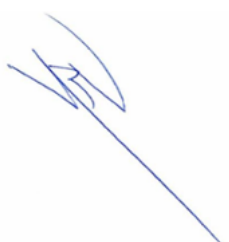
- a. It shall comply with all requirements from all applicable regulations included in the 29 CFR 1900.1. The Program shall have been updated within the past year from the delivery date to PREPA.
- b. It shall establish the mechanisms used to update and audit compliance with itself.



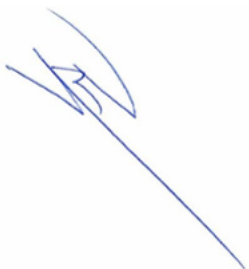
- c. It shall include an accident or incident investigation procedure. This procedure will always include the preparation of a report, which will be submitted to the Occupational Safety Division of PREPA.

44.2 The Contractor shall submit, for evaluation by the Occupational Safety Division, a copy of a Site-Specific Work Plan. This plan shall include, but not be limited to, the following aspects:

- a. Objectives of the Work Plan
- b. Description of the activities
- c. Occupational safety and health considerations to be addressed before commencement of the project.
- d. Procedures for achieving compliance with the applicable regulations, including, but not limited to:
 - i. Occupational Exposure to Lead (29 CFR 1926.62)
 - ii. Scaffolds (29 CFR 1926 Subpart L)
 - iii. Confined Spaces (29 CFR 1910.146)
 - iv. Occupational Exposure to Noise (29 CFR 1910.95)
 - v. Hazardous Materials (29 CFR 1910 Subpart H)
 - vi. Personal Protective Equipment (29 CFR Subpart I)
 - vii. Hazard Communication (29 CFR 1910.1200)
 - viii. HAZWOPER (29 CFR 1910.120)
 - ix. Fire Protection (29 CFR 1910 Subpart L)
 - x. Commercial Diving (29 CFR 1910 Subpart T)
 - xi. Respiratory Protection (29 CFR 1910.134)
 - xii. Fall Protection (29 CFR 1926 Subpart M)
 - xiii. Electrical (29 CFR 1926 Subpart K)
 - xiv. Welding (29 CFR 1926 Subpart J)
 - xv. Excavations (29 CFR 1926 Subpart P)
 - xvi. Demolitions (29 CFR 1926 Subpart T)
 - xvii. Blasting & Explosives (29 CFR 1926 Subpart U)



- xviii. Ventilation (29 CFR 1926.57)
 - xix. Tools, Hand, and Powered (1926 Subpart I)
 - xx. Electric Industry (29 CFR 1910.269)
 - xxi. Lockout/Tagout (29 CFR 1910.147)
 - xxii. Asbestos (29 CFR 1910.1001)
- e. It will also include any other regulation or guidelines related to safety and health that could be applicable to the scope of work, and contingency procedures that include how to proceed in an emergency situation, such as fire or chemical spill, among others.
 - f. A list of all specialized personnel needed. Also, include copy of all training certificates, licenses or certifications required, according to the scope of work, send it via safety@prepa.com. For example: pesticide applicator, electrician, spill responder, refrigeration technician, DOT training for hazardous substances, etc. All these certificates and licenses shall be up to date.
 - g. Copy of the Safety Data Sheets (SDS) of all chemical products to be used during the project, for evaluation and approval by PREPA's Occupational Safety and Health Office (Hazard Communication Section).
 - h. Certification of compliance with medical surveillance requirements, according to scope of work.
 - i. Certification of compliance with Fit Test requirements for the use of respirators that make a face seal.
 - j. Safety equipment and materials to be used during the project.
 - k. Procedures to verify the work area after each work day and at the end of the project.
 - l. Each Contractor/Subcontractor shall comply with a 100% drug /alcohol free work zone. At minimum, pre-project and post-accident testing is required. A positive post-accident test or positive pre-project test will



result in worker dismissal from the project. Testing will be performed in following closely the NIDA standards.

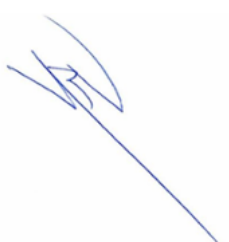
- m. Certification of compliance for general workers ten (10) hours Occupational Safety and Health Administration course in occupational safety and health standards for the construction industry or general industry. Also, to the managers levels and safety officer present certification of compliance thirty (30) hours Occupational Safety and Health Administration course in occupational safety and health standards for the construction industry or general industry.

44.3 Before commencement of work, the Contractor shall take part in a coordination meeting with the designated Safety Officer and Construction Site Manager, and the project manager on PREPA's behalf. During this meeting the areas to be worked on will be toured, the site-specific work plan will be discussed and reviewed, and amendments to it could be required.

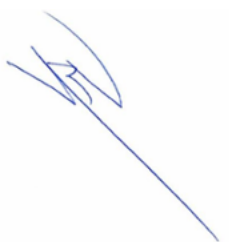
44.4 If the contracted services include demolition activities (as defined per ANSI A10.6 – 1990: Demolition – the dismantling, razing or wrecking of any fixed building or structure or any part thereof) that will be carried out in buildings or structures, that because of their construction date or prior use, are suspected to contain asbestos, lead based paint or other hazardous materials, the Contractor will require a certification from the project manager or owner stating that the building or structure is free of such materials.

44.5 Services including activities inside buildings occupied by working personnel, that could create a hazard to their safety or health, will be offered AFTER PREPA'S WORKING HOURS. The Contractor will take all steps necessary to assure the area will be free of nuisance odors or vapors before is reoccupy by PREPA's personnel. All these will be done in coordination with PREPA's local supervisor.

44.6 The Contractor shall assure that all wastes are removed and properly disposed of, in accordance with all applicable laws and regulations, at the end of every work shift and after the completion of the project.



- 44.7 All chemical products to be used shall be classified as Approved or Conditionally Approved by PREPA's Hazard Communication Section.
- 44.8 Welding operations will comply with the requirements of OSHA, ANSI and NFPA.
- 44.9 If the project involves the handling of non-asbestos insulation or other dust generating materials, like gypsum board, steps shall be taken to prevent the release of the dust to adjacent areas. The Contractor shall take all reasonable precautions for the safety of, and shall provide all reasonable protection to prevent damage, injury or loss to all employees on the work and all other persons who may be affected. Also, to the work, property, material and equipment on or off the site, under the care, custody or control of the Contractor or any of his subcontractors.
- 44.10 The Contractor shall comply with all applicable laws, ordinances, rules, regulations and lawful orders of any public authority having jurisdiction for the safety of persons or property or to protect them from damage, injury or loss. He shall erect and maintain, as required by existing conditions and progress of the work, all reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations and notifying owners and users of adjacent utilities.
- 44.11 The Contractor shall designate a responsible Safety Officer of his organization, evaluated and approved by PREPA, who shall be at all times at the project site, whose only duty shall be the prevention of accidents, implement both the Safety and Health Program and the Site Specific Work Plan in coordination with the Safety Officer from PREPA. The Contractor's Safety Officer shall have successfully completed the thirty (30) hours Occupational Safety and Health Administration course in occupational safety and health standards for the construction industry. Contractor shall also have on site available at any time the latest revision of the OSHA Standards for the Construction Industry Manual.
- 44.12 Compliance with all safety provisions by subcontractors shall be the responsibility of the Contractor.



- 44.13 Contractor agrees that it shall perform all work in compliance with federal, state and local occupational safety and health regulations, as described in the Site Specific Work Plan.
- 44.14 Contractor will obtain and maintain, during the duration of the Contract, the proper permits from all federal, state and local regulatory authorities or other applicable government agency with respect to discharge, disposal, use, storage, handling and transportation of hazardous chemicals and substances as and when applicable law or regulation requires. For projects including the handling of asbestos, lead, or spilled hazardous substances, the notification to EPA or the EQB will be done by the Contractor, but in coordination with the Safety Officer and the Environmental Advisor or Officer.
- 44.15 Contractor will not cause or permit any hazardous chemical or product containing a hazardous chemical to be at, or in the vicinity of, any place where any employee, agent, or contractor of PREPA, or any employee of any such agent or Contractor, may be at risk or exposed to hazard as a result thereof during normal use or any foreseeable emergency.
- 44.16 Contractor will defend, indemnify and hold harmless, PREPA, its employees, agents or assignees for any and all direct liabilities and expenses arising out of contractor noncompliance with these clauses irrespective of any other terms of this Contract.
- 44.17 PREPA may unilaterally terminate this contract upon the Contractor's non – observance of any of the foregoing or for any failure to comply with any of the safety provisions on this Contract upon thirty (30) days of a written notice to Contractor.

ARTICLE 45: Environmental Conditions

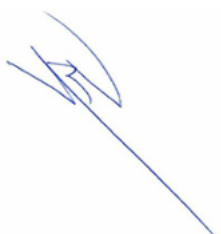
- 45.1 The Contractor covenants and agrees that it shall, at all times during the term of the Contract, and at its sole cost and expense, comply with and assume sole responsibility and liability under all environmental laws applicable to use of or operations at the project site by Contractors, its agents, assigns, and/or



employees. Contractor agrees that should it or any of its agents, assigns, or employees know of (a) any violation of environmental law relating to the project site, or (b) the escape, release, or threatened release of any hazardous materials in, on under, or about the project site, Contractor shall promptly notify PREPA in writing of such, and that it will provide all warnings of exposure to hazardous materials in, on, under, or about the project site, in strict compliance with all applicable environmental laws. Further, Contractor covenants and agrees that it shall at no time use, analyze, generate, manufacture, produce, transport, store, treat, release, dispose of, or permit the escape of, or otherwise deposit in, on, under, or about the project site, any hazardous materials, or permit or allow any of its agents, assigns, or employees to do so. Prior to use of the project site, Contractor shall provide to PREPA an inventory of all equipment and materials stored and/or to be stored at the project site.

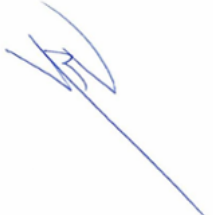
45.2 For purposes of this Contract, hazardous materials shall include but is not limited to, any and all substances, chemicals, wastes, sewage, or other materials that are now or hereafter regulated, controlled or prohibited by any environmental laws, including, without limitation: any (a) substance defined as a hazardous substance, extremely hazardous substance, hazardous material, hazardous chemical, hazardous waste, toxic substance, or air pollutant by federal laws (b) any chemical, compound, material, substance, or other matter that: (1) is a flammable explosive, asbestos, radioactive material, nuclear material, drug, vaccine, bacteria, virus, hazardous waste, toxic substance, injurious by itself or in combination with other materials; (2) is, controlled, designated in, or governed by any hazardous materials law; (3) gives rise to any reporting, notice, or publication requirements under any hazardous materials laws.

45.3 The Contractor must provide and maintain environmental protection measurements during the commencement, construction and completion of the project, as defined under this Contract. Environmental protection measures must be provided by the Contractor to correct conditions that emerge or develop



during the construction, as well, the recondition of all environmental measurements or controls employed at the project that do not fulfill their purpose.

- 45.4 The Contractor must comply with all environmental laws and regulations, as well as, any terms or conditions specify under any approved plan, permit or endorsement by local, state or federal agencies. The Contractor must obtain, and submit to PREPA, any type of permit required for their operation, such as but not limited to: fuel or wastewater storage tanks, storage of remain material of excavations or any landfill required for the project, use and storage of chemicals, cranes and transportation permits, etc. Furthermore, the Contractor shall comply immediately with any recommendation, required response or mitigation action for any environmental concern or deficiency found by PREPA's personnel, or any State or Federal regulatory agency. The Contractor will be responsible to notify PREPA immediately of any findings resulting from inspections performed by regulatory agency.
- 45.5 The Contractor and its subcontractors must comply with the provisions to attend all discharge of waste waters to comply with the federal and State regulations of the Clean Water Act (40CFR 112.7 y 122), the Spill Prevention Control and Countermeasure and the EQB's Water Quality Standards.
- 45.6 The Contractor agrees to indemnify PREPA for all expenses and costs of any nature arising out of any claim due to an environmental violation, caused by his agents, employees, subcontractors or assigns during the performance or non-performance of its obligations under the Contract.
- 45.7 The Contractor shall have available, and close to the working area, the necessary equipment to control, pick-up and clean up any spill that could occur during the performance of the work required by the Contract. The equipment should include all the necessary materials for the waste disposal.
- 45.8 All Contractor's equipment, including vehicles, to be used in the work area should have an inspection and maintenance program, and be free of any hydrocarbon or



hydraulic fluid leakage. If the equipment develops a leakage during the work process, it should be repaired or replaced immediately. While the leaking equipment is removed of the work or it is repaired, it is the Contractor's responsibility the replacement of cloth or absorbent material and drip pans. Traces of hydraulic leakages found during the repairs or modification works must be removed and clean immediately in order to prevent Power Plant Outfalls discharge contamination.

45.9 The Contractor shall inform and coordinate with the Plant's Compliance Regulations Supervisor any work to be done to avoid any environmental violation.

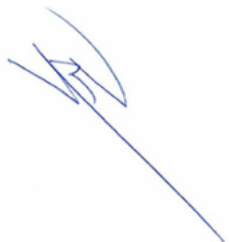
45.10 The Contractor shall comply with all the arrangements established in the Consent Decree between PREPA and the Environmental Protection Agency (EPA).

45.11 All areas must be clean and organized to prevent accidents or violations of regulations. All equipment to be used in the work area should be in perfect conditions and have a good maintenance program. A monthly record of maintenance shall be filed by the Contractors and submitted to PREPA. Also, will be responsible to maintain their Operation Center and project area clean and organized.

45.12. The Contractor shall dispose the wastes stipulated in the Technical Specifications according to the Environmental regulations. The use of PREPA's waste disposal equipment is not permitted. Hazardous wastes shall not be discharged into sanitary sewers or storm water drainage system. All waste products shall be disposed of in accordance with applicable regulations.

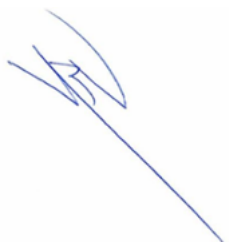
45.13 The contractor will be responsible to contain, mitigate and dispose any type fuel spill, oils or any other substances due to rupture of generator and rotor equipment, as well as auxiliary's related equipment and over and underground pipelines, tanks or storage containers.

45.14 All work shall be performed in compliance with the Spill Prevention and Control and Countermeasure Plan (SPCCP). Contractor and subcontractors shall attend

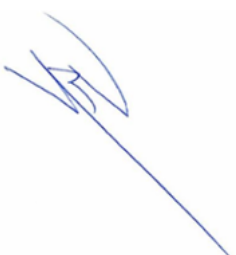


to an orientation about the Spill Prevention and Control and Countermeasure Plan (SPCCP).

- 45.15 The Contractor shall submit work plan and a spill prevention plan to the Environmental Engineer (SPCCP). The construction process should be performed in such a manner that any adverse environmental impacts, where applicable, are reduced to minimum and acceptable level in fulfillment to PREPA.
- 45.16 All chemical products to be used shall be classified as "Approved" or "Conditional Approved" by PREPA's Hazard Communication Section and by Substances and Wastes Management Department, before entering the work area of PREPA's premises.
- 45.17 The Contractor, upon completion of the work, must leave all the work area clean, organized and free of contaminants, according to the laboratory analysis before and after the work. Before starting the work, the Contractor shall submit the work plan to PREPA for evaluation of the Environmental Protection Division. The storage area for the removed equipment and parts must be appropriate to avoid contaminants dispersion to the ground or water.
- 45.18 All chemical analysis shall be performed by an approved laboratory and shall be included in PREPA's Materials Management Division Supplier's Register as companies that are properly qualified and evaluated to perform this type of work.
- 45.19 The disposal of non-hazardous and hazardous waste material shall be done in a Treatment Storage Disposal Facility (TSDF) previously approved by PREPA.
- 45.20 The Contractor shall submit evidence of compliance with DOT's Hazardous Materials Transportation, 49 CFR 172 Sub. Part H (DOT).
- 45.21 All remedial actions and environmental work will be performed by a company previously approved by PREPA.
- 45.22 All work shall be performed according to the Best Management Practice Plan (BMPP), which is part of the Special Conditions of the NPDES Permit.



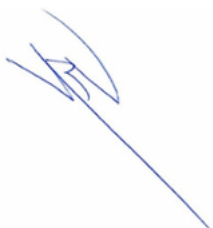
- 45.23 Any chemical product should not reach any internal waste stream or outfall of the Plant in order to comply with the NPDES Permit.
- 45.24 Temporary storage areas of construction and disposal materials shall be protected with dikes. In the absence of dikes, the Contractor shall prepare temporary areas with dikes to avoid materials exposure.
- 45.25 All the construction and disposal materials shall be covered to avoid rainfall exposure during the work activities.
- 45.26 The Contractor shall keep a chemical inventory for products with ingredients regulated by the EPA's Toxic Release Inventory (SARA title III, 313). The Contractor should do a quantity report for all the material used and disposed in the project. This report will include a copy for all the analysis taken during the project and a copy or copies of the manifest of the waste generated. This report should be submitted to the Plant's Regulations Compliance Supervisor and to the Quality Assurance Environmental Protection Division.
- 45.27 The Contractor shall be responsible to obtain the requirement air permits for the control of fugitive emission that may be caused by process or work operations.
- 45.28 The Contractor shall be responsible to obtain all the necessary permits for the proposed activity, including the operation of emergency electric power generators, fuel and oil storage tanks, use of crane and transportation of equipment in state roads and highways. All copies of approved permits must be on the site project. The Contractor must submit a copy of the approved permits to the Environmental Protection Quality Assurance Division (EPQAD).
- 45.28 The Contractor must locate construction and maintenance signs in a visible area of the project. These signs must comply with the states and federal codes for regulatory, warning and guide signs.
- 45.29 Water flooding of trenches with potable water will not be permitted.
- 45.30 All paints applied by sprayers shall be of a water-based type.



- 45.31 Provisions shall be made to prevent the discharge of construction silt, mud, and debris into storm water drains or power plant outfalls.
- 45.32 Contractor shall take whatever steps, procedures, or means to prevent abnormal, material spillage, or tracking conditions due to their construction operations in connection with the Contract. The dust control measures shall always be maintained during construction of the project, to the satisfaction of PREPA's Environmental and Engineers Personnel, in accordance with Air Pollution Control Regulations.
- 45.33 All materials supplied by Contractor shall be one hundred percent (100%) asbestos free.
- 45.34 When archaeological features are encountered or unearthed, Contractor shall promptly report PREPA's Environmental Division. Excavation shall not resume in the identified area until approved by State Regulatory Officers.
- 45.35 Contractor is solely responsible for, and assumes full liability for, the traffic control relating to this project. Contractor is solely responsible for any and all loss, damage, replacement, or repair necessitated to any traffic signal equipment, traffic signal conduit, and/or circuits, arising from or relating to Contractor's work or services performed hereunder. Contractor shall have all repairs performed immediately at its sole expense by a licensed electrical contractor with experience in traffic signal repair, subject to pre-approval by State the Roads and Transportation Department. Any and all repairs and/or replacement costs expended by the State in this regard shall be reimbursed immediately by the Contractor.

ARTICLE 46: Use of Completed Portions

PREPA shall have the right to take possession of and use any completed or partially completed portions of the Work, notwithstanding the fact that the time for completion of



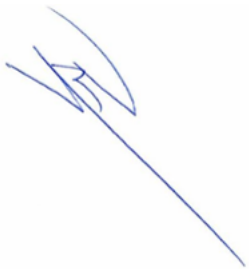
the entire Works may not have expired, but such taking possession and use shall not be deemed an acceptance of the Work so taken or used or any part thereof. PREPA may require the Contractor to expedite the completion of any part of the Work for provisional use by PREPA and the Contractor shall comply with such request. If such order of completion or prior use increases the cost of the work or delays the work, the Contractor shall be entitled to such extra compensation or extension of time as agreed by the Parties.

ARTICLE 47. Quality Assurance

The Contractor shall submit for evaluation and approval by PREPA a quality control program and establish a quality assurance program, also evaluated and approved by PREPA, to satisfy all applicable regulation and requirements specified in the procurement documents and satisfactory to PREPA. The program shall contain all those measures necessary to assure that all basic technical requisites ask for in the drawings, codes, tests, and inspections for design, fabrication, cleaning, installation, packing, handling, shipping, long term storage, when necessary, and test equipment are fulfilled. PREPA reserves the right to conduct audits and inspections to the facilities, activities, and/or documents when estimated and without previous notification necessary in order to assure that the quality control program is adequate and properly implemented.

The Contractor shall allow PREPA access to its facilities and documents, so that PREPA, through audits and inspections can verify the quality of the labor, equipment, products, services, and any other related items provided by the Contractor. In every case in which the materials or services furnished to PREPA are subcontracted partially or totally, by the Contractor, the Contractor shall request the subcontractor to accept and comply with all the requirements of this Article.

ARTICLE 48: Compliance with the Commonwealth of Puerto Rico Contracting Requirements

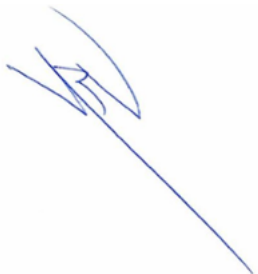


The Contractor will comply with all applicable State Law, Regulations or Executive Orders that regulate the contracting process and requirements of the Commonwealth of Puerto Rico. Before the execution of the Contract, the Contractor will provide the following documents:

- A. Executive Order No. OE-1991-24 of June 18, 1991 to require certification of compliance with the Internal Revenue Services of the Commonwealth of Puerto Rico: Pursuant to Executive Order Number OE-1991-24 of June 18, 1991, the Contractor will certify and guarantee that it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last five (5) years.

The Contractor, further will certify that it has complied and is current with the payment of any and all income taxes that are, or were due, to the Government of Puerto Rico. The Contractor shall provide, to the satisfaction of PREPA, and whenever requested by PREPA during the term of this Contract, the necessary documentation to support its compliance with this clause. The Contractor will be given a specific amount of time to produce said documents. During the term of this Contract, the Contractor agrees to pay and/or to remain current with any repayment plan agreed to by the Contractor with the Government of Puerto Rico.

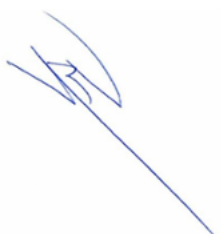
- B. Executive Order No. OE-1992-52 of August 28, 1992 to require certification of compliance with the Department of Labor of the Commonwealth of Puerto Rico: Pursuant to Executive Order Number 1992-52, dated August 28, 1992 amending OE-1991-24, the Contractor will certify and warrant that it has made all payments required for unemployment benefits, workmen's compensation and social security for chauffeurs, whichever is applicable, or that in lieu thereof, has subscribed a payment plan in connection with any such unpaid items and is in full compliance with the terms thereof. The Contractor accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every contractor and Sub Contractor whose service the Contractor has secured in



connection with the services to be rendered under this Contract and shall forward evidence to PREPA as to its compliance with this requirement.

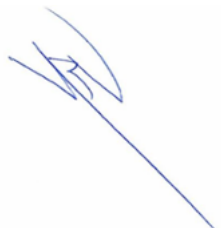
- C. Government of Puerto Rico Municipal Tax Collection Center: The Contractor will certify and guarantee that it does not have any current debt with regards to property taxes that may be registered with the Government of Puerto Rico's Municipal Tax Collection Center (known in Spanish as Centro de Recaudación de Ingresos Municipales ("CRIM")). The Contractor further will certify to be current with the payment of any and all property taxes that are or were due to the Government of Puerto Rico. The Contractor shall provide, to the satisfaction of PREPA and whenever requested by PREPA during the term of this Contract, Certification issued by the Municipal Revenues Collection Center (MRCC), assuring that Contractor does not owe any tax accruing to such governmental agency. To request such Certification, Contractor will use the form issued by the MRCC (called "CRIM-Certificados, Radicación, Estado de Cuenta y Todos los Conceptos" in the website). The Contractor will deliver upon request any documentation requested by PREPA. During the Term of this Contract, the Contractor agrees to pay and/or to remain current with any repayment plan agreed to by the Contractor with the Government of Puerto Rico with regards to its property taxes.

The Contractor shall provide a Personal Property Tax Filing Certification, issued by the MRCC which indicates that Contractor has filed its Personal Property Tax Return for the last five (5) contributory terms or Negative Debt certification issued by the MRCC with respect to real and property taxes and a sworn statement executed by Contractor indicating that (i) its revenues are derived from the rendering of professional services, (ii) during the last five (5) years (or the time in which it has been providing professional services) it has had no taxable business or personal property on the 1st of January of each year, (iii) that for such reasons it has not been required to file personal property tax returns, as required under

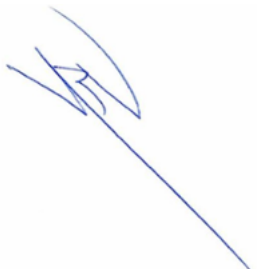


Act 83-1991, as amended, and (iv) that for such reason it does not have an electronic tax file in the MRCC's electronic system.

- D. Treasury Department Certification: The Contractor shall furnish a Certification issued by the Treasury Department of Puerto Rico which indicates that Contractor does not owe Puerto Rico Sales and Use taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan and is in full compliance with its terms.
- E. The Contractor shall provide a copy of Contractor's Certificate of Merchant's Registration issued by the Treasury Department of Puerto Rico.
- F. Sales and Use Tax Filing Certificate, issued by the Treasury Department of Puerto Rico: The Contractor shall provide a Puerto Rico Sales and Use Tax Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that Contractor has filed his Puerto Rico Sales and Use Tax for the last sixty (60) contributory periods.
- G. Puerto Rico Child Support Administration (ASUME): The Contractor shall present, to the satisfaction of PREPA, the necessary documentation certifying that the Contractor nor any of its owners, affiliates of subsidiaries, if applicable, have any debt, outstanding debt, or legal procedures to collect child support payments that may be registered with the Puerto Rico Child Support Administration (known in Spanish as the *Administración Para El Sustento de Menores (ASUME)*).
- H. The Contractor shall present the Certificate of Incorporation, or Certificate of Organization or Certificate of Authorization to do business in Puerto Rico issued by the Puerto Rico Department of State.
- I. The Contractor shall present a Good Standing Certificate issued by the Puerto Rico Department of State.
- J. Social Security and Income Tax Retentions: In compliance with Executive Order 1991 OE-24; and C.F.R. Part 404 et. Seq., the Contractor will be responsible for rendering and paying the Federal Social Security and Income Tax Contributions for any amount owed as a result of the income, from this Contract.



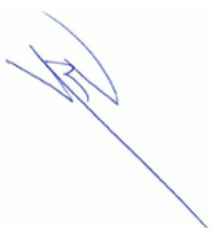
- K. Income Tax Retention Law: PREPA shall deduct and withhold ten percent (10%) of any and all payments to residents of the Commonwealth of Puerto Rico as required by the Internal Revenue Code of Puerto Rico. In case of US citizens and Non US citizens, which are nonresidents of the Commonwealth of Puerto Rico the Contractor will retain twenty percent (20%) and twenty-nine percent (29%) respectively. PREPA will remit such withholdings to the Government of Puerto Rico's Treasury Department (known in Spanish as *Departamento de Hacienda de Puerto Rico*). The Contractor will request PREPA not to make such withholdings if, to the satisfaction of PREPA, the Contractor timely provides a release from such obligation by the Puerto Rico's Treasury Department. 3 L.P.R.A. § 8611 et seq., 2011 L.P.R. 232; 232-2011.
- L. Compliance with Act 1-2012 of Governmental Ethics: The Contractor will certify compliance with Act 1-2012, as amended, known as the Ethics Act of the Government of Puerto Rico, which stipulates that no employee or executive of PREPA nor any member of his/he immediate family (spouse, dependent children or other members of his/her household or any individual whose financial affairs are under the control of the employee) shall have any direct or indirect pecuniary interest in the services to be rendered under this Contract, except as may be expressly authorized by the Governor of Puerto Rico in consultation with the Secretary of Treasury and the Secretary of Justice of the Government. 3 L.P.R.A. § 8611 et seq.;
- M. Act. 168-2000: Law for the Strengthening of the Family Support and Livelihood of Elderly People: The Contractor will certify that if there is any Judicial or Administrative Order demanding payment or any economic support regarding Act 168-2000, as amended, the same is current and in all aspects in compliance. Act 168-2000 "*Law for the Strengthening of the Family Support and Livelihood of Elderly People*" in Spanish: "*Ley para el Fortalecimiento del Apoyo Familiar y Sustento de Personas de Edad Avanzada*", 3 L.P.R.A. §8611 et seq.



- N. Act. 127-2004: Contract Registration in the Comptroller's Office of Puerto Rico Act: Payment for services object of this Contract will not be made until this Contract is properly registered in the Office of the Comptroller of the Government of Puerto Rico pursuant to Act. No. 18 of October 30, 1975, as amended.
- O. Dispensation: Any and all necessary dispensations have been obtained from any government entity and that said dispensations shall become part of the contracting record.
- P. Rules of Professional Ethics: The Contractor acknowledges and accepts that it is knowledgeable of the rules of ethics of his/her profession and assumes responsibility for his/her own actions.
- Q. Anti-Corruption Code for a New Puerto Rico: Contractor agrees to comply with the provisions of Act 2-2018, as the same may be amended from time to time, which establishes the Anti-Corruption Code for a New Puerto Rico. The Contractor hereby certifies that it does not represent particular interests in cases or matters that imply a conflict of interest, or of public policy, between the executive agency and the particular interests it represents.

The Contractor shall furnish a sworn statement to the effect that neither Contractor nor any president, vice president, executive director or any member of a board of officials or board of directors, or any person performing equivalent functions for Contractor has been convicted of or has pled guilty to any of the crimes listed in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico or any of the crimes included in Act 2-2018.

The Contractor hereby certifies that it has not been convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in



Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.

PREPA shall have the right to terminate the Contract in the event Contractor is convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.

R. Prohibition with respect to execution by public officers: (3 L.P.R.A. 8615(c)):

No public officer or employee authorized to contract on behalf of the executive agency for which he/she works may execute a contract between the agency for which he/she works and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.

S. Prohibition with respect to contracting with officers or employees: (3 L.P.R.A. 8615(d)):

No executive agency may execute a contract in which any of its officers or employees or any member of their family units has or has had direct or indirect economic interest during the last four (4) years prior to their holding office, unless the Governor gives authorization thereto with the previous recommendation of the Secretary of the Treasury and the Secretary of Justice.

T. Prohibition with respect to contracts with officers and employees of other Government entities: (3 L.P.R.A. 8615(e)):

No public officer or employee may be a party to or have any interest in any profits or benefits produced by a contract with any other executive agency or government dependency unless the Governor gives express authorization thereto with previous recommendation from the Secretary of the Treasury and the Secretary of Justice.

U. Prohibition with respect to evaluation and approval by public officers: (3 L.P.R.A. 8615(f)):

No public officer or employee who has the power to approve or authorize contracts shall evaluate, consider, approve or authorize any contract between an executive agency and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.

V. Prohibition with respect to execution by public officers contracts with former public officers: (3 L.P.R.A. 8615(h)):

No executive agency shall execute contracts with or for the benefit of persons who have been public officers or employees of said executive agency until after two (2) years have elapsed from the time said person has ceased working as such.

W. Provisions Required under Act 14-2004: Contractor agrees that articles extracted, produced, assembled, packaged or distributed in Puerto Rico by enterprises with operations in Puerto Rico, or distributed by agents established in Puerto Rico shall be used when the service is rendered, if they are available.

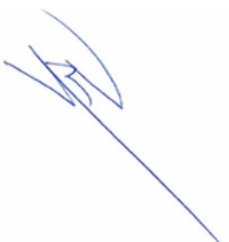
X. Consequences of Non-Compliance: If any of the previously required Certifications shows a debt, and Contractor has requested a review or adjustment of this debt, Contractor will certify that it has made such request at the time of the Contract execution. If the requested review or adjustment is denied and such determination is final, Contractor will provide, immediately, to PREPA a proof of payment of this debt; otherwise, Contractor accepts that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments. The Contractor expressly agrees that the conditions outlined above and throughout this Article are essential requirements of this Contract. Consequently, should any one of these

representations, warranties or certifications be incorrect, inaccurate or misleading, in whole or in part, there shall be enough cause for PREPA to terminate this Contract.

ARTICLE 50: Compliance with Applicable Federal Law, Regulations And Executive Orders. [REQUIRED FOR AGREEMENTS FUNDED IN WHOLE OR IN PART WITH FEMA and CDBG-DR FUNDS]

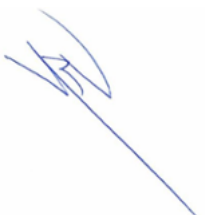
50.1 Contract Work Hours and Safety Standards Act (40 U.S.C. 3701–3708).

- A. Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.
- B. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (A) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (A) of this section, in the sum of \$27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (A) of this section.
- C. Withholding for unpaid wages and liquidated damages. PREPA shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys



payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (B) of this section.

D. Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (A) through (D) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (A) through (D) of this section.



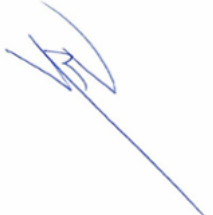
50.2 Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended). Contractor certifies that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall so certify to the tier above it. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient (COR3). Contractor shall also submit to PREPA the required certification regarding lobbying at Appendix A, 44 C.F.R. Part 18.

50.3 Remedies. Any violation or breach of terms of this Contract on the part of the Contractor or a subcontractor may result in the suspension or termination of this Contract or such other action, including the recovery of damages, as may be necessary to enforce the rights of PREPA. The duties and obligations imposed by this Contract and the rights and remedies available hereunder shall be in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law. Upon a material breach by Contractor, PREPA may utilize any remedy available by law, including precluding Contractor from further work with PREPA in the future and recommend suspension and debarment.

50.4 Clean Air Act and the Federal Water Pollution Control Act.

A. The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq., and the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.

B. The Contractor agrees to report each violation to PREPA and understands and agrees that PREPA will, in turn, report each violation as required to assure notification to the COR3, the Federal Emergency Management



Agency, and the appropriate Environmental Protection Agency Regional Office.

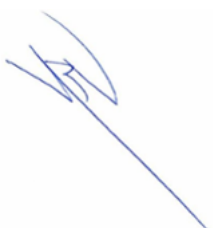
C. The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance.

50.5 Changes. At any time changes in the Services or work to be performed within the general scope of this Contract may be made in accordance with Article 7, Changes/Extra Work; provided, however, that no changes shall be made to the scope of the Services that would render the costs incurred in the performance of this Contract unallowable or not allocable under, or outside the scope, or not reasonable for the completion of, Federal grant awards from FEMA or any other U.S. federal agency.

50.6 Sufficiency of Funds. The Contractor recognizes and agrees that all or a portion of the funding for this Contract shall be derived from assistance awarded by Federal agencies of the United States of America to PREPA or the Government of Puerto Rico. As part of its obligations under this Contract, Contractor shall ensure that the work performed hereunder is eligible for funding by complying with all applicable Federal law, regulations, executive orders, Federal agency policy, procedures, directives and guidelines. If during the term of this Contract, Federal or local funding is reduced, deobligated, or withdrawn, PREPA may reduce the scope of or terminate the Contract, without penalty, by providing written notice to Contractor of the changes in scope or termination. PREPA shall not be obligated to pay nor shall be held financially liable if any work performed by Contractor under this Contract is deemed ineligible by any Federal agency. The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to PREPA, Contractor, or any other party pertaining to any matter resulting from this Agreement.

50.7 FEMA Disaster Assistance Survivor/Registrant Data.

A. If the Contractor has access to Disaster Assistance Survivor/Registrant data or any other personally identifiable information, the Contractor shall comply



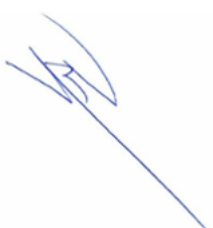
with the provisions of the Terms and Conditions for Sharing FEMA Disaster Assistance Survivor/Registrant Data with State Governments set forth in the FEMA-Government of Puerto Rico Contract for FEMA-4339-DR-PR.

- B. The Contractor shall indemnify, defend, and hold harmless PREPA and the Government of Puerto Rico for any and all costs associated with the defense of that litigation, including costs and attorneys' fees, settlements, or adverse judgments arising from the Contractor's failure to comply with the requirements under this contract.

50.8 Costs. All costs incurred by the Contractor in performance of this Contract must be in accord with the cost principles of 2 C.F.R. pt. 200, Subpart E. PREPA shall not be required to make payments to the Contractor for costs which are found to be contrary to the cost principles 2 C.F.R. pt. 200, Subpart E.

50.9 Financial Management System. The Contractor's financial management system shall provide for the following:

- A. accurate, current, and complete disclosure of the financial results of this Contract and any other contract, grant, program, or other activity administered by the Contractor;
- B. records adequately identifying the source and application of all Contractor funds and all funds administered by the Contractor which shall contain information pertaining to all contract and grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays and income, and shall be segregated by contract or on a contract-by-contract basis;
- C. effective internal control structure over all funds, property, and other assets, sufficient to allow the Contractor to adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes;
- D. comparison of actual outlays with budgeted amounts for this Contract and for any other contract, grant, program, or other activity administered by the Contractor;
- E. accounting records supported by source documentation;

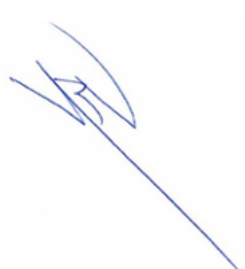


- F. procedures to minimize elapsed time between any advance payment issued and the disbursement of such advance funds by the Contractor; and
- G. procedures consistent with the provisions of any applicable policies of the Federal Government and the Government of Puerto Rico and procedures for determining the reasonableness, allowability and allocability of costs under this Contract.

50.10 Penalties, Fines, and Disallowed Costs. In the event that any U.S. Federal agency or the Government of Puerto Rico disallows or demands repayment for costs incurred in the performance of this Contract, or if any penalty is imposed due to an act or omission by the Contractor, the Contractor shall be solely responsible for such penalty, disallowed costs, or repayment demand, and shall reimburse PREPA in full within ten days of receiving notice from PREPA of such penalty, disallowance, or repayment demand. Any monies paid by the Contractor pursuant to this provision shall not relieve the Contractor of liability to PREPA for damages sustained by PREPA by virtue of any other provision of this Contract.

50.11 Debarment, Suspension, and Ineligibility.

- A. This Contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such the Contractor represents and warrants that none of the Contractor, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935). The Contractor further represents and warrants that it will not enter into any contracts or subcontracts with any individual or entity which has been debarred, suspended or deemed ineligible under those provisions. During the term of this Contract, the Contractor will periodically review SAM.gov and local notices to verify the continued accuracy of this representation. The Contractor shall require all subcontractors at every tier to comply with this requirement.



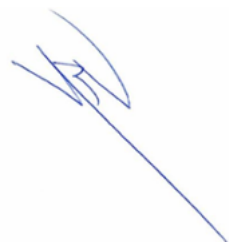
- B. The Contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.
- C. This certification is a material representation of fact relied upon by PREPA. If it is later determined that the Contractor did not comply with 2 C.F.R. pt. 180, subpart C, an 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the Government of Puerto Rico and PREPA, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

50.12 Reporting Requirements. The Contractor shall complete and submit all reports, in such form and according to such schedule, as may be required by PREPA.

50.13 Review of Laws. The Contractor certifies that it will access online and read each law that is cited in the aforementioned clauses and that, in the event it cannot access the online version, it will notify PREPA in order to obtain printed copies of the laws. Not requiring a printed copy of the laws to PREPA will be evidence that the Contractor was able to find it online and read it as required.

50.14 Notice of Federal Emergency Management Agency (FEMA) Reporting Requirements and Regulations.

- A. PREPA is using Federal grant funding awarded or administered by FEMA to the Government of Puerto Rico and/or PREPA to pay, in full, for the costs incurred under this Contract. As a condition of FEMA funding under major disaster declaration FEMA-4339-DR-PR, FEMA requires the Government of Puerto Rico and PREPA to provide various financial and performance reporting. The Contractor agrees to provide all information, documentation, and reports necessary to satisfy these reporting requirements. Failure by the Contractor to provide information necessary to satisfy these reporting requirements may result in loss of Federal funding for this Contract, and such failure shall be a material breach of this Contract.



B. Applicable Regulations and Policy. Applicable regulations, FEMA policy, and other sources setting forth these reporting requirements include, but are not limited to:

(1) 2 C.F.R. § 327 (Financial Reporting);

(2) 2 C.F.R. § 200.328 (Monitoring and Reporting Program Performance);

(3) Performance and financial reporting requirements set forth in 2 C.F.R. Part 206.

50.15 Access to Records.

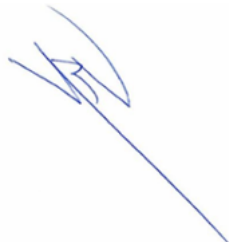
A. The Contractor agrees to provide PREPA, the Government of Puerto Rico, the FEMA Administrator, the Secretary of HUD, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts, and transcriptions.

B. The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

C. The Contractor agrees to provide the FEMA Administrator, the Secretary of HUD, or his authorized representatives access to work sites pertaining to the work being completed under the Contract.

50.16 Retention requirements for records. The Contractor agrees to maintain all books, records, accounts, and reports and all other records produced or collected in connection with this Contract for a period of not less than three years from the date of submission by PREPA or the Puerto Rico Emergency Management Agency, on PREPA's behalf, of the final expenditure report for disaster declaration

FEMA-4339-DR-PR, as reported to FEMA. If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been



resolved and final action taken. It is the responsibility of the Contractor to inquire of PREPA whether the aforementioned final expenditure report has been submitted.

50.17 Program Fraud and False or Fraudulent Statements or Related Acts. The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor's actions pertaining to this Contract.

50.18 Procurement of Recovered Materials. In the performance of this Contract, the Contractor shall make maximum use of products containing recovered materials that are Environmental Protection Agency ("EPA")- designated items unless the product cannot be acquired—

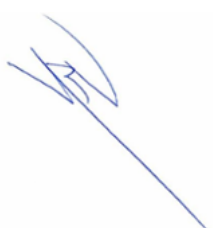
- A. Competitively within a timeframe providing for compliance with the Contract performance schedule;
- B. Meeting Contract performance requirements; or
- C. At a reasonable price.

Information about this requirement, along with the list of EPA-designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.

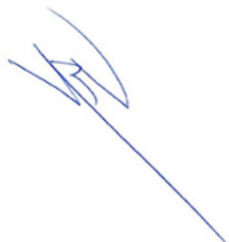
50.19 Energy Efficiency. The Contractor agrees to comply with the requirements of 42 U.S.C. § 6201, which contain policies relating to energy efficiency that are defined in the Government of Puerto Rico's energy conservation plan issued in compliance with said statute.

50.20 Equal Employment Opportunity. During the performance of this Contract, the Contractor agrees as follows:

- A. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual

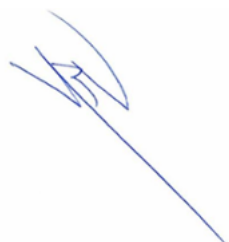


- orientation, gender identity, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment, or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
- B. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- C. The Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Contractor's legal duty to furnish information.
- D. The Contractor will send to each labor union or representative of workers with which it has a collective bargaining Contract or other contract or understanding (if any) a notice advising the labor union or workers' representative of the Contractor's commitments under section 202 of the US Executive Order 11246 of September 24, 1965, as amended, and shall post



copies of the notice in conspicuous places available to employees and applicants for employment.

- E. The Contractor will comply with all provisions of Executive Order 11246, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- F. The Contractor will furnish all information and reports required by Executive Order 11246, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by PREPA, the Government of Puerto Rico, and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- G. In the event of the Contractor's non-compliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations, or orders, this Contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- H. The Contractor will include the provisions of paragraphs (A) through (H) in every subcontract or purchase order, unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.



50.21 Age Discrimination Act of 1975. The Contractor shall comply with the provisions of the Age Discrimination Act of 1975. No person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity receiving federal financial assistance.

50.22 Americans with Disabilities Act. The Contractor shall comply with the appropriate areas of the Americans with Disabilities Act of 1990, as enacted and from time to time amended, and any other applicable federal regulation. A signed, written certificate stating compliance with the Americans with Disabilities Act may be requested at any time during the term of this Contract.

50.23 Title VI of the Civil Rights Act of 1964. The Contractor shall comply with the provisions of Title VI of the Civil Rights Act of 1964. No person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

50.24 Section 504 of the Rehabilitation Act of 1973, as Amended. The Contractor agrees that no otherwise qualified individual with disabilities shall, solely by reason of his disability, be denied the benefits, or be subjected to discrimination including discrimination in employment, any program or activity that receives the benefits from the federal financial assistance.

50.25 Drug-Free Workplace. The Contractor shall maintain a drug-free work environment in accordance with the Drug-Free Workplace Act of 1988 (41 U.S.C. § 8101 et seq.), and implementing regulations at 2 C.F.R Part 3001.

50.26 Compliance with Laws, Regulation and Executive Orders. The Contractor acknowledges that FEMA financial assistance will be used to fund this Contract. The Contractor shall comply will all applicable Federal and Government of Puerto Rico law, regulations, executive orders, policies, procedures, and directives, including but not limited to all Federal Cost Principles set forth in 2 C.F.R. Part

200, and all applicable FEMA regulations in 44 C.F.R. Chapter I, and 2 C.F.R. Part 200.

50.27 Provisions Required by Law Deemed Inserted. Each and every provision required by law regulation, executive order, policy, procedure, directive, Federal grant award or agreement, or cooperative agreement with any Federal agency to be inserted in this Contract shall be deemed to be inserted herein and the Contract shall be read and enforced as though it were included herein. If, through mistake or otherwise, any provision is not inserted, or is not correctly inserted, then upon the application of either party the Contract shall be amended to make such insertion or correction.

50.28 Agreement to Execute Other Required Documents. Contractor and all subcontractors, by entering into the Contract, understand and agree that funding for the Services is provided under Federal programs with specific contracting requirements. To the extent any such requirement is not otherwise set forth herein, Contractor agrees to execute such amendments or further agreements as may be necessary to ensure that PREPA receives Federal funding for this Contract.

50.29 U.S. Department of Homeland Security Seal, Logo, and Flags. The Contractor shall not use the U.S. Department of Homeland Security seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre- approval.

50.30 No Obligation by the Federal Government. PREPA and the Contractor acknowledge and agree that the Federal Government is not a party to this Contract and is not subject to any obligations or liabilities to PREPA, Contractor, or any other party pertaining to any matter resulting from the contract.

50.31 General. All contracts shall contain a clause identifying the type of Contract and the mandatory clauses contained on the latest released HUD forms, as applicable to the Contract type. All contracts, except for general management

consulting services, will include performance requirements and liquidated damages.

50.32 Puerto Rico Energy Conservation Plan. Contractor must act in compliance, when applicable, with the mandatory standards and policies relating to energy efficiency which are contained in the Commonwealth's energy conservation plan.

50.33 Patent Rights. All contracts are subject to the patent rights with respect to any discovery or invention which arises or is developed during or under such Contract in accordance with 37 C.F.R. Section 401.2(a) and 37 C.F.R. Part 401.

50.34 Davis Bacon Act And Copeland Anti-Kickback Act

A. Contractor. Contractor shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this Contract.

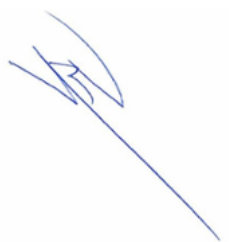
B. Subcontracts. Contractor or subcontractors shall insert in any subcontracts the clause above and such other clauses as FEMA or HUD may by appropriate instructions require, and also a clause requiring the subcontractor to include these clauses in any lower tier subcontracts. Contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.

C. Breach. A breach of the contract clauses above may be grounds for termination of the Contract, and for debarment as a contractor and subcontractor as provided in 29 C.F.R. § 5.12.

50.35 HUD Section 3 Clause

A. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

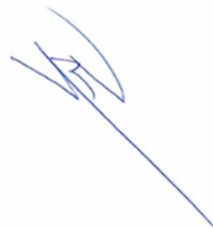
- B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
- C. Contractor agrees to send to each labor organization or representative of workers with which Contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- D. Contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. Contractor will not subcontract with any subcontractor where Contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.
- E. Contractor will certify that any vacant employment positions, including training positions, that are filled (i) after Contractor is selected but before the contract is executed, and (ii) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 CFR part 135.



- F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
- G. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

50.36 HUD Section 3 Requirements

- A. Section 3 clause required in subcontracts. All Section 3 covered contracts must include a Section 3 clause in accordance with 24 C.F.R. § 135.38. A Section 3 covered contract means a contract or subcontract (including a professional service contract) awarded by a recipient or Contractor for work generated by the expenditure of section 3 covered assistance, or for work arising in connection with a section 3 covered project. "Section 3 covered contracts" do not include contracts for the purchase of supplies and materials. However, whenever a contract for materials includes the installation of the materials, the contract constitutes a section 3 covered contract. For example, a contract for the purchase and installation of a furnace would be a section 3 covered contract because the contract is for work (i.e., the installation of the furnace) and thus is covered by section 3.
 - (1) "Section 3 covered assistance" means assistance provided under any HUD housing or community development program that is expended for



work arising in connection with public construction projects (which includes other buildings or improvements, regardless of ownership).

(2) A "Section 3 covered project" means, among other things, public construction which includes buildings or improvements (regardless of ownership) assisted with community development assistance.

B. Section 3 minimum contracting goals. Contractor must endeavor to meet the following minimum goals for contracting under HUD funded contracts, as applicable:

(1) Arising in connection with public construction shall be awarded to Section 3 businesses. Public construction includes infrastructure work, such as extending water and sewage lines, sidewalk repairs, site preparation, installing conduits for utility services, etc.

(2) Three (3) percent of the total dollar amount of all non-construction Section 3 covered contracts shall be awarded to Section 3 businesses. Section 3 covered non-construction projects include maintenance contracts, including lawn care, re-painting, routine maintenance, HVAC servicing, and professional service contracts associated with construction (e.g., architectural, engineering, legal services, accounting, marketing, etc.).

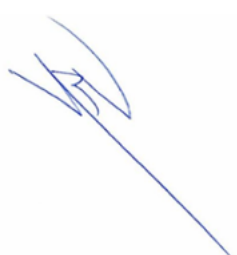
C. A Section 3 business is one that can demonstrate it meets one of the following criteria:

(1) 51 percent or more owned by Section 3 residents; or

(2) has permanent, full time employees at least 30 percent of whom are currently Section 3 residents, or within three years of the date of first employment with the business concern were Section 3 residents; or

(3) has a commitment to sub-contract in excess of 25 percent of the total dollar award of all sub-contracts to be awarded to such businesses described above.

D. Order of preference for Section 3 business concerns in contracting opportunities. Contractor and any subcontractors shall direct their efforts to



award section 3 covered contracts, to the greatest extent feasible, to section 3 business concerns in the following order of priority (24 C.F.R. § 135.36), where feasible:

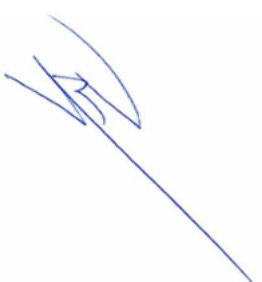
- (1) section 3 business concerns that provide economic opportunities for section 3 residents in the service area or neighborhood in which the section 3 covered project is located (category 1 businesses);
- (2) applicants (as this term is defined in 42 U.S.C. 12899) selected to carry out HUD Youthbuild programs (category 2 businesses); and
- (3) other section 3 business concerns.

E. Eligibility for preference. A business concern seeking to qualify for a section 3 contracting preference shall certify or submit evidence, if requested, that the business concern is a section 3 business concern as defined in 24 C.F.R. § 135.5.

F. Ability to complete contract. A section 3 business concern seeking a contract or a subcontract shall submit evidence to Contractor or Subcontractor (as applicable), if requested, sufficient to demonstrate to the satisfaction of the Party awarding the contract that the business concern is responsible and has the ability to perform successfully under the terms and conditions of the proposed contract. (The ability to perform successfully under the terms and conditions of the proposed contract is required of all contractors and subcontractors subject to the procurement standards of 24 CFR 85.36 (2 CFR 200.318(h).) This regulation requires consideration of, among other factors, the potential Contractor's record in complying with public policy requirements. Section 3 compliance is a matter properly considered as part of this determination.

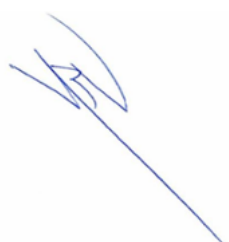
50.37 Additional Fair Labor Standards Provisions (HUD Form 4010)

A. Applicability. The project or program to which the construction work covered by this contract pertains is being assisted by the United States of America



and the following Federal Labor Standards Provisions are included in this Contract pursuant to the provisions applicable to such Federal assistance.

B. Minimum Wages. All laborers and mechanics employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between Contractor and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under Section I (b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of 29 CFR 5. 5(a)(1)(iv); also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs, which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under 29 CFR 5.5(a)(1)(ii) and the Davis-Bacon poster (WH-1321) shall be posted at all times by Contractor and its



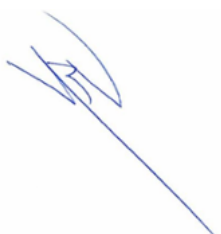
subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

(1) (a) Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate and fringe benefits therefor only when the following criteria have been met:

- (i) The work to be performed by the classification requested is not performed by a classification in the wage determination; and
- (ii) The classification is utilized in the area by the construction industry; and
- (iii) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

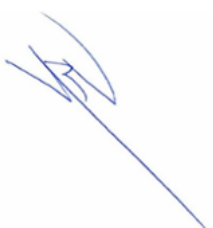
(b) If Contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and HUD or its designee agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by HUD or its designee to the Administrator of the Wage and Hour Division, Employment Standards Administration, U. S. Department of Labor, Washington, D.C. 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB control number 1215- 0140.)

(c) In the event the Contractor, the laborers or mechanics to be employed in the classification or their representatives, and HUD or its designee



do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), HUD or its designee shall refer the questions, including the views of all interested parties and the recommendation of HUD or its designee, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

- (d) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (B)(1)(b) or (c) of this paragraph, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.
- (2) Whenever the minimum wage rate prescribed in the contract for a class of laborer or mechanics includes a fringe benefit which is not expressed as an hourly rate, Contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.
- (3) If Contractor does not make payments to a trustee or other third person, Contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the Contractor, that the applicable standards of the Davis- Bacon Act have been met. The Secretary of Labor may require Contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.



(Approved by the Office of Management and Budget under OMB Control
Number 1215-0140.)

- C. Withholding. HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from Contractor under this contract or any other Federal contract with the same prime contractor, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees and helpers, employed by Contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee or helper, employed or working on the site of the work, all or part of the wages required by the contract, HUD or its designee may, after written notice to the Contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased. HUD or its designee may, after written notice to Contractor, disburse such amounts withheld for and on account of Contractor or Subcontractor to the respective employees to whom they are due. The Comptroller General shall make such disbursements in the case of direct Davis-Bacon Act contracts.
- D. Payrolls and basic records. Payrolls and basic records relating thereto shall be maintained by Contractor during the course of the work preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in Section I(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours

worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5 (a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in Section 1(b)(2)(B) of the Davis-Bacon Act, Contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs. (Approved by the Office of Management and Budget under OMB Control Numbers 1215-0140 and 1215-0017.)

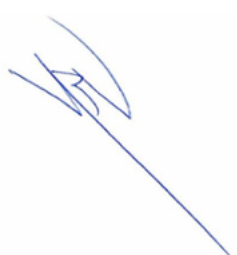
(1) (a) Contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to HUD or its designee if the agency is a Party to the contract, but if the agency is not such a Party, Contractor will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i) except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e. g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Website at <http://www.dol.gov/esa/whd/forms/wh347instr.htm> or its successor site.



The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and Subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to HUD or its designee if the agency is a Party to the contract, but if the agency is not such a Party, Contractor will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee, Contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this subparagraph for a prime contractor to require a Subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to HUD or its designee. (Approved by the Office of Management and Budget under OMB Control Number 1215-0149.)

(b) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by Contractor or Subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

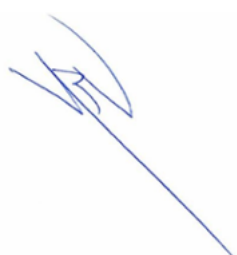
- (i) That the payroll for the payroll period contains the information required to be provided under 29 CFR 5.5(a)(3)(ii), the appropriate information is being maintained under 29 CFR 5.5(a)(3)(i), and that such information is correct and complete;
- (ii) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 CFR Part 3;



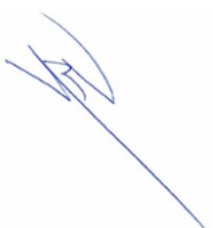
- (iii) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.
 - (c) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by subparagraph A.3.(ii)(b).
 - (d) The falsification of any of the above certifications may subject Contractor or any Subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code.
- (2) Contractor or Subcontractor shall make the records required under subparagraph A.3.(i) available for inspection, copying, or transcription by authorized representatives of HUD or its designee or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If Contractor or Subcontractor fails to submit the required records or to make them available, HUD or its designee may, after written notice to the Contractor, sponsor, applicant or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

E. Apprentices and Trainees.

- (1) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and

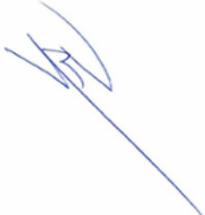


Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to contractors to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the Contractor's or Subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification,



fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, Contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

- (2) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall



be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, Contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(3) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under 29 CFR Part 5 shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

F. Compliance with Copeland Act requirements. Contractor shall comply with the requirements of 29 CFR Part 3 which are incorporated by reference in this contract.

G. Subcontracts. Contractor or Subcontractor will insert in any subcontracts the clauses contained in subparagraphs 1 through 11 in this paragraph A and such other clauses as HUD or its designee may by appropriate instructions require, and a copy of the applicable prevailing wage decision, and also a clause requiring the Subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any Subcontractor or lower tier Subcontractor with all the contract clauses in this paragraph.

H. Contract termination; debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract and for debarment as a contractor and a Subcontractor as provided in 29 CFR 5.12.

I. Compliance with Davis-Bacon and Related Act Requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this contract.

J. Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general

disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between Contractor (or any of its Subcontractors) and HUD or its designee, the U.S. Department of Labor, or the employees or their representatives.

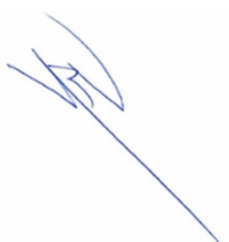
K. Certification of Eligibility.

(1) By entering into this contract, Contractor certifies that neither it (nor he or she) nor any Person or firm who has an interest in the Contractor's firm is a Person or firm ineligible to be awarded Government contracts by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(2) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(3) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001. Additionally, U.S. Criminal Code, Section 1 01 0, Title 18, U.S.C., "Federal Housing Administration transactions", provides in part: "Whoever, for the purpose of influencing in any way the action of such Administration.makes, utters or publishes any statement knowing the same to be false.shall be fined not more than \$5,000 or imprisoned not more than two years, or both."

L. Complaints, Proceedings, or Testimony by Employees. No laborer or mechanic to whom the wage, salary, or other labor standards provisions of this Contract are applicable shall be discharged or in any other manner discriminated against by Contractor or any Subcontractor because such employee has filed any complaint or instituted or caused to be instituted any



proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable under this Contract to his employer.

M. Health and Safety. The provisions of this paragraph are applicable where the amount of the prime contract exceeds \$100,000:

(1) No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor by regulation.

(2) Contractor shall comply with all regulations issued by the Secretary of Labor pursuant to Title 29 Part 1926 and failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act, (Public Law 91-54, 83 Stat 96). 40 USC 3701 et seq.

(3) Contractor shall include the provisions of this paragraph in every subcontract so that such provisions will be binding on each Subcontractor. Contractor shall take such action with respect to any Subcontractor as the Secretary of Housing and Urban Development or the Secretary of Labor shall direct as a means of enforcing such provisions.

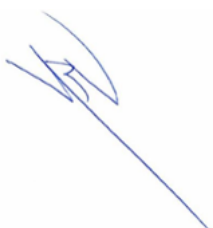
50.38 Buy American—Construction Materials Under Trade Agreements (Oct 2016)

A. Definitions. As used in this Article—

1. **Caribbean Basin country construction material** means a construction material that—

a. Is wholly the growth, product, or manufacture of a Caribbean Basin country; or

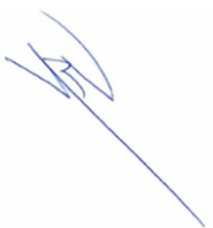
b. In the case of a construction material that consists in whole or in part of materials from another country, has been substantially transformed in a Caribbean Basin country into a new and different construction material distinct from the materials from which it was transformed.



2. Commercially available off-the-shelf (COTS) item—
 - a. Means any item of supply (including construction material) that is—
 - i. A commercial item (as defined in paragraph (1) of the definition at FAR 2.101);
 - ii. Sold in substantial quantities in the commercial marketplace; and
 - iii. Offered to the Government, under a contract or subcontract at any tier, without modification, in the same form in which it is sold in the commercial marketplace; and
 - b. Does not include bulk cargo, as defined in 46 U.S.C. § 40102(4), such as agricultural products and petroleum products.

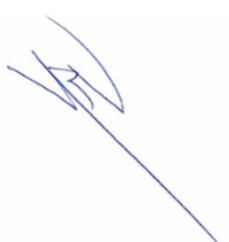


3. **Component** means an article, material, or supply incorporated directly into a construction material.
4. **Construction material** means an article, material, or supply brought to the Site by the Contractor or Subcontractor for incorporation into the building or Work. The term also includes an item brought to the Site preassembled from articles, materials, or supplies. However, emergency life safety systems, such as emergency lighting, fire alarm, and audio evacuation systems, that are discrete systems incorporated into a public building or Work and that are produced as complete systems, are evaluated as a single and distinct construction material regardless of when or how the individual parts or components of those systems are delivered to the Site. Materials purchased directly by the Government are supplies, not construction material.
5. **Cost of components** means—
 - a. For components purchased by the Contractor, the acquisition cost, including transportation costs to the place of incorporation into the construction material (whether or not such costs are paid to a domestic firm), and any applicable duty (whether or not a duty-free entry certificate is issued); or
 - b. For components manufactured by the Contractor, all costs associated with the manufacture of the component, including transportation costs as described in paragraph (1) of this definition, plus allocable overhead costs, but excluding profit. Cost of components does not include any costs associated with the manufacture of the construction material.
6. **Designated country** means any of the following countries:
 - a. A World Trade Organization Government Procurement Agreement (WTO GPA) country (Armenia, Aruba, Austria,

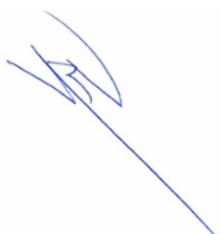


Belgium, Bulgaria, Canada, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea (Republic of), Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Moldova, Montenegro, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Singapore, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Taiwan, Ukraine, or United Kingdom);

- b. A Free Trade Agreement (FTA) country (Australia, Bahrain, Canada, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Korea (Republic of), Mexico, Morocco, Nicaragua, Oman, Panama, Peru, or Singapore);
- c. A least developed country (Afghanistan, Angola, Bangladesh, Benin, Bhutan, Burkina Faso, Burundi, Cambodia, Central African Republic, Chad, Comoros, Democratic Republic of Congo, Djibouti, Equatorial Guinea, Eritrea, Ethiopia, Gambia, Guinea, Guinea-Bissau, Haiti, Kiribati, Laos, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Nepal, Niger, Rwanda, Samoa, Sao Tome and Principe, Senegal, Sierra Leone, Solomon Islands, Somalia, South Sudan, Tanzania, Timor-Leste, Togo, Tuvalu, Uganda, Vanuatu, Yemen, or Zambia); or
- d. A Caribbean Basin country (Antigua and Barbuda, Aruba, Bahamas, Barbados, Belize, Bonaire, British Virgin Islands, Curacao, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, Saba, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Sint Eustatius, Sint Maarten, or Trinidad and Tobago).



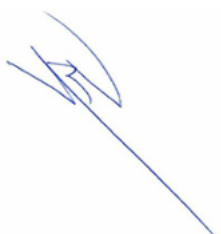
7. **Designated country construction material** means a construction material that is a WTO GPA country construction material, an FTA country construction material, a least developed country construction material, or a Caribbean Basin country construction material.
8. **Domestic construction material** means—
 - a. An unmanufactured construction material mined or produced in the United States;
 - b. A construction material manufactured in the United States, if—
 - i. The cost of its components mined, produced, or manufactured in the United States exceeds fifty percent (50%) of the cost of all its components. Components of foreign origin of the same class or kind for which non-availability determinations have been made are treated as domestic; or
 - ii. The construction material is a COTS item.
9. **Foreign construction material** means a construction material other than a domestic construction material.
10. **Free Trade Agreement country construction material** means a construction material that—
 - a. Is wholly the growth, product, or manufacture of a Free Trade Agreement (FTA) country; or
 - b. In the case of a construction material that consists in whole or in part of materials from another country, has been substantially transformed in an FTA country into a new and different construction material distinct from the materials from which it was transformed.



11. **Least developed country construction material** means a construction material that—
 - a. Is wholly the growth, product, or manufacture of a least developed country; or
 - b. In the case of a construction material that consists in whole or in part of materials from another country, has been substantially transformed in a least developed country into a new and different construction material distinct from the materials from which it was transformed.
12. **United States** means the fifty (50) States, the District of Columbia, and outlying areas.
13. **WTO GPA country construction material** means a construction material that—
 - a. Is wholly the growth, product, or manufacture of a WTO GPA country; or
 - b. In the case of a construction material that consists in whole or in part of materials from another country, has been substantially transformed in a WTO GPA country into a new and different construction material distinct from the materials from which it was transformed.

B. Construction materials.

1. This Article implements 41 U.S.C. chapter 83, Buy American, by providing a preference for domestic construction material. In accordance with 41 U.S.C. § 1907, the component test of the Buy American statute is waived for construction material that is a COTS item. (See FAR 12.505(a)(2)). In addition, the Contracting Officer has determined that the WTO GPA and Free Trade Agreements (FTAs) apply to this acquisition. Therefore, the Buy American

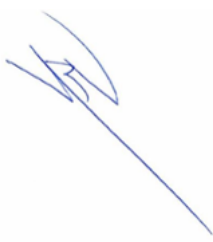


restrictions are waived for designated country construction materials.

2. The Contractor shall use only domestic or designated country construction material in performing this Contract, except as provided in paragraphs (B)(3) and (B)(4) of this Article.
3. The requirement in paragraph (B)(2) of this Article does not apply to information technology that is a commercial item or to the construction materials or components listed by the Government as follows:

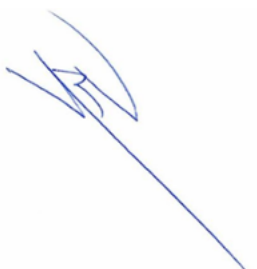
[Contracting Officer is to list applicable excepted materials or indicate "none"]

4. The Contracting Officer may add other foreign construction material to the list in paragraph (B)(3) of this Article if the Government determines that—
 - a. The cost of domestic construction material would be unreasonable. The cost of a particular domestic construction material subject to the restrictions of the Buy American statute is unreasonable when the cost of such material exceeds the cost of foreign material by more than 6 percent;
 - b. The application of the restriction of the Buy American statute to a particular construction material would be impracticable or inconsistent with the public interest; or
 - c. The construction material is not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities of a satisfactory quality.
- C. Request for determination of inapplicability of the Buy American statute.
1. (i) Any Contractor request to use foreign construction material in accordance with paragraph (B)(4) of this Article shall



include adequate information for Government evaluation of the request, including—

- a. A description of the foreign and domestic construction materials;
- b. Unit of measure;
- c. Quantity;
- d. Price;
- e. Time of delivery or availability;
- f. Location of the Work;
- g. Name and address of the proposed supplier; and
- h. A detailed justification of the reason for use of foreign construction materials cited in accordance with paragraph (B) of this Article.
 - i. A request based on unreasonable cost shall include a reasonable survey of the market and a completed price comparison table in the format in paragraph (D) of this Article.
 - ii. The price of construction material shall include all delivery costs to the Site and any applicable duty (whether or not a duty-free certificate may be issued).
 - iii. Any Contractor request for a determination submitted after contract award shall explain why the Contractor could not reasonably foresee the need for such determination and could not have requested the determination before contract award. If the Contractor does not submit a satisfactory explanation, the Contracting Officer need not make a determination.
- i. If the Government determines after Contract award that an exception to the Buy American statute applies and the



Contracting Officer and the Contractor negotiate adequate consideration, the Contracting Officer shall modify the Contract to allow use of the foreign construction material. However, when the basis for the exception is the unreasonable price of a domestic construction material, adequate consideration is not less than the differential established in paragraph (B)(4)(a) of this Article.

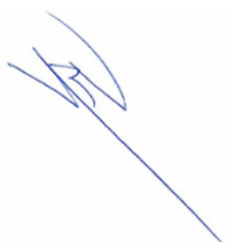
j. Unless the Government determines that an exception to the Buy American statute applies, use of foreign construction material is noncompliant with the Buy American statute.

D. To permit evaluation of requests under paragraph (C) of this Article based on unreasonable cost, the Contractor shall include the following information and any applicable supporting data based on the survey of suppliers:

Foreign and Domestic Construction Materials Price Comparison

Construction material description	Unit of measure	Quantity	Price (dollars) ¹
Item 1:			
Foreign construction material			
Domestic construction material			
Item 2:			
Foreign construction material			
Domestic construction material			

- E. Include all delivery costs to the Site and any applicable duty (whether or not a duty-free entry certificate is issued).
- F. List name, address, telephone number, and contact for suppliers surveyed. Attach copy of response; if oral, attach summary.
- G. Include other applicable supporting information.



Notes:

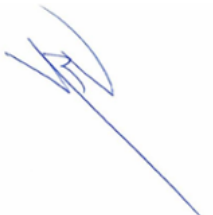
1. List in paragraph (B)(3) of the clause all foreign construction material excepted from the requirements of the Buy American statute, other than designated country construction material.
2. If the head of the agency determines that a higher percentage is appropriate, substitute the higher evaluation percentage in paragraph (B)(4)(i).

H. Restrictions on Certain Foreign Purchase

1. Except as authorized by the Office of Foreign Assets Control (OFAC) in the Department of the Treasury, the Contractor shall not acquire, for use in the performance of this Contract, any supplies or services if any proclamation, Executive order, or statute administered by OFAC, or if OFAC's implementing regulations at 31 C.F.R. chapter V, would prohibit such a transaction by a person subject to the jurisdiction of the United States.
2. Except as authorized by OFAC, most transactions involving Cuba, Iran, and Sudan are prohibited, as are most imports from Burma or North Korea, into the United States or its outlying areas. Lists of entities and individuals subject to economic sanctions are included in OFAC's List of Specially Designated Nationals and Blocked Persons at <http://www.treas.gov/offices/enforcement/ofac/sdn>. More information about these restrictions, as well as updates, is available in the OFAC's regulations at 31 C.F.R. chapter V and/or on OFAC's Web site at <http://www.treas.gov/offices/enforcement/ofac>.
3. The Contractor shall insert this Article, including this paragraph (3), in all Subcontracts.

I. Inconsistency Between English Version and Translation of Contract

In the event of inconsistency between any terms of this Contract and any translation into another language, the English language meaning shall control.



ARTICLE 51: Correlation of Documents

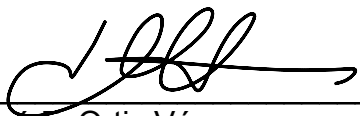
In case of discrepancy or in the event of conflict among the different Contract documents such as: Contract and the Contractors Proposal, these shall take precedence in the order given. The terms and conditions contained in the Contract shall prevail over any conflictive terms and conditions contained in the Contractor's Proposal.

ARTICLE 52: Complete Agreement

This document, together with all attachments referenced herein, constitutes the complete agreement between the Parties.

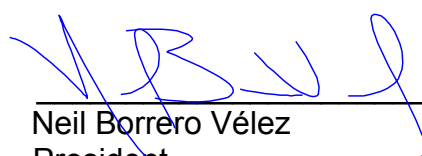
IN WITNESS WHEREOF, the Parties hereto have executed this Contract this 27
day of May of 2020, in San Juan, Puerto Rico.

Puerto Rico Electric Power Authority



José F. Ortiz Vázquez
Chief Executive Officer
Social Security Number 660-43-3747

Contractor



Neil Borrero Vélez
President
Social Security Number 660-81-2425

REQUEST FOR PROPOSAL

THIS IS NOT AN ORDER



PUERTO RICO ELECTRIC POWER AUTHORITY

All Contractors & Services Corp.
Suplidor 123155
allcontractors.pr@gmail.com
(787) 378-4408

RFP : 00002646
Due Date: 05/10/2020
Due Time: 23:59 AST
Printed : 05/08/2020
Page : 1

Return RFP to:

JOEL D. PANTOJAS-CARABALL



JPANTOJAS13525@AEEPR.COM

Phone: 787-521-3317

Fax : 787-521-2943

Start Date:

End Date :

Vendor:

BULLETIN BOARD
DIVISION DE SUMINISTROS
SAN JUAN PR 00936



Work Location:

NEOM 606

CARR. NUM. 1, KM 15.1

C. SAN ROBERTO FINAL

MONACILLOS PR 00926

Title: STRUCTURAL REHABILITATION AND MAINTENANCE NGLP LOOP COSTA SUR
*** DRAFT COPY ***

Bid Value:

\$908,000.00

Currency: USD

Not to Exceed?

Bid Pricing Method:

ESTIMATE

Bid Expiration Date:

120 DIAS

Vendor Authorized Signature
NEIL BORRERO - PRESIDENTE

Printed Name/Title

05/10/2020

(787) 378-4406

Date Signed

Phone

Authorized Signature

Printed Name/Title

Date Signed

Phone

Scope of Work and Terms & Conditions Text follow as attachments

APÉNDICE # 2

REQ. 240923

RFP 00002646

POWER ADVOCATE EVENT # 103905

REQUEST FOR PROPOSAL

THIS IS NOT AN ORDER



PUERTO RICO ELECTRIC POWER AUTHORITY

RFP : 00002646
Due Date: 05/10/2020
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Page : 2

**EMERGENCY PROCUREMENT PROCEDURES FOR COSTA SUR POWER PLANT UNIT 5
REHABILITATION - STRUCTURAL REHABILITATION AND MAINTENANCE NGLP LOOP
- COSTA SUR POWER PLANT**

SE INFORMA A LOS LICITADORES LO SIGUIENTE:

1. SE INCLUYE JUNTO CON ESTE APÉNDICE EL "ATTACHMENT-C GAS PIPING TECH SPEC'S 20-000" EL CUAL FORMA PARTE DE LAS ESPECIFICACIONES DE ESTE PROYECTO.

2. LA FECHA DE APERTURA PARA ESTE RFP PERMANECE PARA EL 10 DE MAYO DE 2020, SIN HORA.

TODOS LOS DEMÁS TÉRMINOS, CONDICIONES, ESPECIFICACIONES Y NOTAS QUE NO HAYAN SIDO MODIFICADOS POR ESTE APÉNDICE QUEDAN INALTERADOS.

PARA MAYOR INFORMACION SE PUEDEN COMUNICAR CON:

JOEL D. PANTOJAS CARABALLO
SUPERVISOR DE COMPRAS PRINCIPAL
TEL. 787-521-3317
E-MAIL: JOEL.PANTOJAS@PREPA.COM

APÉNDICE # 1

REQ. 240923
RFP 00002646
POWER ADVOCATE EVENT # 103905

**EMERGENCY PROCUREMENT PROCEDURES FOR COSTA SUR POWER PLANT UNIT 5
REHABILITATION - STRUCTURAL REHABILITATION AND MAINTENANCE NGLP LOOP
- COSTA SUR POWER PLANT**

SE INFORMA A LOS LICITADORES LO SIGUIENTE:

REQUEST FOR PROPOSAL

THIS IS NOT AN ORDER



PUERTO RICO ELECTRIC POWER AUTHORITY

RFP : 00002646
Due Date: 05/10/2020
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Page : 3

SE POSPONE LA FECHA DE APERTURA DE ESTE RFP PROGRAMADA PARA EL 8 DE MAYO DE 2020. LA MISMA SE REPROGRAMA PARA EL SIGUIENTE DÍA:

FECHA: 10 DE MAYO DE 2020
HORA: SIN HORA

TODOS LOS DEMÁS TÉRMINOS, CONDICIONES, ESPECIFICACIONES Y NOTAS QUE NO HAYAN SIDO MODIFICADOS POR ESTE APÉNDICE QUEDAN INALTERADOS.

PARA MAYOR INFORMACION SE PUEDEN COMUNICAR CON:

JOEL D. PANTOJAS CARABALLO
SUPERVISOR DE COMPRAS PRINCIPAL
TEL. 787-521-3317
E-MAIL: JOEL.PANTOJAS@PREPA.COM

REQ. 240923
RFP 00002646
POWER ADVOCATE EVENT # 103905

EMERGENCY PROCUREMENT PROCEDURES FOR COSTA SUR POWER PLANT UNIT 5
REHABILITATION - STRUCTURAL REHABILITATION AND MAINTENANCE NGLP LOOP
- COSTA SUR POWER PLANT

FECHA DE APERTURA: 05/08/2020 - SIN HORA

INCLUIR LITERATURA SOBRE EQUIPO O MATERIAL.
FAVOR INCLUIR TIEMPO DE VIGENCIA DE SU OFERTA.

LUGAR DEL SERVICIO: CENTRAL COSTA SUR

ATENCION: ING. CARLOS A. NEGRÓN ALFONSO
TEL. 787-521-6421 / 6406

NOTAS:

REQUEST FOR PROPOSAL

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PUERTO RICO ELECTRIC POWER AUTHORITY

RFP : 00002646
Due Date: 05/10/2020
Due Time: 23:59 AST
Printed : 05/08/2020
Page : 4

1. PARA ESTA SOLICITUD DE PRECIOS NO SE ACEPTARAN OFERTAS POR CORREO FEDERAL, ENTREGADAS A LA MANO, FAX O CORREO ELECTRONICO. LAS OFERTAS SE TIENEN QUE RECIBIR A TRAVES DE LA PLATAFORMA DE POWER ADVOCATE, ANTES DE LA FECHA Y HORA ASIGNADA DE APERTURA (CLOSE).
2. ES REQUISITO ESTAR ACTIVO EN EL REGISTRO DE LICITADORES DE LA AEE.
3. LOS LICITADORES TIENEN QUE COTIZAR ENTREGADO EN SITIO. LIBRE DE IMPUESTOS DE PR.
4. DEL SERVICIO INCLUIR MATERIAL EL MISMO PUEDE SER IGUAL O APROBADO IGUAL POR LA AEE PARA DICHO CONCEPTO, EXCEPTO EN AQUEL QUE INDIQUE QUE NO SE ACEPTA SUSTITUTO.
5. ESTE RFP SE REGISTRARÁ POR EL "PROCEDURES FOR ACQUISITION OF GOODS OR SERVICES IN EMERGENCY SITUATIONS" DE MARZO 2018.
6. SE INCLUYE JUNTO CON ESTE RFP EL "BIDDER'S PROPOSAL" EL CUAL TIENE QUE SER COMPLETADO EN SU TOTALIDAD. LICITADOR QUE NO INCLUYA CON SU PROPUESTA DICHO DOCUMENTO O NO LO COMPLETE EN SU TOTALIDAD, LA MISMA SE DECLARARÁ NO RESPONDIENTE.
7. SE ESTABLECE VISITA AL AREA NO COMPULSORIA PARA EL SIGUIENTE DÍA:

FECHA: MARTES, 5 DE MAYO DE 2020

HORA: 9:00 A.M.

LUGAR: CENTRAL COSTA SUR

PARA DICHA VISITA TIENEN QUE TENER EL SIGUIENTE EQUIPO DE PROTECCIÓN PERSONAL:

1. MASCARILLA
2. GUANTES LATEX
3. CALZADO DE SEGURIDAD
4. CAPACETE
5. GAFAS DE SEGURIDAD

PERSONA QUE NO LLEVE DICHO EQUIPO DE SEGURIDAD A LA VISITA SE LE PROHIBIRÁ LA ENTRADA A LA CENTRAL.

SOLAMENTE SE HARÁ UNA VISITA. TIENE QUE SOMETER A TRAVÉS DEL MESSAGING DEL EVENTO 103905 EN POWER ADVOCATE SU INTENCIÓN DE

REQUEST FOR PROPOSAL

THIS IS NOT AN ORDER



PUERTO RICO ELECTRIC POWER AUTHORITY

RFP : 00002646
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Due Time: 23:59 AST
Printed : 05/08/2020
Page : 5

PARTICIPAR EN LA VISITA Y EL NOMBRE DE LA PERSONA QUE ESTARÁ ASISTIENDO A LA MISMA. SOLAMENTE SE PERMITIRÁ UNA PERSONA POR COMPAÑÍA.

8. PODRÁN SOMETER PREGUNTAS PARA ESTE PROYECTO HASTA LAS 11:59 P.M. DEL MARTES, 5 DE MAYO DE 2020. LAS MISMAS SE SOMETERÁN A TRAVÉS DEL MESSAGING DEL EVENTO 103905 EN POWER ADVOCATE.

9. SE INCLUYE JUNTO CON ESTE RFP LOS SIGUIENTES DOCUMENTOS:

- A. COSTA SUR GAS PIPING PROJECT SPEC'S PACKAGE REV-1
- B. ATTACHMENT-B TECH SPEC'S 20-000 FASES DEL PROYECTO
- C. CONTRACT TERMS AND CONDITIONS

PARA MAYOR INFORMACION SE PUEDEN COMUNICAR CON:

JOEL D. PANTOJAS CARABALLO
SUPERVISOR DE COMPRAS PRINCIPAL
TEL. 787-521-3317
E-MAIL: JOEL.PANTOJAS@PREPA.COM

PROJECT TASK: STRUCTURAL REHABILITATION AND MAINTENANCE NGLP LOOP
COSTA SUR POWER PLANT

" Scope of Work/Specification:

- 1) PROJECT SCOPE SHALL BE AS PER TECHNICAL SPECIFICATIONS 20-000.
- 2) PROJECT SHALL BE COMPLETED ON:
 - a. 1ST PHASE - 60 DAYS
 - b. 2ND PHASE - 60 DAYS
 - c. TOTAL DURATION - 120 DAYS
- 3) TECHNICAL SPECS AND SPECIAL CONDITIONS INCLUDED ON DOCS
- 4) TERMS AND CONDITIONS INCLUDED ON DOCS

* * * End of Request For Proposal * * *

PROPOSAL

SECTION I

10 de mayo de , 2020

Puerto Rico Electric Power Authority
San Juan, Puerto Rico

In compliance with your INVITATION TO RFP for the Structural Rehabilitation and Maintenance NGLP Loop at Costa Sur Power Plant and having carefully examined and completely understood all of the Contractor's documents, the undersigned proposes to furnish all labor, equipment, and materials not provided by PREPA or Others, and to perform all work as detailed, indicated or described in said Contractor's documents, and subject to all conditions stipulated therein, starting at the date of the Note to Proceed (NTP) and finishing in 120 days (60 days for 1st Phase and 60days for 2nd Phase) for the LUMP SUM of NOVECIENTOS OCHO MIL (\$908,000.00) dollars.
(in words)

ALL CONTRACTORS & SERVICES CORP

PO BOX 276

MERCEDITA, PR 00715

BIDDER

All Contractors & Services Corp
Suplidor 123155
allcontractors.pr@gmail.com
(787) 378-4406

PROPOSAL
SECTION I-A

10 DE MAYO DE 20 20

Contract Sum Breakdown (the sum of all breakdown items shall equal the proposed Contract Lump Sum shown on Page 1 of the proposal):

1. Mobilization, Bonds and Insurances, Municipal Taxes	\$ <u>131,000.00</u>
2. Phase I, Rehabilitation of NGLP Loop	<u>410,000.00</u>
3. Phase II, Rehabilitation of NGLP Loop	<u>357,000.00</u>

Contract Sum \$ 908,000.00

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PROPOSAL
SECTION I-A

I-A.1 The following fees will apply to changes in the work:

1. 15% overhead and profit on the net cost of work done by the Contractor.
2. 10% overhead and profit on the gross cost (net plus fee) of work done by subcontractor.
3. On work deleted from the Contract, credit to the Owner shall be the Architect approved net cost.
4. When both additions and credits covering related work or substitutions are involved in any one change, the allowance for overhead and profit shall be figured out on the basis of the net increase, if any, with respect to that change.

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(787) 378-4406

SECTION II

QUALIFICATIONS OF BIDDERS

1. We hereby submit the following data regarding our qualifications:

A. Permanent Place of Business

- a) Street CASTILLA No. 523
- b) URB. MANSION REAL City COTO LAUREL
- c) Zip Code 00780 Telephone Number (787) 378-4406
- d) Cellular (787) 378-4406 Electronic Mail neilborrero@allcontractorspr.com

B. Financial Statement

a) Cash in bank or on hand	\$	<u>3,150,000.00</u>
b) Total property value	\$	<u>2,250,000.00</u>
c) Other assets total value	\$	<u>350,000.00</u>
	Total	\$ <u>6,000,000.00</u>
d) Liabilities	\$	<u>385,000.00</u>
	Net	\$ <u>5,615,000.00</u>

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(787) 378-4406**

QUALIFICATIONS OF BIDDERS (continued)

2. The following is a list of equipment I or we have available for use on this work:

<i>ITEM NO.</i>	<i>QTY.</i>	<i>DESCRIPTION, SIZE CAPACITY, ETC.</i>	<i>CONDITION</i>	<i>YEARS OF SERVICES</i>	<i>PRESENT LOCATION</i>
		VER PAGINA ADJUNTA			

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*All Contractors & Services Corp.
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allcontractors.pr@gmail.com
(787) 378-4406*

QUALIFICATIONS OF BIDDERS (continued)

3. The following is a list of additional equipment I or we intend to purchase or rent for use on the proposed work, should the contract be awarded to me or us:

<i>ITEM NO.</i>	<i>QTY.</i>	<i>DESCRIPTION, SIZE, CAPACITY, ETC.</i>	<i>APPROX. COST</i>	<i>DATE OF DELIVERY</i>
		VER PAGINA ADJUNTA		

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allcontractors.pr@gmail.com
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QUALIFICATIONS OF BIDDERS (continued)

4. The following is a list of similar contracts executed by me or us:

ITEM NO.	QTY.	TYPE OF WORK	CONTRACT PRICE	COMPLETION DATE
		VER PAGINA ADJUNTA		

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QUALIFICATIONS OF BIDDERS (continued)

5. The following is a list of contracts on hand:

CONTRACT NUMBER	DESCRIPTION OF WORK	CONTRACT PRICE	% COMPLETED
	VER PAGINA ADJUNTA		

ALL CONTRACTORS & SERVICES CORP

PO BOX 276

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Suplidor 123155
allcontractors.pr@gmail.com
(787) 378-4406

QUALIFICATIONS OF BIDDERS (continued)

6. Type of Organization and Business

All Contractors & Services Corp es una Corporación puertorriqueña debidamente registrada, orientada a la construcción industrial y residencial, al servicio de consultoría, al suplido de productos y piezas de repuesto.

Nuestra misión es mantener como nuestras prioridades la calidad técnica, la innovación tecnológica y constructiva, las relaciones de confianza con nuestros clientes y fomentar un clima laboral que estimule el desarrollo personal y profesional de nuestros trabajadores.

Aspiramos día a día a obtener la excelencia en el trabajo, ser una empresa en continua evolución, que trascienda y genere valores sólidos y resultados de carácter ético y sostenible.

VER DOCUMENTO PROXIMA PAGINA

7. The work, if awarded to me or us, will have the personal supervision of

NEIL BORRERO

NEPHTALY BORRERO

ING. TANIA BORRERO

ING. EDGAR VILLAMIZAR

DOMINGO RUIZ

ALL CONTRACTORS & SERVICES CORP

PO BOX 276

MERCEDITA PR, 00715

BIDDER

[Handwritten Signature]
All Contractors & Services Corp.
Suplidor 123155
allcontractors.pr@gmail.com
(787) 378-4406

QUALIFICATIONS OF BIDDERS (continued)

8. Construction Methods to be Used in the Work (Bidder to outline the principal methods and order of procedure to be employed in the work)

- 1. NACE "National Association of Corrosion Engineers"
- 2. SSPC "The Society of Protective Coatings"
- 3. ISO "International Organization for Standardization"
- 4. EPA
- 5. OSHA
- 6. API "American Petroleum Institute"
- 7. ASME "American Society of Mechanical Engineers"
- 8. ASNT "The American Society for Nondestructive Testing"
- 9. ASTM "American Society for Testing Materials"
- 10. AWS "American Welding Society"
- 11. ~~Agencias locales y estatales con jurisdicción~~
- 12. ~~Todos los que aplique en las actividades asignadas~~

(Use additional sheets if necessary and attach to back of this page)

ALL CONTRACTORS & SERVICES CORP
PO BOX 276
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(787) 378-4406

SECTION III

EXCEPTIONS CLAUSE

This Proposal complies with the Puerto Rico Electric Power Authority's Specifications _____ (including all supporting documents named therein) which are hereby made a part thereof, and which shall govern in case of conflict with any other provision of this Proposal, except as stated immediately below, in **EXCEPTIONS** numbered _____ to _____ inclusive.

(Use additional sheets if necessary and attach to back of this page)

ALL CONTRACTORS & SERVICES CORP
PO BOX 276
MERCEDITA PR, 00715
BIDDER

All Contractors & Services Corp.
Suplidor 123155
allcontractors.pr@gmail.com
(787) 378-4406

SECTION IV

ADDENDUM RECEIPT

The undersigned certifies that the following addenda to the Specifications have been received and are made a part of the contract documents:

Addendum No. Apendice 2	Dated 05/08/2020
Addendum No. Apendice 1	Dated 05/04/2020
Addendum No. RFP 00002646	Dated 05/01/2020
Addendum No. _____	Dated _____
Addendum No. _____	Dated _____
Addendum No. _____	Dated _____
Addendum No. _____	Dated _____
Addendum No. _____	Dated _____
Addendum No. _____	Dated _____
Addendum No. _____	Dated _____
Addendum No. _____	Dated _____
Addendum No. _____	Dated _____
Addendum No. _____	Dated _____

ALL CONTRACTORS & SERVICES CORP

PO BOX 276

MERCEDITA PR, 00715

BIDDER

All Contractors & Services Corp.
Supplidor 123155
allcontractors.pr@gmail.com
(787) 378-4406

PROPOSAL (continued)

The undersigned, NEIL BORRERO
(Print Name of Undersigned)

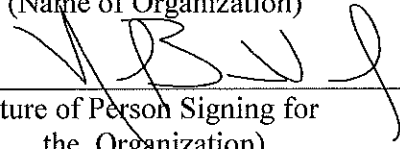
on behalf of ALL CONTRACTORS & SERVICES CORP
(Company Name)

submits the Proposal hereinbefore contained.

Dated 05/10/2020

This 10 day of MAYO, 2020.

ALL CONTRACTORS & SERVICES CORP
(Name of Organization)

By: 
(Signature of Person Signing for the Organization)

PRESIDENTE
Official Title of Person Signing

URB. MANSION REAL

CALLE CASTILLA 523

COTO LAUREL, PR 00780

Official Address of Organization
66-0812425

Social Security Organization

ALL CONTRACTORS & SERVICES CORP
PO BOX 276
MERCEDITA, PR 00715
BIDDER

All Contractors & Services Corp.
Suplidor 123155
allcontractors.pr@gmail.com
(787) 378-4406

SECCIÓN 15-W

PRE-BID COATING SYSTEM MANUFACTURER AGREEMENT

Property: NATURAL GAS PIPING STORAGE LOOP
Owner: AEE / PREPA-Puerto Rico Electric Power Authority
Location: COSTA SUR, GUAYANILLA, PR
Job Type: PIPELINE Rehabilitation / As PREPA Coating Technical Specifications
Coating System Manufacturer: PPG ARCHITECTURAL COATING
Contractor: ALL CONTRACTORS & SERVICES CORP
Subcontractor: N/A (*If it is applied)

PRE-BID COATING SYSTEM MANUFACTURER AGREEMENT

1. We the coating system manufacturer visit and inspect the area where the coating system is intended to be applied.
2. We the coating system manufacturer certify that our product can be applied as required on bid documents (plans, specifications, etc.) without any additional requirement.
3. We the coating system manufacturer will provide physical presence through our technical representative which is an employee of our company.
4. Our technical representative will provide weekly or as requested physical presence during the coating system installation and provide written report of each visit to the project contractor, inspector and owner.
5. Our company have technical representative personnel available all year around physically in Puerto Rico.
6. Our company will provide written approval to proceed with the installation of each stage of the coating system including the existing substrate inspection.
7. Our company will provide the manufacturer material warranty as required on bid documents.
8. Our coating system comply with all the requirements of this bid documents.
9. The contractor and subcontractor mentioned above is an approved installer by our company and have the knowledge and experience in the type of work request on bid documents.

Notes: **Submit this document with signature**
Presentar firmado junto con los documentos de la subasta.

COATING MANUFACTURER REPRESENTATIVE:

Signed: Danny Cruz Title: PMC TECHNICAL REP
By: DANNY CRUZ Date: 05/06/2020



PROJECTS RELATED

1. AEE Central San Juan
Contact: Ing. Alberto Pérez
Ing. Radamés Alvarado
Water Box Unit 4 (CHESTERTON Products)
 - Repair and Fuel coating application

2. AEE Aguirre (2019)
Contact: Ing. Renecito Pabón
Recubrimiento 2 Tanques de Aguas Crudas
 - Repair and Fuel Coating Application

3. AEE Palo Seco (2018-2019)
Contact: Ing. Jaime Umpierre
Ing. Neftalí Ramírez
Water Box Unit 4 (CHESTERTON Products)
 - Repair and Fuel coating application

4. AEE Mayagüez – Hidrogas (2017)
(787) 521-5186
Contact: Ing. Jorge Sanchez
S-4 Tank
 - Repair and Fuel coating application

5. AEE Aguirre (2016)
(787) 521-3806
Contact: Ing. Renecito Pabón
Light distillate tank
 - Fuel coating application

6. AEE Aguirre (2016)
(787) 521-3806
Contact: Ing. Renecito Pabón
Fire pipeline and rack
 - Repair and Fuel coating application

7. AEE Aguirre (2016)
(787) 521-3806
Contact: Ing. Renecito Pabón
Flowing Tank
 - Fuel coating application

8. AEE Aguirre (2015-2016)
(787) 521-3806
Contact: Ing. Renecito Pabón
Coating Combined Cycle Unit 1-1 & 1-3
 - Sandblasting
 - Power tools
 - Fuel coating application

9. AEE Palo Seco (2015)
(787) 521-7033
Contact: Ing. Héctor Moctesuma
Anion & Cation Vessels – (CHESTERTON Products)
 - Removal and reinstallation of divisor ring tank and support
 - Welding Repair
 - Sandblasting & Coating- Interior

10. AEE Aguirre (2015)
(787) 521-3806
Contact: Ing. Renecito Pabón
Coating and Repair of dock crane
 - Fuel Coating Application
 - Power tool repairs

11. AEE Aguirre (2015)
(787) 521-3806
Contact: Ing. Renecito Pabón
3 Filters water treatment plant and pipeline
 - Fuel Coating Application (Exterior)

12. AEE Aguirre (2015)
(787) 521-3806
Contact: Ing. Renecito Pabón
EDTA Tank (CHESTERTON Products)
Repair tank, floor repair tank, in compliance with API 653
 - Welding Repair
 - Fuel Tanks (Sandblasting & Coating - Interior)
 - Fuel Coating Application (Interior and Exterior)

13. AEE Aguirre (2014-2015)
(787) 521-3806
Contact: Ing. Renecito Pabón
1,000 sf Pipeline S1 & S2 Tank
 - Sandblasting & Coating Application

14. AEE Aguirre (2013)

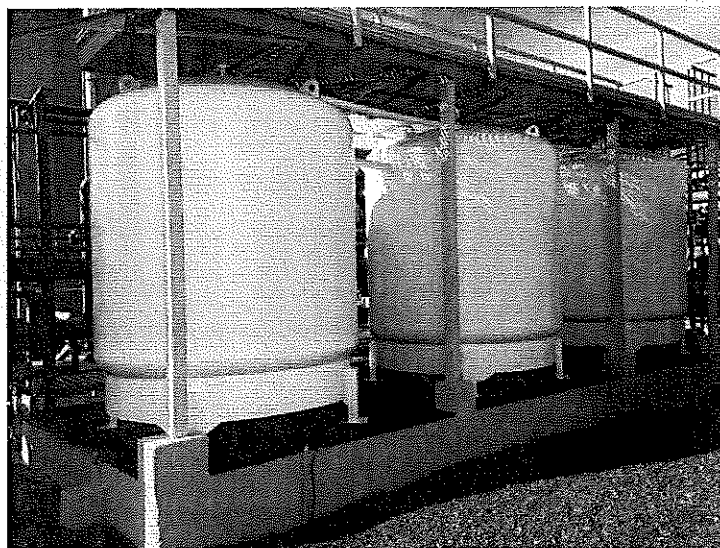
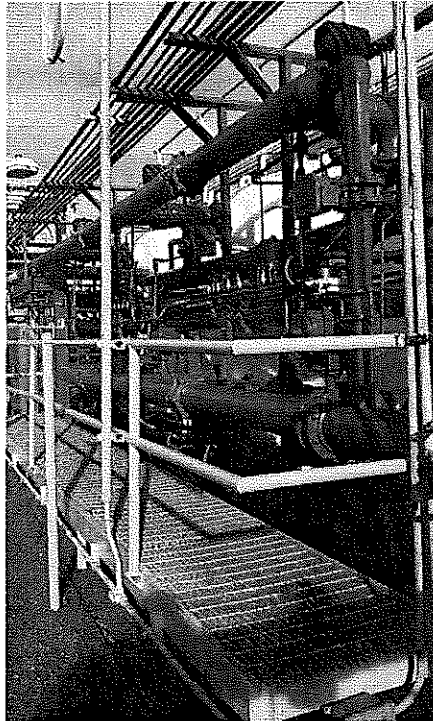
(787) 521-3806

Contact: Ing. Renecito Pabón

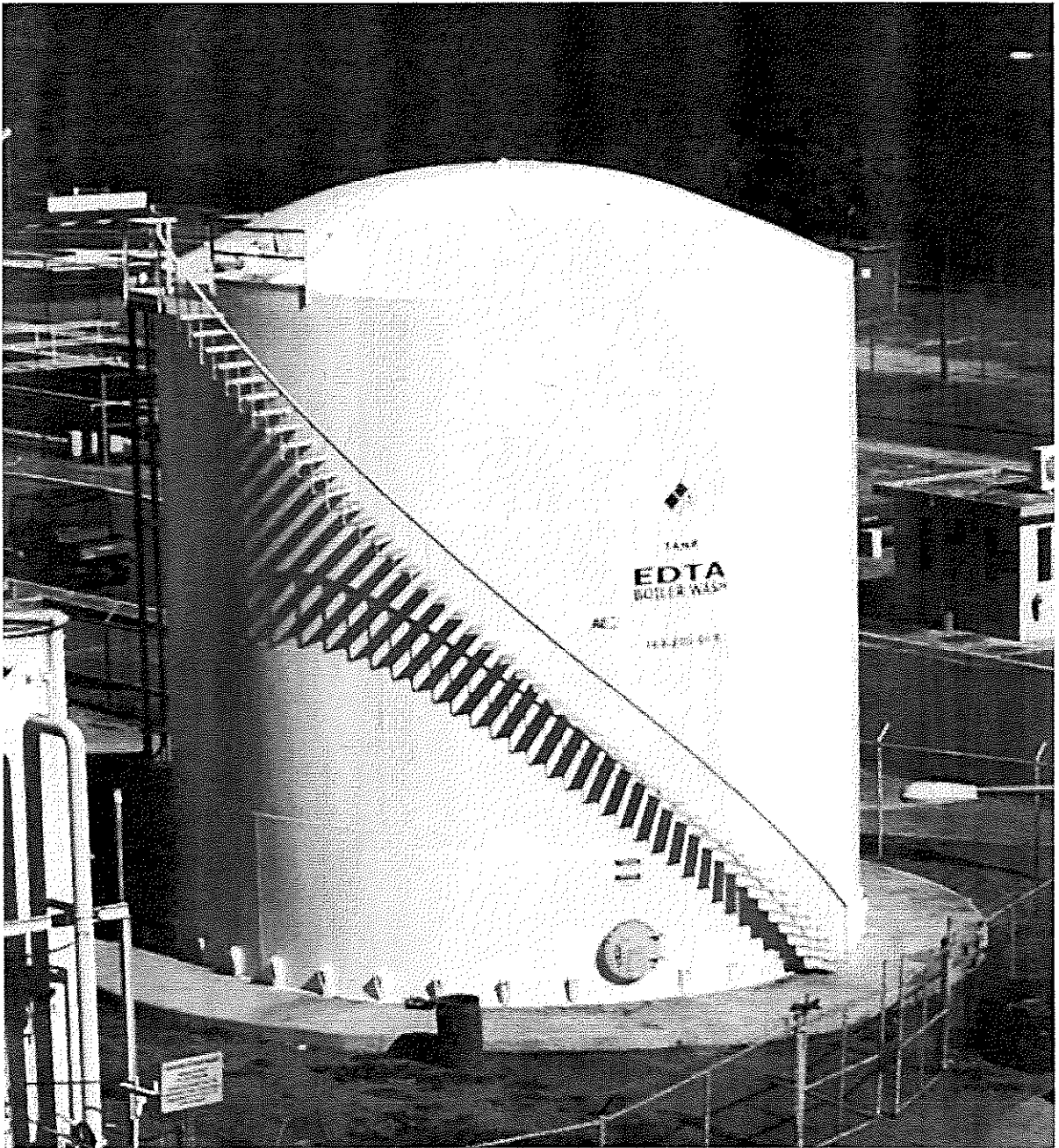
S1 & S2 Tank (Roof)

- Roof tanks coating application

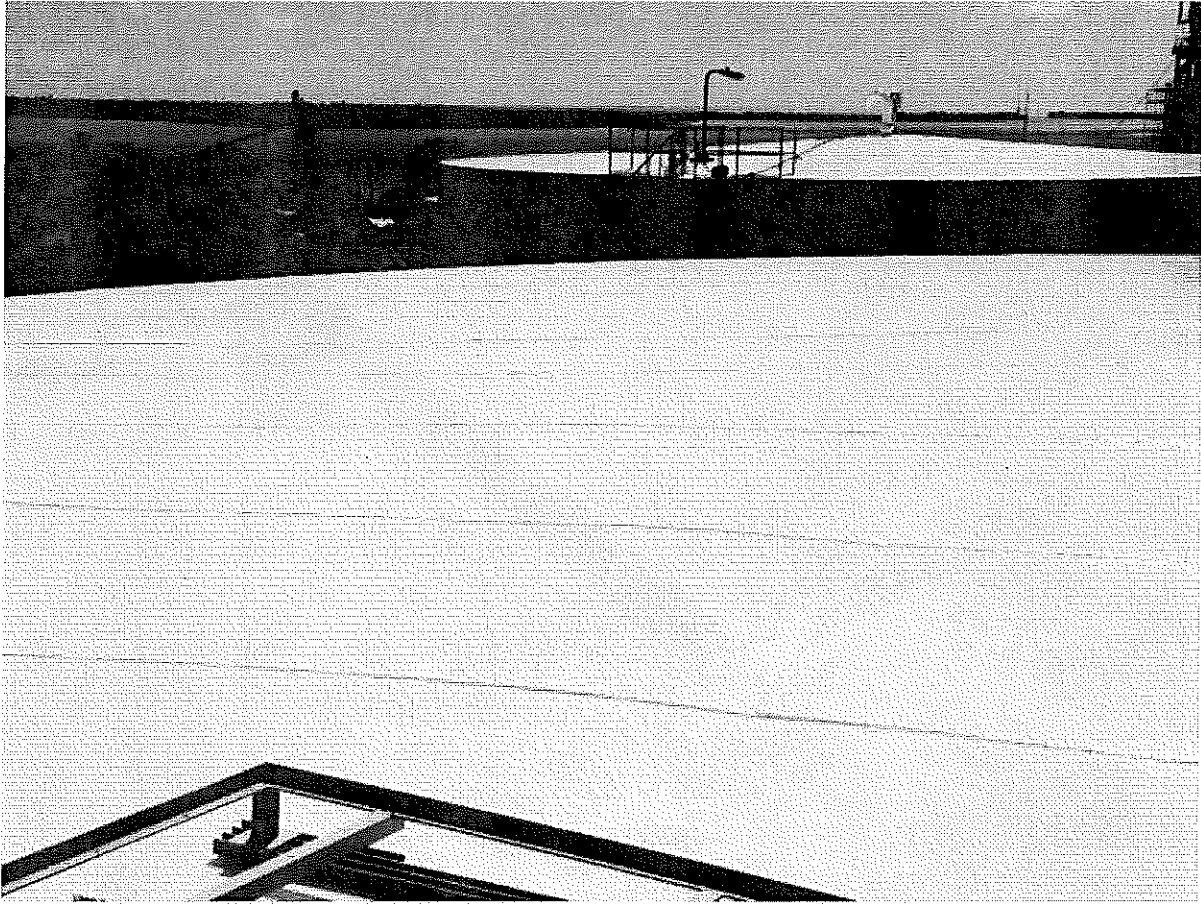
3 FILTERS WATER TREATMENT PLANT AND PIPELINE



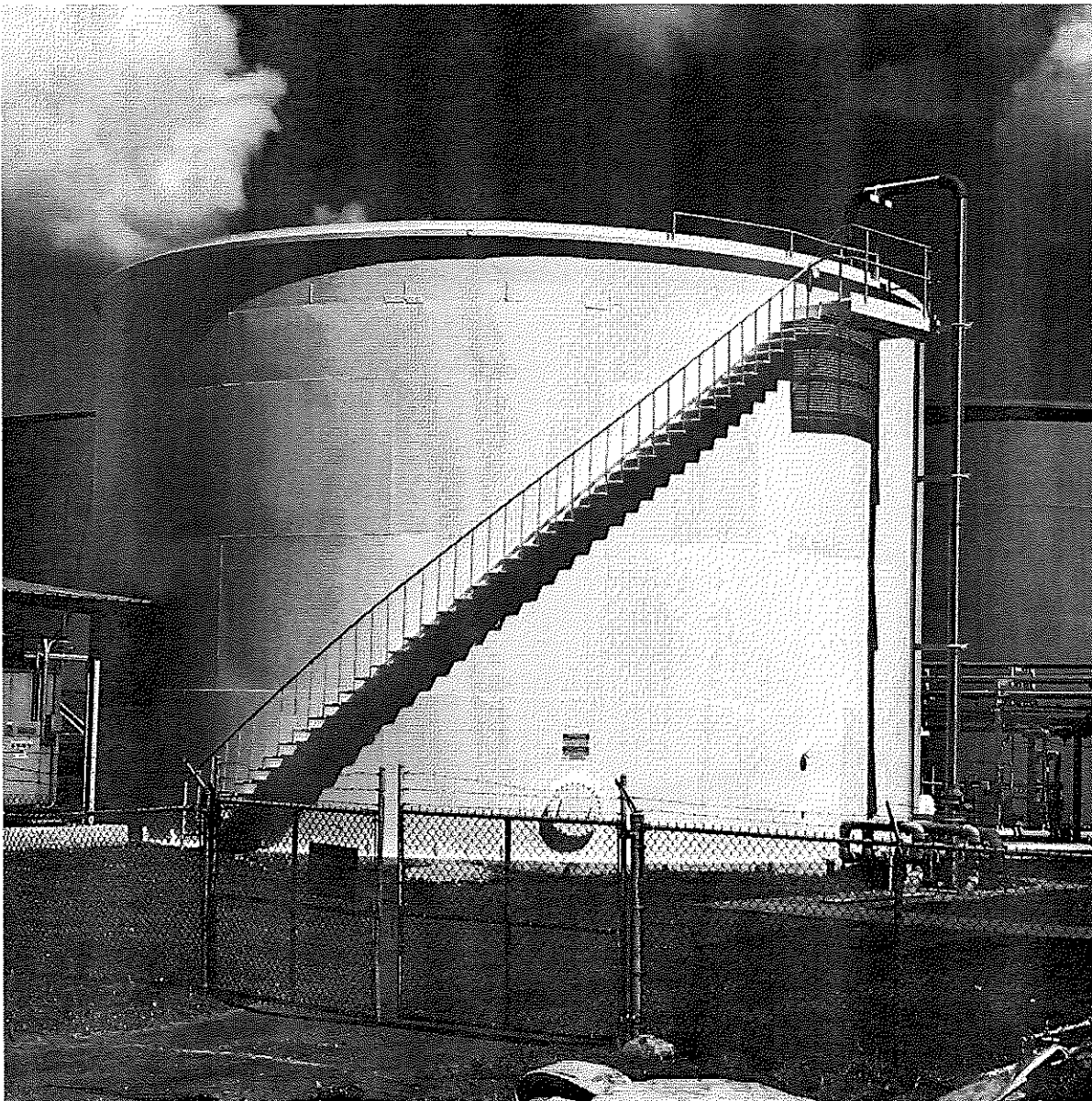
EDTA TANK



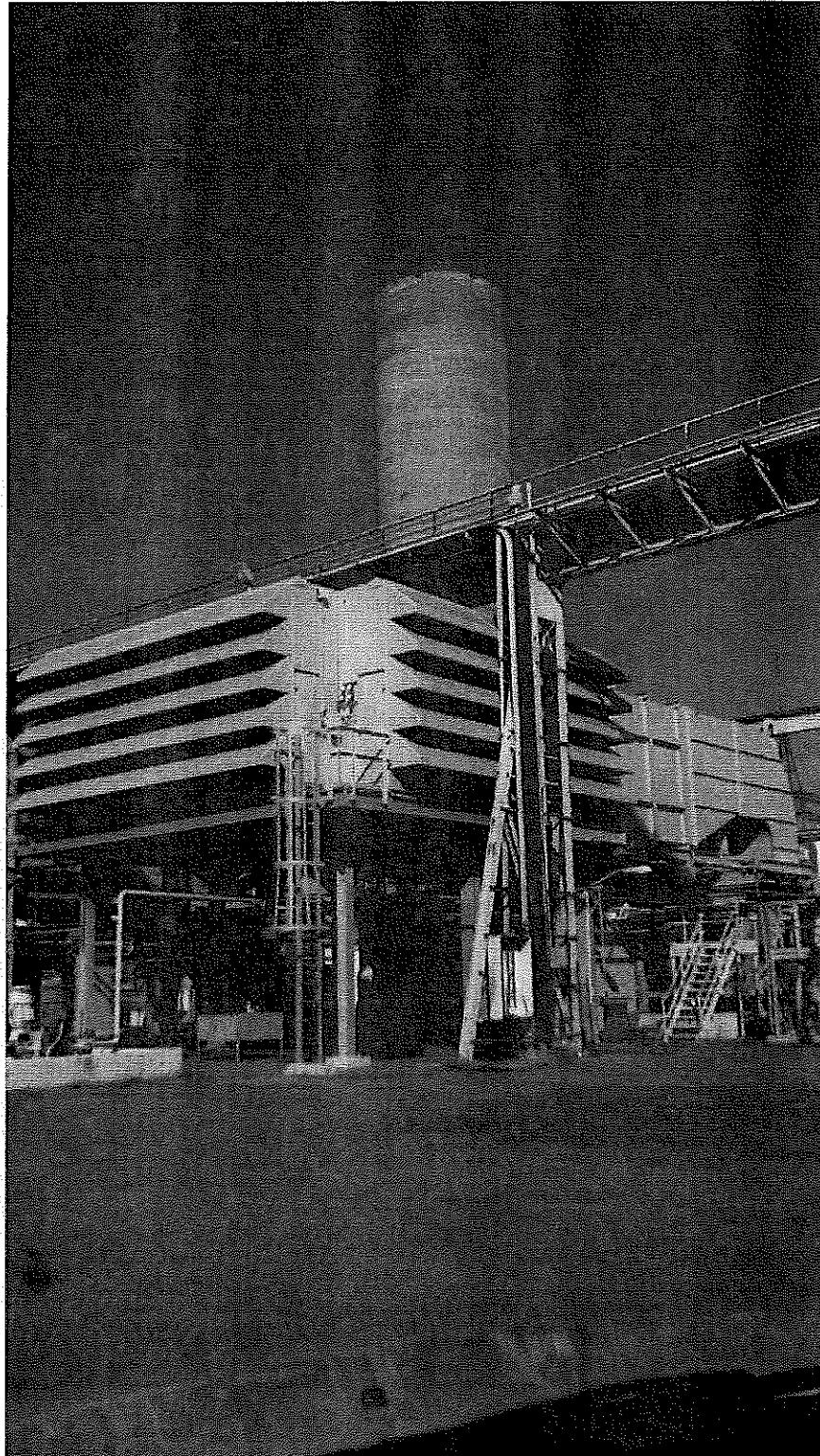
S1 & S2 TANK (ROOF)



FLOWING TANK

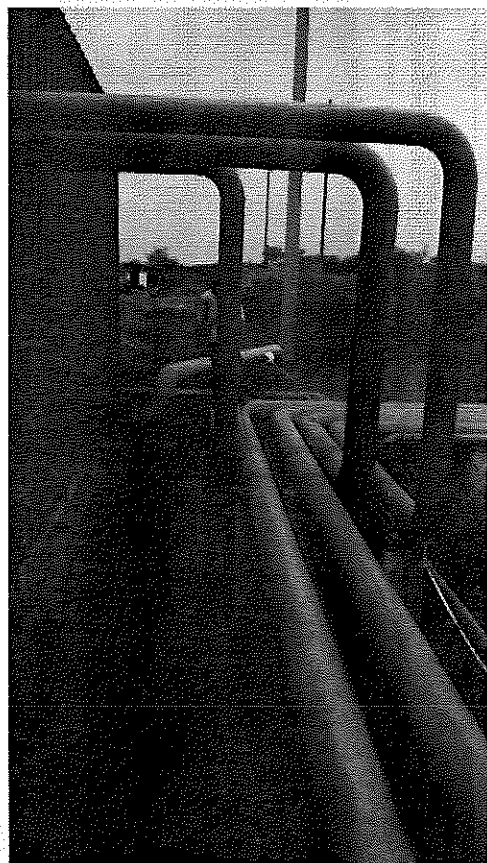
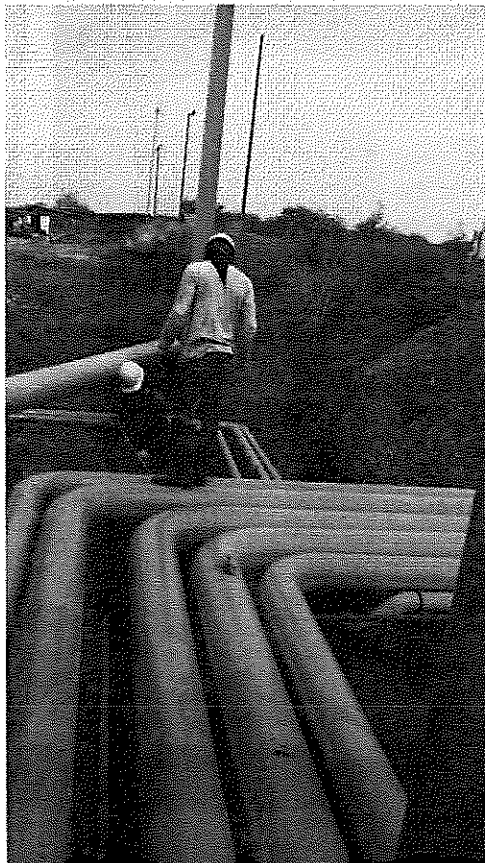


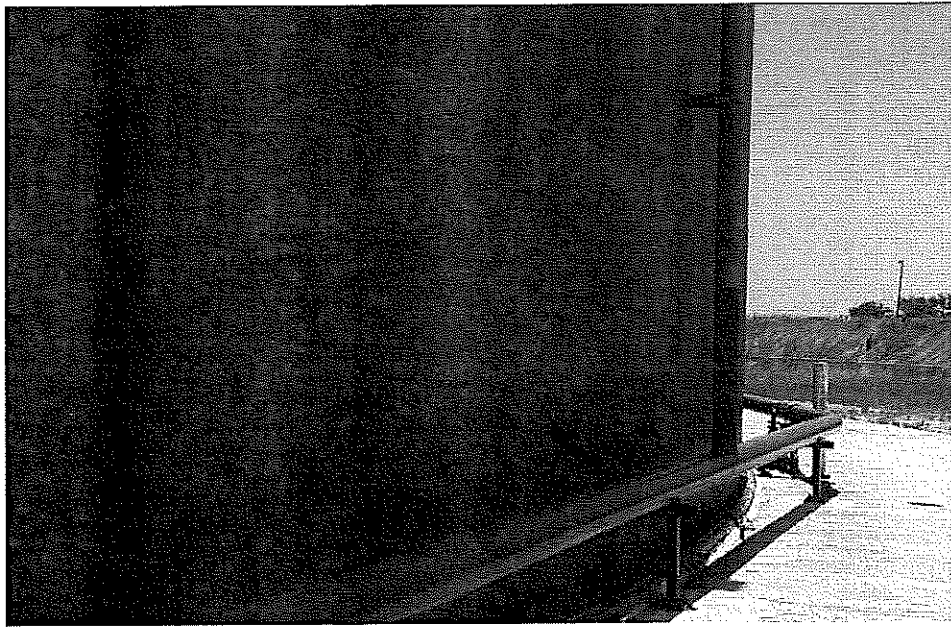
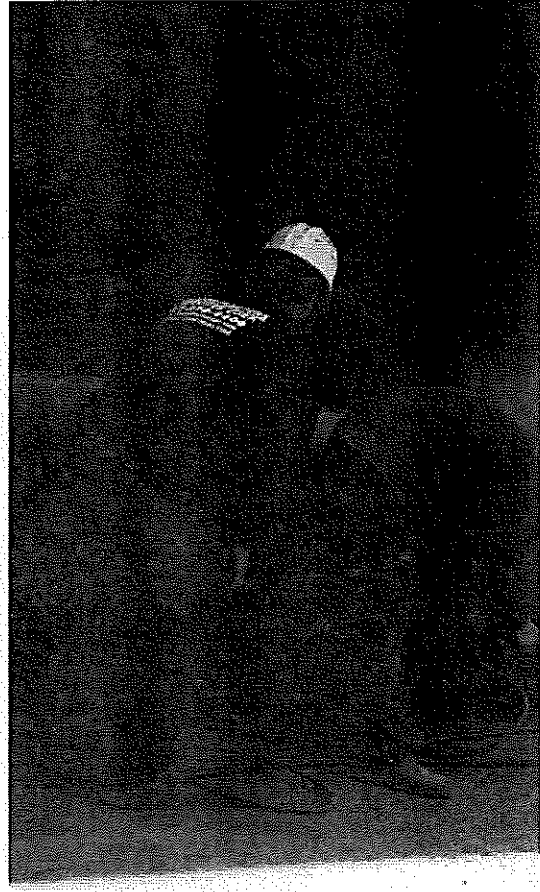
COATING COMBINED CYCLE UNIT 1-1 & 1-3



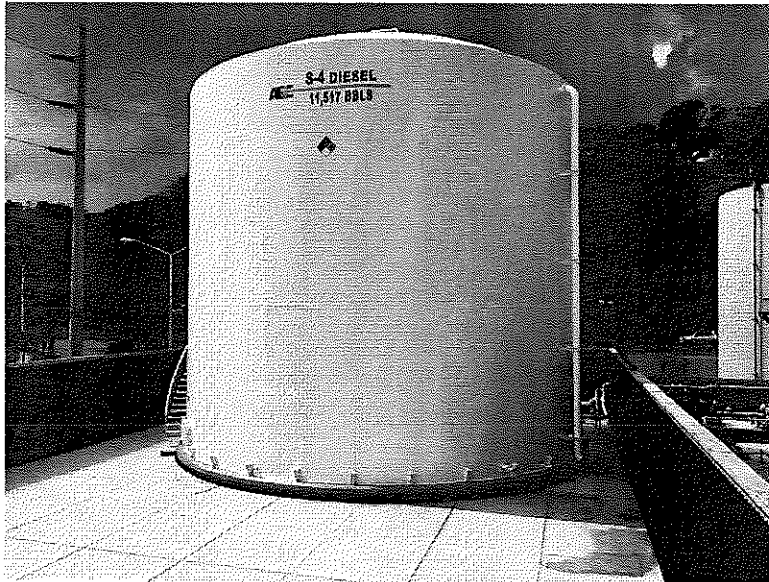
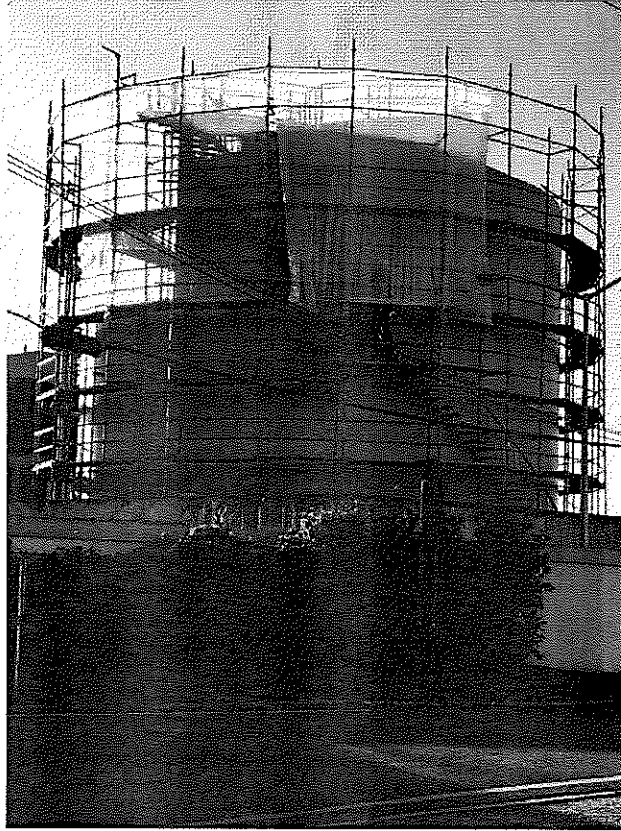
PO Box 276, Mercedita PR 00715-0276, Teléfono (787) 378-4406, Fax (787) 844-1577
Email: allcontractors.pr@gmail.com

FIRE PIPELINE - AGUIRRE

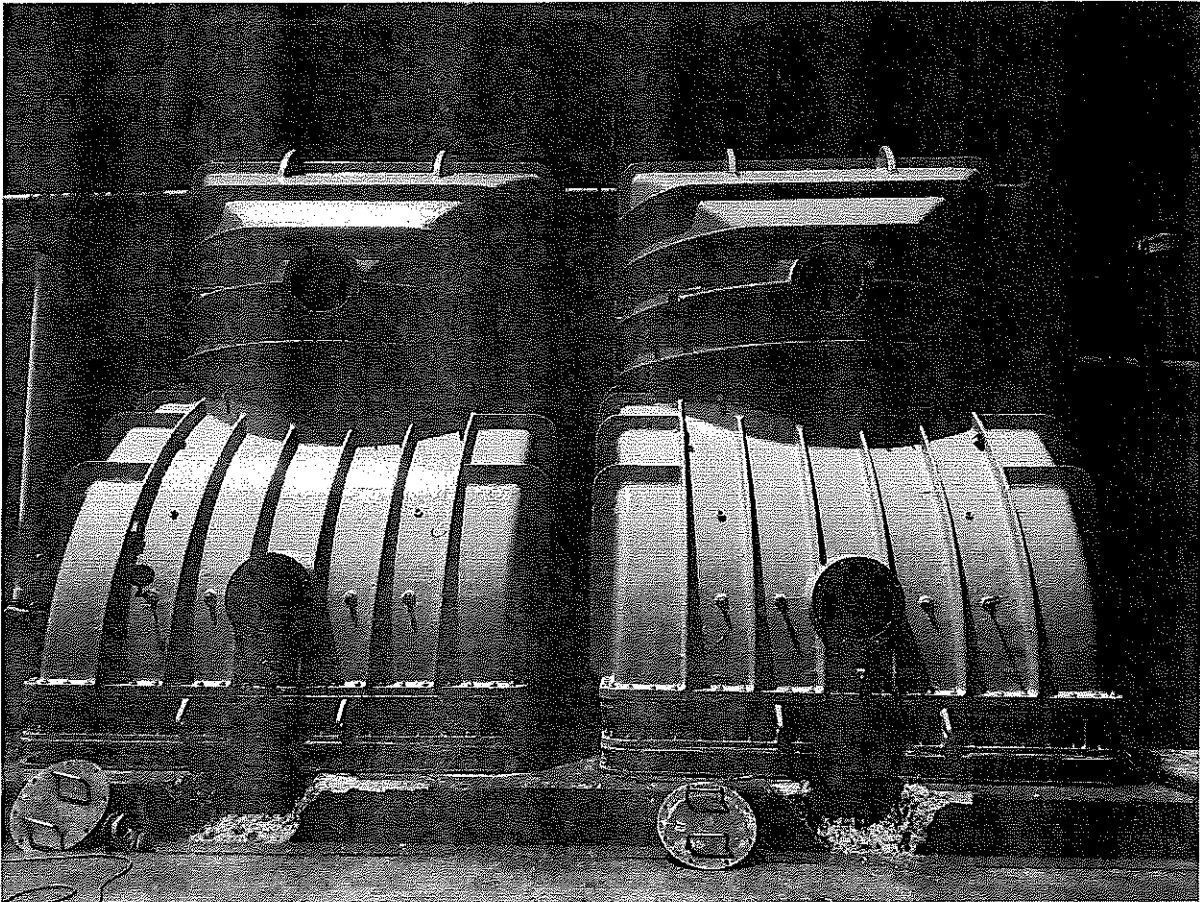




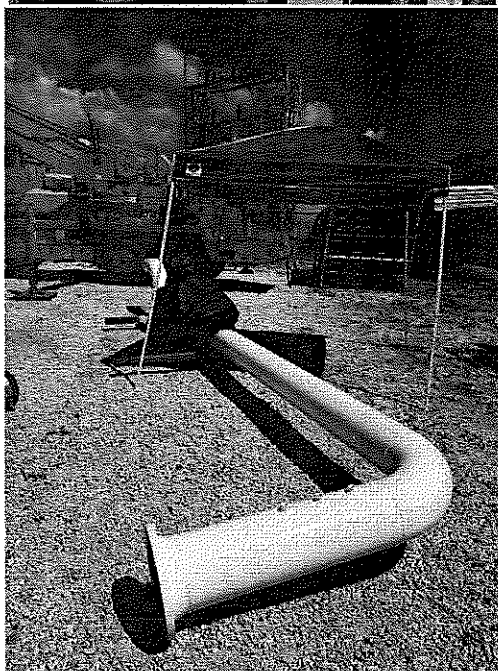
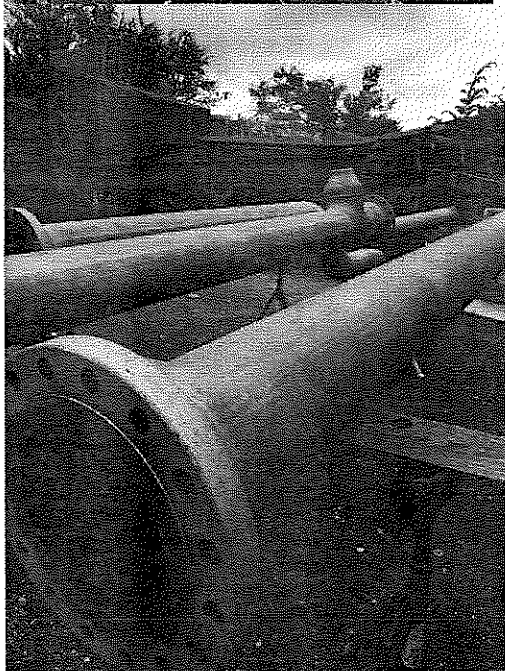
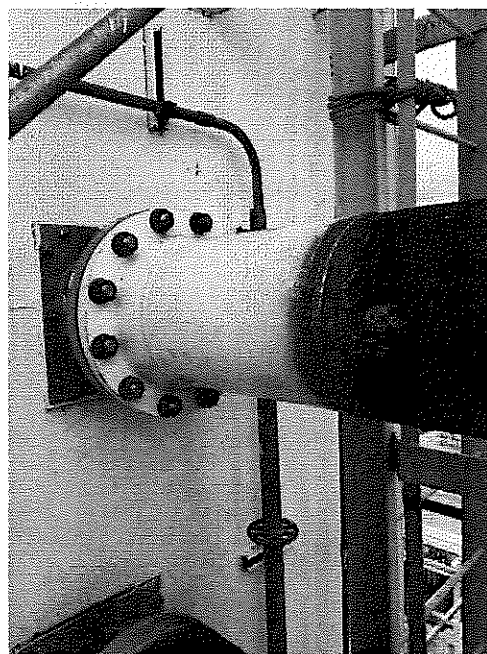
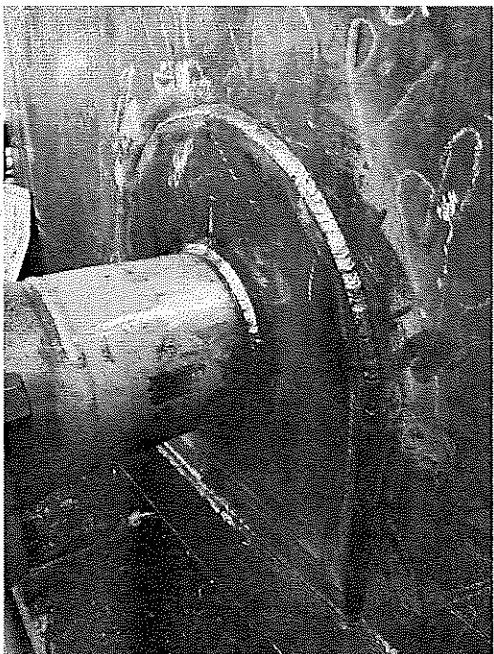
REVESTIMIENTO TANQUE S-4 CENTRAL HIDRO GAS MAYAGUEZ

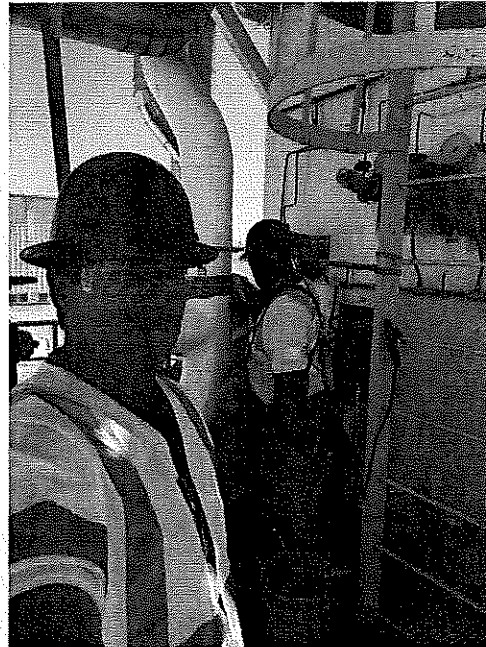
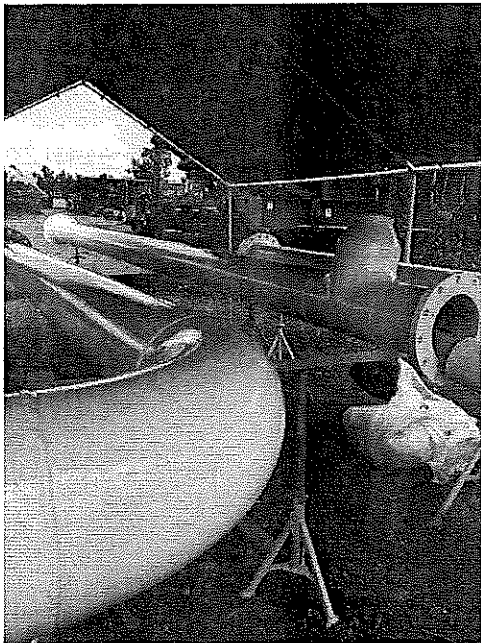
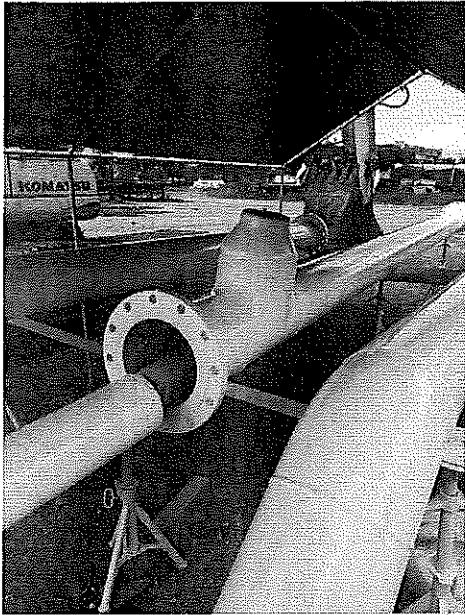


RECONSTRUCCION CAJAS DE AGUA CENTRAL PALO SECO

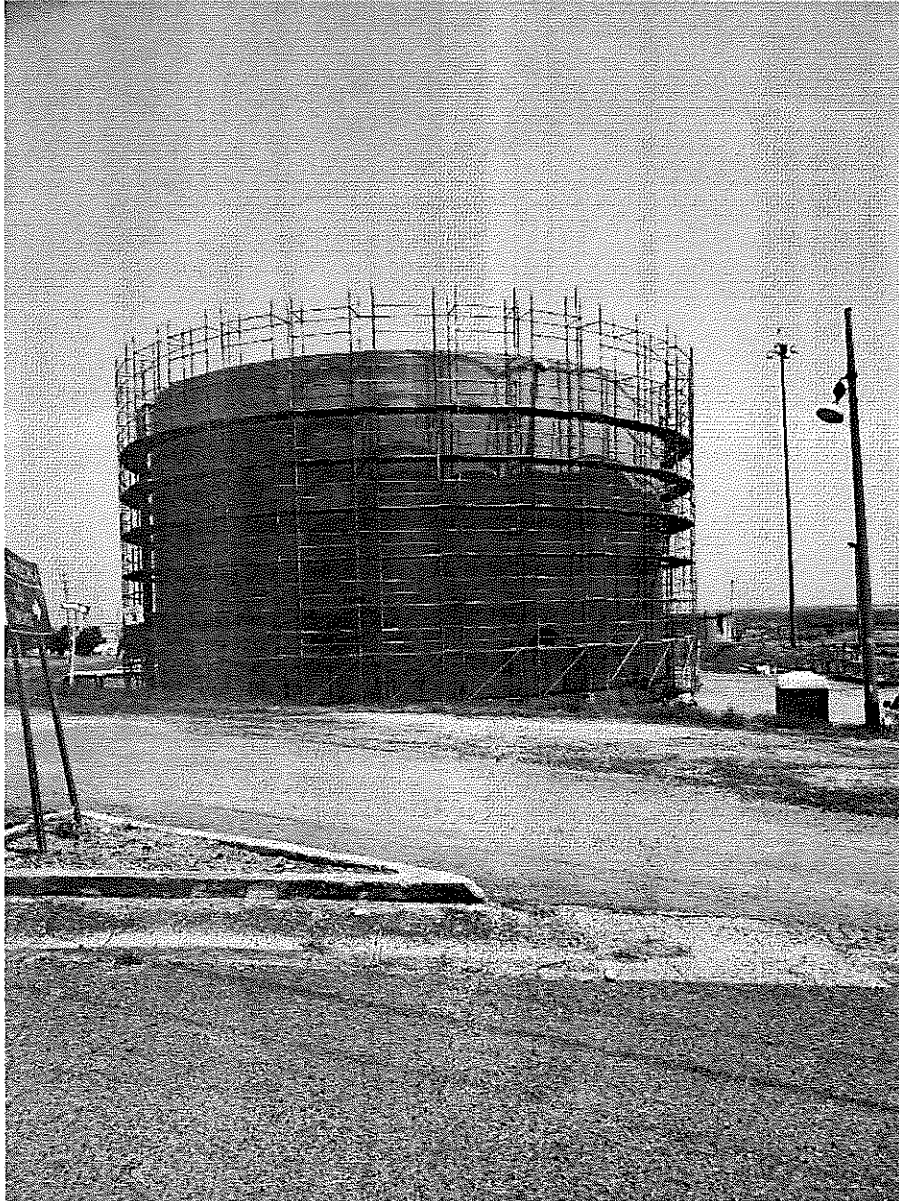


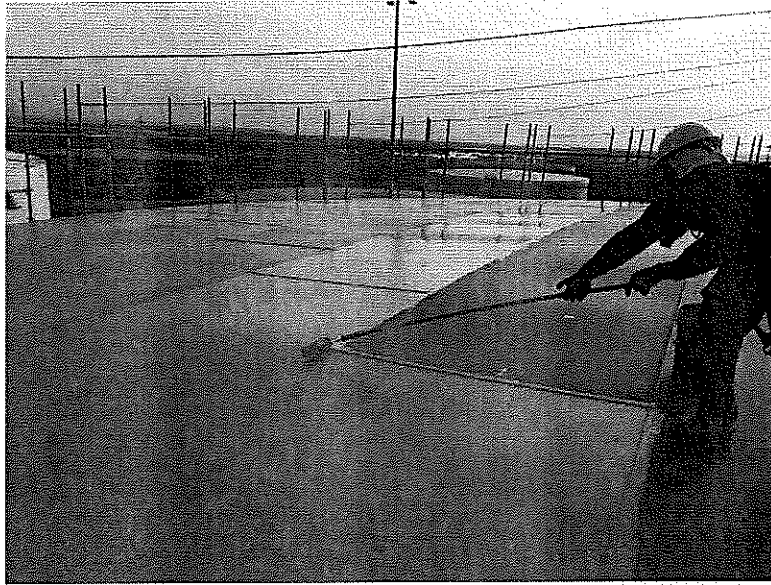
**REEMPLAZO TUBERIA DE PROCESO EN DESTILADO DE GASES
MESSER - LINDE GUAYANILLA**





RECUBRIMIENTO TANQUES DE AGUAS CRUDAS CENTRAL AGUIRRE



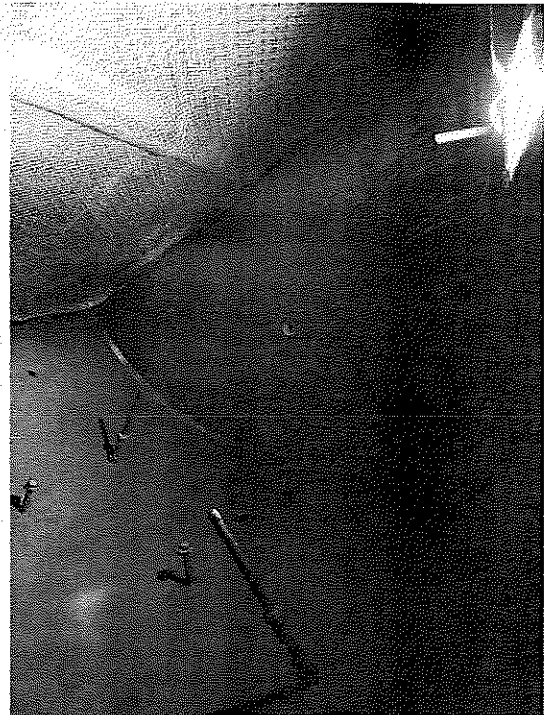


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Email: allcontractors.pr@gmail.com

CONDENSADOR UNIDAD 5 CENTRAL SAN JUAN



ANTES



DESPUES



CONTRACTORS & SERVICES CORP

All Contractors & Services Corp es una Corporación puertorriqueña debidamente registrada, orientada a la construcción industrial y residencial, al servicio de consultoría, al suplido de productos y piezas de repuesto.

Nuestra misión es mantener como nuestras prioridades la calidad técnica, la innovación tecnológica y constructiva, las relaciones de confianza con nuestros clientes y fomentar un clima laboral que estimule el desarrollo personal y profesional de nuestros trabajadores.

Aspiramos día a día a obtener la excelencia en el trabajo, ser una empresa en continua evolución, que trascienda y genere valores sólidos y resultados de carácter ético y sostenible.

Nuestros Servicios

- Diseños
- Trabajos obras civiles (construcción en general)
- Trabajos mecánicos
- Trabajos eléctricos
- Servicios de soldadura, supervisión y certificación
- Impermeabilización de techos
- Fabricación de acero estructural
- Pavimentación en asfalto
- Servicio reparación de válvulas
- Servicio de reparación de motores
- Servicio de NDT (pruebas no destructivas)
- Reparación de Tanques
- Servicios de preparación de superficie (sandblasting)
- Servicio de pintura y aplicación sistema de revestimiento
- Alquiler de andamios
- Alquiler de grúas, equipos de construcción y equipo pesado
- Servicio de Vacuum truck
- Servicio de transporte

Productos (suplidos)

- Válvulas, accesorios y piezas de repuesto
- Materiales de Construcción
- Generadores eléctricos
- Aires Acondicionados
- Sistema modulares
- Asfalto
- Pinturas (Epoxy)

Nuestros Clientes

- Autoridad de Energía Eléctrica
- Autoridad de Carreteras
- Caribbean Control Group
- Primera Iglesia Bautista de Ponce
- Primera Iglesia Bautista de Coamo
- Aireko
- Project Specialties of PR
- Clientes Residenciales
- Linde Puerto Rico
- MESSER Gas Puerto Rico
- SER de Puerto Rico
- Free Point Puerto Rico

Obras Realizadas

- Reparación Ducto HRSG Unida 2-1 Ciclo Combinado Aguirre
- Reparación Ducto HRSG Unida 2-3 Ciclo Combinado Aguirre
- Reparación y Revestimiento Tanque S4 Hidrogas AEE Mayagüez
- Reparación y Revestimiento Tanque Aguas Crudas Aguirre
- Recubrimiento Taque Hidrogas Mayagüez
- Reconstrucción Cajas de Agua Condensador Unidad 4 Central Palo Seco
- Reconstrucción Cajas de Agua Condensador Unidad 5-6 Central San Juan
- Reparación Diques Tanques Central San Juan AEE
- Revestimiento Techos Tanque S1 y S2 Central Aguirre AEE
- Revestimiento Interno Tanques Aniones y Cationes Central Palo Seco AEE
- Reparación y Revestimiento Tanque EDTA Central Aguirre AEE
- Reparación y Pintura Unidades Ciclo Combinado Central Aguirre AEE
- Pintado Tanque Efluente Final Central Aguirre AEE
- Reparación y Pintura Grúa Muelle Central Aguirre AEE
- Preparación superficie (sandblasting) Central Aguirre AEE
- Reparación de Válvulas – Central San Juan AEE
- Pruebas Hidrostáticas líneas de Combustibles Central San Juan AEE
- Pruebas Hidrostáticas líneas de Combustibles Central Cambalache AEE
- Pruebas Hidrostáticas líneas de Combustibles Central Palo Seco AEE
- Pruebas Hidrostáticas líneas de Combustibles Central Aguirre AEE
- Pruebas Hidrostáticas líneas de Combustibles Hidrogas Mayagüez AEE
- Servicio de NDT Central San Juan AEE
- Fabricación línea de 10" para la Torre Messer - Guayanilla
- Impermeabilización y Reparación Varios Techos de Edificios
 1. Edificio La Torre - Monacillo AEE
 2. Edificio La Torre – Monacillo AEE
 3. Dispensario – Monacillo AEE
 4. Edificio y Almacén Hollan - Monacillo AEE
 5. Taller Telecomunicaciones – Ponce AEE

6. Taller de Mecánica – Quebradillas AEE
 7. Subestaciones – 3 Manatí, 3 Barceloneta, Ciales, Florida AEE
- Construcción Estación de Pesaje De Camiones Juana Díaz – Dept. Carreteras
 - Trabajos en Fachada / AC Primera Iglesia Bautista Coamo
 - Expansión Oficina Comercial Ponce Sur AEE
 - Remodelación Baños para Mecánicos Central Aguirre AEE
 - Reparación Talleres Central Aguirre AEE
 - Reparación Piso de Cemento “Mezzanine” Central Aguirre AEE
 - Construcción Encintado camino acceso Hidroeléctrica Toro Negro II Villalba AEE
 - Reparación y Asfaltado camino acceso Hidroeléctrica Toro Negro II Villalba AEE
 - Instalación de A/C Monacillo AEE
 - Instalación A/C Ciclo Combinado Central Aguirre AEE
 - Insta Reparación y repavimentación entrada Hidroeléctrica Dos Bocas
 - Reparación Almacenes Guayama, Santa Isabel, Ponce y Yauco AEE
 - Reparación Almacén Humacao AEE
 - Reconstrucción Edificio La Torre AEE
 - Reconstrucción Edificio Neom AEE
 - Reempaque piezas GIS Central San Juan
 - Reparación Técnica de Guaynabo
 - Instalación Sistema Modular Ponce AEE
 - Construcción y Remodelación Viviendas (Casas) – varias



CONTRACTORS & SERVICES CORP

LISTA DE CONTRATOS ACTUALES

NUMERO DE CONTRATO	UBICACION	TIPO DE TRABAJO	MONTO	% COMPLETADO
84582	Ciclo Combinado Aguirre	Alquiler de Grúa 50 tons	\$ 125,000.00	60%
77498	Ciclo Combinado Aguirre	Alquiler de Grúa 115 tons	\$ 76,000.00	95%
85407	Ciclo Combinado Aguirre	Alquiler de Grúa 240 tons	\$ 44,000.00	100%
83395	Central Aguirre	Alquiler de Grúa 30 y 50 tons	\$ 75,000.00	80%
	Central Aguirre	Alquiler de Grúa 115 tons	\$ 20,000.00	100%
82645	Central Aguirre	Recubrimiento Tanques Aguas Crudas	\$ 538,895.00	85%
84543	Central Aguirre	Servicio Obras Civiles a Requerimiento	\$ 50,643.75	90%
	Central Aguirre	Servicio a Requerimiento Plomería	\$ 49,500.00	90%
85132	Central San Juan	Reparación Condensadores Unidades 5 y 6	\$ 351,830.00	100%
84638	Construcción y Mejoras Palo Seco	Alquiler de Grúa 50 tons	\$ 200,000.00	10%
84578	Central Cambalache	Alquiler Jirafa		50%
85506	Central Cambalache	Alquiler Skytrack	\$ 52,000.00	20%
85628	Juana Diaz	Servicio Agrimensura	\$ 29,650.00	0%
85787	Patillas	Servicio Agrimensura	\$ 54,786.00	20%
85307	Almacén 011 Palo Seco	Construcción y Mejoras al Techo del Taller	\$ 98,300.00	100%
84830	Edificio Neos Santurce	Impermeabilización Techo	\$ 82,177.25	95%
85127	Almacén 011 Palo Seco	Rehabilitación Oficinas Administrativas	\$ 146,578.63	100%



CONTRACTORS & SERVICES CORP

LISTA DE CONTRATOS SIMILARES REALIZADOS POR NOSOTROS

NUMERO DE CONTRATO	UBICACION	TIPO DE TRABAJO	MONTO	% COMPLETADO
85132	Central San Juan	Reparación Condensadores Unidades 5 y 6	\$ 351,830.00	100%
77554	Central Palo Seco	Reparación Condensadores Unidad 4	\$ 600,000.00	100%
82645	Central Aguirre	Recubrimiento Tanques Aguas Crudas	\$ 538,895.00	85%
84543	Central Aguirre	Servicio Obras Civiles a Requerimiento	\$ 50,643.75	90%
73839	Central Aguirre	Servicio Obras Civiles a Requerimiento	\$ 60,000.00	100%
75285	Central Aguirre	Servicio Obras Civiles a Requerimiento	\$ 49,841.75	100%
76879	Central Aguirre	Servicio Obras Civiles a Requerimiento	\$ 99,785.75	100%
80092	Central Aguirre	Servicio Obras Civiles a Requerimiento	\$ 49,944.00	100%
80930	Ciclo Combinado Aguirre	Reparación Ducto HRSG Unidad 2-1	\$ 72,460.00	100%
81261	Ciclo Combinado Aguirre	Reparación Ducto HRSG Unidad 2-3	\$ 87,449.00	100%
4201545692	Planta MESSER Guayanilla	Construcción Tubería de 10" de la Torre	\$ 64,545.00	100%
78217	Central San Juan	"Non Destructive Testing"	\$ 4,975.00	100%
74115	Central San Juan	NDT Inspection and Thermal Treatment	\$ 75,000.00	100%
74355	Central Aguirre	Estudio de suelo	\$ 7,350.00	100%
85620	Todas las Centrales Generatrices	Pruebas Hidráulicas	\$ 30,627.00	100%



CONTRACTORS & SERVICES CORP

EQUIPOS PARA ALQUILAR

ITEM NUMERO	CANTIDAD	DESCRIPCION, TAMAÑO, CAPACIDAD, ETC.	COSTO APROXIMADO	FECHA DE ENTREGA
1	1	Scaffolding	\$ 3,000.00	TBA
2	1	Dumster 20 ydrs	\$ 1,500.00	TBA
3	1	Skytrack	\$ 2,500.00	TBA



CONTRACTORS & SERVICES CORP

EQUIPOS DISPONIBLES

ITEM NUMERO	CANTIDAD	DESCRIPCION, TAMAÑO, CAPACIDAD, ETC.	AÑOS DE SERVICIO	UBICACION ACTUAL
1	1	Ford Transit	2019	Ponce
2	1	Ford 150 Pick up	2018	Ponce
3	2	Ford 150 Pick up	2017	Ponce
4	2	Ford 150 Pick up	2014	Ponce
5	1	Ford 150 Pick up	2006	Ponce
6	1	Ford Van	2005	Ponce
7	1	Air Compressors 370		Ponce
8	8	Welder Machine		Ponce
9	1	Tools		Ponce
10	2	Plasma Electric Cutting Machine		Ponce
11	8	Heli-arc Equipment (GTAW)		Ponce
12	1	Forklist		Ponce
13	4	Cutiing Equipment		Ponce
14	2	Clemco last Machine		Ponce
15	4	Trailer 20 feet		Ponce
16	2	Trailer40 feet		Ponce
17	2	Office Trailer		Ponce
18	5	Air & Gas monitoring		Ponce
19	3	Pressure washer		Ponce
20	2	Hot pressure washer		Ponce
21	4	Generator		Ponce
22	2	Negative Pressure Machine		Ponce
23	2	Light tower		Ponce
24	1	Airless Hydraulic Machine		Ponce

ANSI/AWS B2.1-1-026-94
An American National Standard

**Standard Welding Procedure
Specification (WPS) for**

**Shielded Metal Arc
Welding of Carbon
Steel (M-1/P-1/S-1,
Group 1 or 2), 1/8
through 1-1/2 inch
Thick, E6010 (Vertical
Downhill) Followed by
E7018, As-Welded or
PWHT Condition**

Site License



American Welding Society

Key Words — Welding Procedure Specification,
base metal, allowable joint designs,
filler metal, carbon steel, manual
shielded metal arc welding

ANSI/AWS B2.1-1-026-94
An American National Standard

Approved by
American National Standards Institute
April 15, 1993

**Standard Welding Procedure
Specification (WPS)
Shielded Metal Arc Welding of Carbon Steel
(M-1/P-1/S-1, Group 1 or 2),
1/8 through 1-1/2 inch Thick,
E6010 (Vertical Downhill) Followed by E7018,
As-Welded or PWHT Condition**

Prepared by
AWS Committee on Welding Qualification

Under the Direction of the
AWS Technical Activities Committee

Approved by
AWS Board of Directors

Abstract

This standard contains the essential welding variables for carbon steel in the thickness range of 1/8 through 1-1/2 inch, using manual shielded metal arc welding. It cites the base metals and operating conditions necessary to make the weldment, the filler metal specifications, and the allowable joint designs for fillet and groove welds. This WPS was developed primarily for plate and structural applications.



American Welding Society

550 N.W. LeJeune Road, Miami, Florida 33126

Personnel

AWS Committee on Welding Qualification

<i>T. J. Anderson, Chairman</i>	Bechtel Group, Incorporated
<i>D. L. Sprow, Vice Chairman</i>	McDermott, Incorporated
<i>M. J. Houle, Vice Chairman</i>	Welding Engineering Services
<i>D. R. Papenfuss, Vice Chairman</i>	The Boeing Company
<i>L. P. Connor, Secretary</i>	American Welding Society
<i>W. L. Ballls</i>	Columbia Gas Distribution Companies
<i>H. B. Cary</i>	Hobart Brothers Company
<i>J. L. Cooley</i>	Morrison-Knudsen Corporation
<i>P. B. Dickerson**</i>	Aluminum Company of America
<i>W. D. Doty</i>	Doty and Associates
<i>J. J. Falco*</i>	Army Materials and Mechanics Research Center
<i>J. J. Fluckiger</i>	Babcock and Wilcox, Idaho, Inc.
<i>E. H. Gray</i>	U. S. Nuclear Regulatory Commission
<i>J. E. Hinkel</i>	Lincoln Electric Company
<i>R. W. Jackson</i>	Consultant
<i>J. W. McGrew</i>	Babcock and Wilcox
<i>C. L. Null*</i>	Naval Sea Systems Command
<i>A. S. Olivares</i>	The Hartford Steam Boiler Inspection and Insurance Company
<i>G. W. Oylor**</i>	Welding Research Council
<i>S. Panzic</i>	Canadian Welding Bureau
<i>J. J. Sekely</i>	Dick Enterprises, Inc.
<i>A. W. Sindel</i>	C-E Natco
<i>W. R. Smith Sr.***</i>	Bechtel Group, Incorporated
<i>C. F. Spaeder</i>	Lehigh University
<i>V. W. Sutter</i>	American Welding Institute
<i>G. M. Wisbrock, Jr.</i>	Loral Vought Systems Corporation

*Advisor
**Retired
***Deceased

Foreword

(This Foreword is not a part of the ANSI/AWS B2.1-1-026-94, *Standard Welding Procedure Specification*, but is included for information purposes only.)

The American Welding Society and the Welding Research Council have joined in a cooperative effort to generate standard welding procedures for industry. The need for pretested welding procedures that are supported by adequate test data and that satisfy the technical requirements for the commonly used construction codes and specification has been expressed by many individuals and organizations. The purpose of a welding procedure qualification is to provide test data for assessing the properties of a weld joint.

This Welding Procedure Specification is an outgrowth of the coordinated work of the Welding Procedures Committee of WRC and the Committee on Welding Qualification of the AWS. The Welding Procedures Committee has provided the test data documented on Procedure Qualification Records, which are available from the Welding Research Council.

The welding terms used in this specification shall be interpreted in accordance with the definitions given in the latest edition of ANSI/AWS A3.0, *Standard Welding Terms and Definitions*. Welding symbols shall be those shown in the latest edition of ANSI/AWS A2.4, *Standard Symbols for Welding, Brazing, and Nondestructive Examination*.

The AWS Committee on Welding Qualification was formed in 1979 to provide welding standards concerning the subject of qualification. The primary document developed by this committee is AWS B2.1, *Standard for Welding Procedure and Performance Qualification*. This document established the foundation and framework for Standard Welding Procedure Specifications.

Comments on this publication are most welcome. They should be addressed to: Secretary, AWS Committee on Welding Qualification, American Welding Society, 550 N.W. LeJeune Road, Miami, Florida 33126.

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All standards (codes, specifications, recommended practices, methods, classifications, and guides) of the American Welding Society are voluntary consensus standards that have been developed in accordance with the rules of the American National Standards Institute. When AWS standards are either incorporated in, or made part of, documents that are included in federal or state laws and regulations, or the regulations of other governmental bodies, their provisions carry the full legal authority of the statute. In such cases, any changes in those AWS standards must be approved by the governmental body having statutory jurisdiction before they can become a part of those laws and regulations. In all cases, these standards carry the full legal authority of the contract or other document that invokes the AWS standards. Where this contractual relationship exists, changes in or deviations from requirements of an AWS standard must be by agreement between the contracting parties.

International Standard Book Number: 0-87171-435-3

American Welding Society, 550 N.W. LeJeune Road, Miami, Florida 33126

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This standard is subject to revision at any time by the AWS Welding Qualification Committee. It must be reviewed every five years and if not revised, it must be either reapproved or withdrawn. Comments (recommendations, additions, or deletions) and any pertinent data that may be of use in improving this standard are requested and should be addressed to AWS Headquarters. Such comments will receive careful consideration by the AWS Welding Qualification Committee and the author of the comments will be informed of the Committee's response to the comments. Guests are invited to attend all meetings of the AWS Welding Qualification Committee to express their comments verbally. Procedures for appeal of an adverse decision concerning all such comments are provided in the Rules of Operation of the Technical Activities Committee. A copy of these Rules can be obtained from the American Welding Society, 550 N.W. LeJeune Road, Miami, Florida 33126.

Standard Welding Procedure Specification (WPS)

**Shielded Metal Arc Welding of Carbon Steel (M-1/P-1/S-1, Group 1 or 2),
1/8 through 1-1/2 inch Thick, E6010 (Vertical Downhill) Followed by
E7018, As-Welded or PWHT Condition**

Welding Research Council¹—Supporting PQR Numbers:

001001, 001009, 001021 001022, 001028, 003016, 003017, 008001, 103004,
106004, 106005, 106006, 107020, 107021, 107022, 200018, 200108, 200109,
200110, 200111, 200112, 200113, 200114, 200115, 200116, 200117, 200118,
200119, 200120, 200121, 200122, 200123, 200124, 200125, 200126, 200142,
200143, 200144, 200145, 200514, 200516, 200517, 200518, 200519, 200611,
200614, 200615, 200617, 200618, 200619, 200620, 200702, 200703, 500001,
500002, 500006, 500007, 500008, 500021, 500023, 500024, 500028, 500029,
500119, 191C, 192A, 193B, 197A, 198A, 199A

Requirements for Application of Standard WPSs

Scope. The data to support this Standard Welding Procedure Specification (WPS) have been derived from the above listed Procedure Qualification Records (PQRs) which were reviewed and validated under the auspices of the Welding Research Council. This Standard WPS is not valid using conditions and variables outside the ranges listed. The American Welding Society considers that this Standard WPS presents information for producing an acceptable weld using the conditions and variables listed. The user needs a significant knowledge of welding and accepts full responsibility for the performance of the weld and for providing the engineering capability, qualified personnel, and proper equipment to implement this Standard Welding Procedure Specification.

Application. This Standard WPS is to be used only as permitted by the applicable fabrication document [such as code, specification, or contract document(s)]. The fabrication document should specify the engineering requirements such as design, need for heat treatment, fabricating tolerances, quality control, and examination and tests applicable to the end product.

User's Responsibility. A Standard WPS does not replace or substitute for fabrication codes, specifica-

tions, contract requirements, or capability and judgment on the part of the user. A Standard WPS is to be used only as permitted by the applicable fabrication code, specification, or contract document.

The ability to produce production welds having properties suitable for the application depends upon supplementing the Standard WPS with appropriate performance qualification tests and sound engineering judgement. The user is responsible for the quality and performance of the final product in accordance with the provisions of the fabrication document.

Supplementary Instructions. To adapt this Standard WPS to a specific application, a user may issue supplementary instructions. Such instructions may consist of tighter fit-up tolerances, higher minimum preheat temperature or any other instructions necessary to produce a weldment that meets the requirements of the fabrication document. These instructions shall not be less restrictive than provided in the Standard WPS.

Safety. Safety precautions shall conform to the latest edition of ANSI/ASC Z49.1, *Safety in Welding and Cutting*, published by the American Welding Society.

This specification may involve hazardous materials, operations, and equipment. The specification does not purport to address all of the safety problems associated with its use. It is the responsibility of the user to establish appropriate safety and health practices. The user should determine the applicability of any regulatory limitations prior to use.

1. Welding Research Council, 345 East 47th Street, New York, NY 10017.

Standard Welding Procedure Specification (WPS)

LIMITATIONS

This procedure is not qualified for Notch Toughness applications.

WELDING PROCESSES

Welding Processes: SMAW (Shielded Metal Arc Welding)
Method of Application: Manual

BASE METALS

Base Metal:² Carbon Steel, M-1, P-1, or S-1, Group 1 or 2 to M-1, P-1, or S-1, Group 1 or 2
Thickness Range: 1/8 in. through 1-1/2 in. for groove welds,
1/8 in. minimum for fillet welds
Diameter: Groove Welds: 1 in. minimum
Fillet Welds: all diameters

FILLER METALS

Filler Metal Specification:² ANSI/AWS A5.1 or ASME SFA 5.1
A Number 1, F Number 3 for E6010, and F Number 4 for E7018
Classification: E6010 and E7018
Deposit Thickness Range: 1-1/2 in. maximum plus reinforcement for groove welds; the maximum deposit thickness for E6010 electrode is limited to 3/8 in. (nominal)
1-1/2 in. fillet weld size for fillet welds; the maximum fillet deposit size for E6010 electrode is limited to 3/8 in. (nominal)

JOINT DESIGNS

Joint Designs: See Figure 1
Backing: Not required
Backing Material:² Carbon steel, M-1, P-1, or S-1, Group 1, 2, or 3. Nonmetallic or nonfusing metal retainers are not permitted

POSITIONS

Permitted Positions: All
Vertical Progression: E6010 root downhill, balance uphill

PREHEAT AND INTERPASS TEMPERATURES

Preheat Temperature:³ 50°F Minimum; 150°F Minimum for E6010 on base metal thickness over 3/4 in. thick
Interpass Temperature:³ 50°F Minimum, 500°F Maximum
Preheat Maintenance: Continuous or special heating not required

2. M, P, and S numbers for base metal and F and A numbers for filler metal and weld metal respectively, are as detailed in AWS B2.1 or ASME Boiler and Pressure Vessel Code, Section IX.

3. Preheat and interpass temperatures must be sufficient to prevent crack formation. Temperatures above the minimum shown may be required for base metals with a specified carbon content greater than 0.25%, for highly restrained welds, or to meet the requirements of the fabrication document(s).

Standard Welding Procedure Specification (WPS)

POSTWELD HEAT TREATMENT

Postweld Heat Treatment: Welds may either be as-welded or postweld heat treated at 1100 to 1200°F. If heat treated, the heat treatment time shall be 1 hour per inch of thickness (15 minutes minimum) unless otherwise noted in the fabrication document.

ELECTRICAL CHARACTERISTICS

Electrode ¹		Current	
Classification	Dia. ² in.	Amperes	Polarity
E6010	3/32	40-80	DCEP (Reverse)
E6010	1/8	75-125	DCEP (Reverse)
E6010	5/32	110-170	DCEP (Reverse)
E6010	3/16	140-215	DCEP (Reverse)
Electrode ¹		Current	
Classification	Dia. ² in.	Amperes	Polarity
E7018	3/32	70-110	DCEP (Reverse)
E7018	1/8	90-150	DCEP (Reverse)
E7018	5/32	120-190	DCEP (Reverse)
E7018	3/16	170-280	DCEP (Reverse)

1. The care and storage of electrodes shall be as recommended by the electrode manufacturer.
 2. 3/16 in. electrodes shall not be used for root pass welding nor for welding in the vertical or overhead positions.

Pulsing Current: Not permitted

TECHNIQUE

Weave or Stringer Bead: Either
Peening: Not required; if used, proceed as directed by the fabrication document
Initial Cleaning: Chemical or mechanical; joint shall be dry prior to welding
Interpass Cleaning: Mechanical only
Backgouging: Mechanical or thermal when required by Figure 1
Gouging: Mechanical or thermal
Single or Multiple Passes: Either
Maximum Bead Thickness: 1/4 in.

COMPANY NAME _____

In the name of the Company stated above, I accept full responsibility for the application of this Standard WPS for use with:

Dated _____

Fabrication Document(s): such as Code, Specification or Contract Document

DATE _____ APPROVED BY _____ TITLE _____

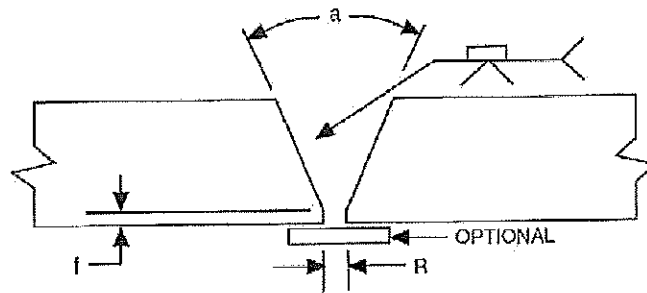
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Standard Welding Procedure Specification (WPS)

FILLET WELDS: All Joints

GROOVE WELDS: See Joints 1 through 17. Joints having prequalified joint details permitted by the latest edition of ANSI/AWS D1.1, *Structural Welding Code—Steel* are also permitted.

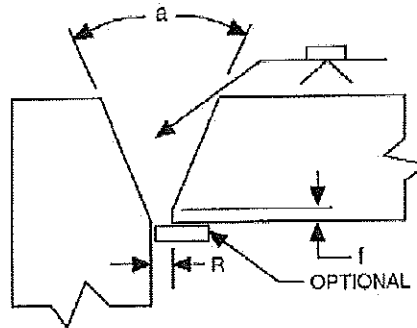
For tubular products, see Joints 1, 2, 6 and 7. In addition, joints having groove designs resulting from end preparations conforming with the latest edition of ANSI/ASME B16.25, *Butt Welding Ends*, are also allowable for application with this WPS.



WITH BACKING
 $a = 45^\circ$ MIN.
 $R = 1/4$ in., $+1/4$ - $1/16$
 $f = R/2$

WITHOUT BACKING
 $a = 60^\circ$ MIN.
 $R = 1/8$ in., $+1/16$ - $1/16$
 $f = 1/16$ in. MAX.

JOINT 1



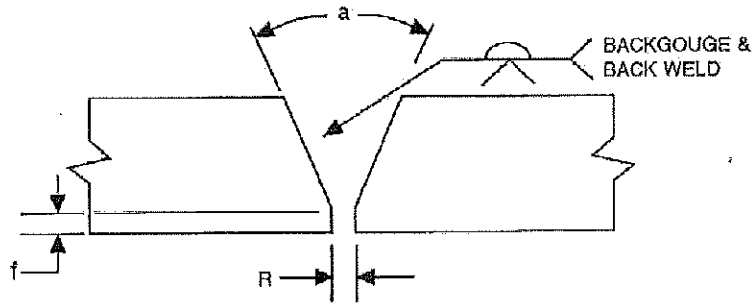
WITH BACKING
 $a = 45^\circ$ MIN.
 $R = 1/4$ in., $+1/4$ - $1/16$
 $f = R/2$

WITHOUT BACKING
 $a = 60^\circ$ MIN.
 $R = 1/8$ in., $+1/16$ - $1/16$
 $f = 1/16$ in. MAX.

JOINT 2

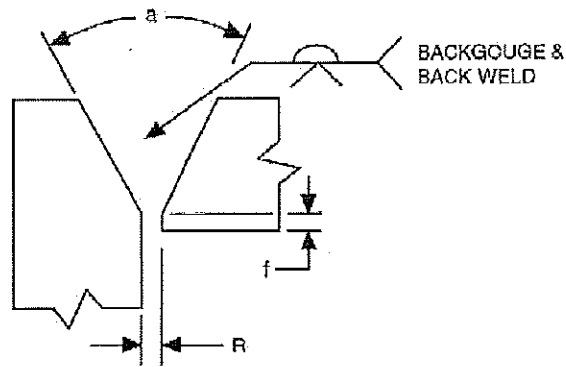
Figure 1—Allowable Joint Designs

Standard Welding Procedure Specification (WPS)



$a = 60^\circ$ MIN.
 $R = 1/8$ in., $+1/16-1/8$
 $f =$ NOT LIMITED

JOINT 3

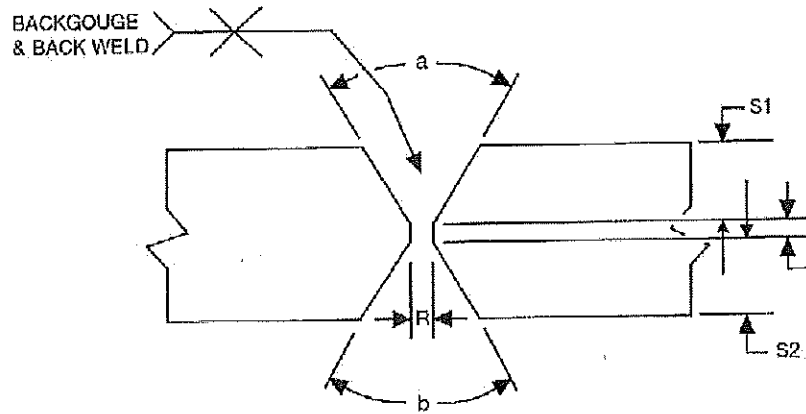


$a = 60^\circ$ MIN.
 $R = 1/8$ in., $+1/16-1/8$
 $f =$ NOT LIMITED

JOINT 4

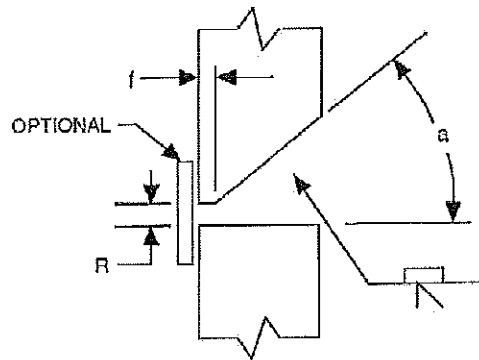
Figure 1 (continued)—Allowable Joint Designs

Standard Welding Procedure Specification (WPS)



a AND b = 60° MIN.
 R = 1/8 in., +1/16-1/8
 f = NOT LIMITED
 S1 = NOT LIMITED
 S2 = NOT LIMITED

JOINT 5



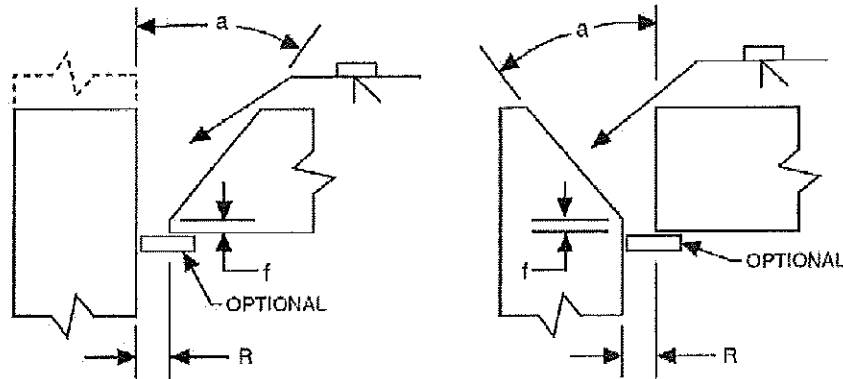
WITH BACKING
 a = 45° MIN.
 R = 1/4 in., +1/4 -1/16
 f = R/2

WITHOUT BACKING
 a = 60° MIN.
 R = 1/8 in., +1/16-1/16
 f = 1/16 in. MAX.

JOINT 6

Figure 1 (continued)—Allowable Joint Designs

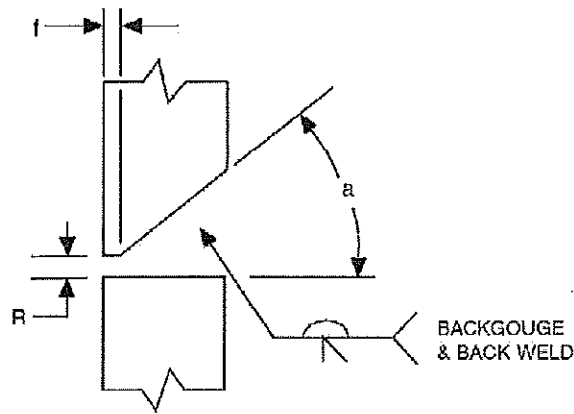
Standard Welding Procedure Specification (WPS)



WITH BACKING
 $a = 45^\circ$ MIN.
 $R = 1/4$ in., $+1/4 - 1/16$
 $f = R/2$

WITHOUT BACKING
 $a = 60^\circ$ MIN.
 $R = 1/8$ in., $+1/16 - 1/16$
 $f = 1/16$ in. MAX.

JOINT 7

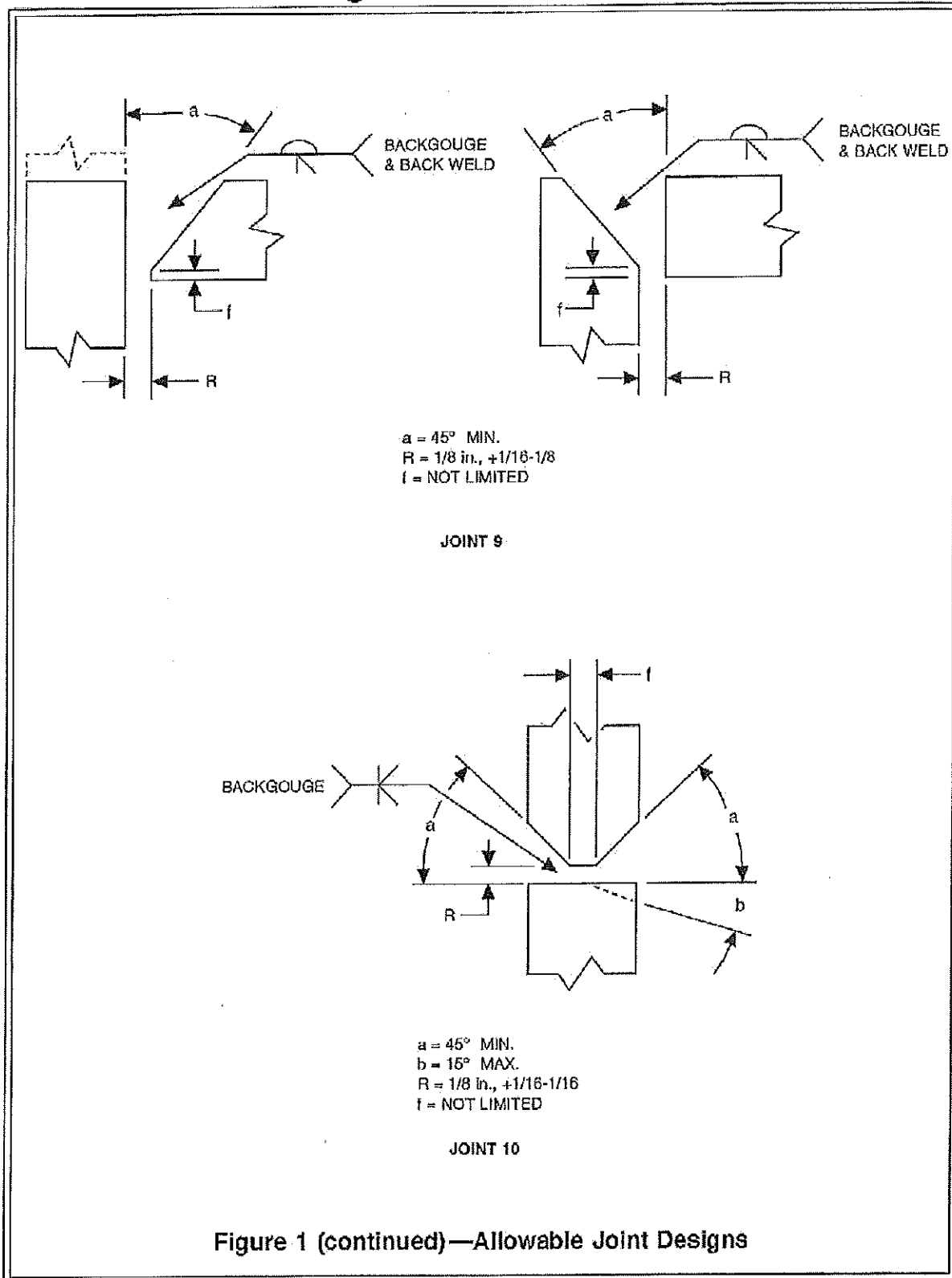


$a = 45^\circ$ MIN.
 $R = 1/8$ in., $+1/16 - 1/8$
 $f =$ NOT LIMITED

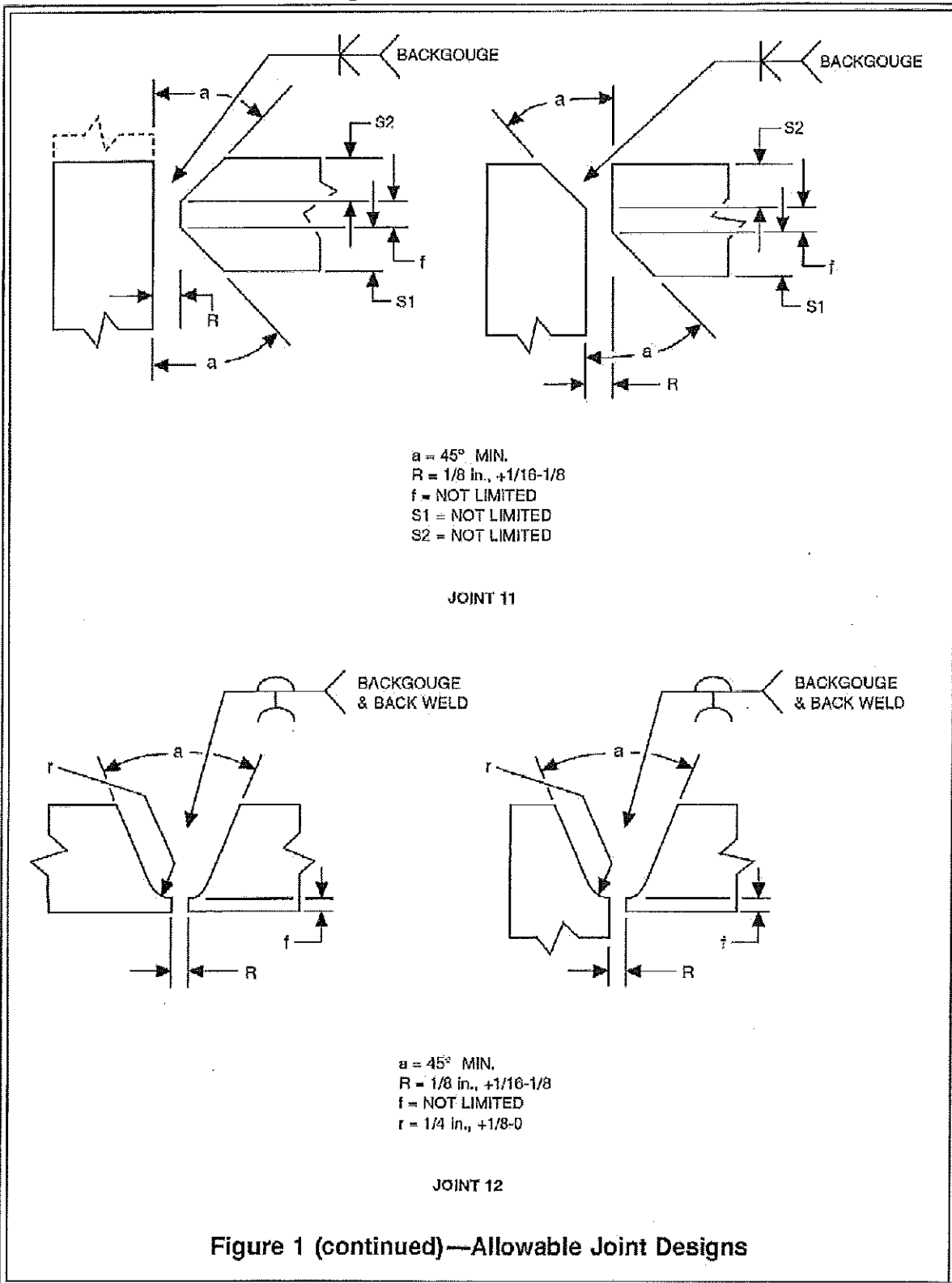
JOINT 8

Figure 1 (continued)—Allowable Joint Designs

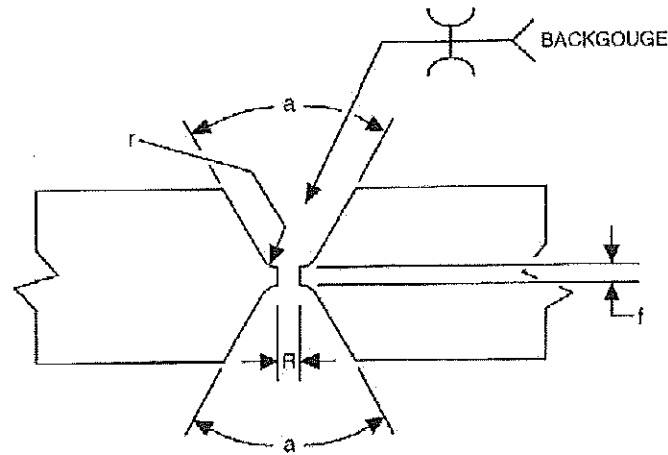
Standard Welding Procedure Specification (WPS)



Standard Welding Procedure Specification (WPS)

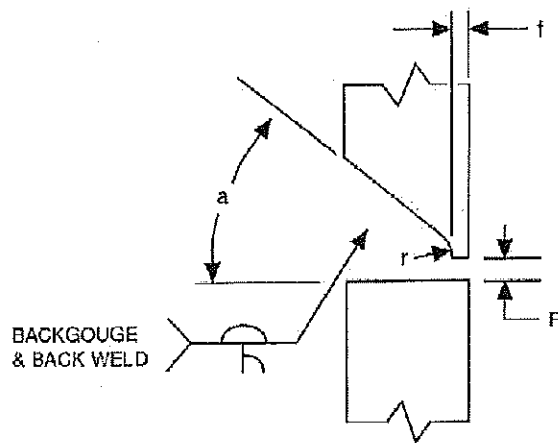


Standard Welding Procedure Specification (WPS)



$a = 45^\circ \text{ MIN.}$
 $R = 1/8 \text{ in., } +1/16-1/8$
 $f = \text{NOT LIMITED}$
 $r = 1/4 \text{ in., } +1/16-1/16$

JOINT 13

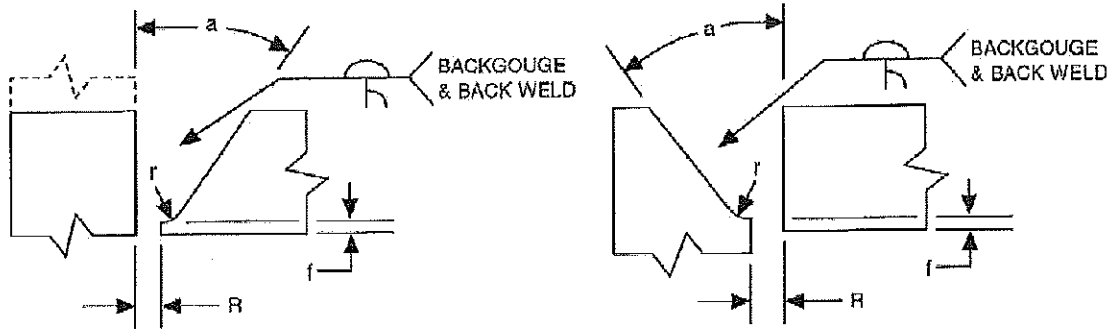


$a = 45^\circ \text{ MIN.}$
 $R = 1/8 \text{ in., } +1/16-1/8$
 $f = \text{NOT LIMITED}$
 $r = 3/8 \text{ in., } +1/16-1/16$

JOINT 14

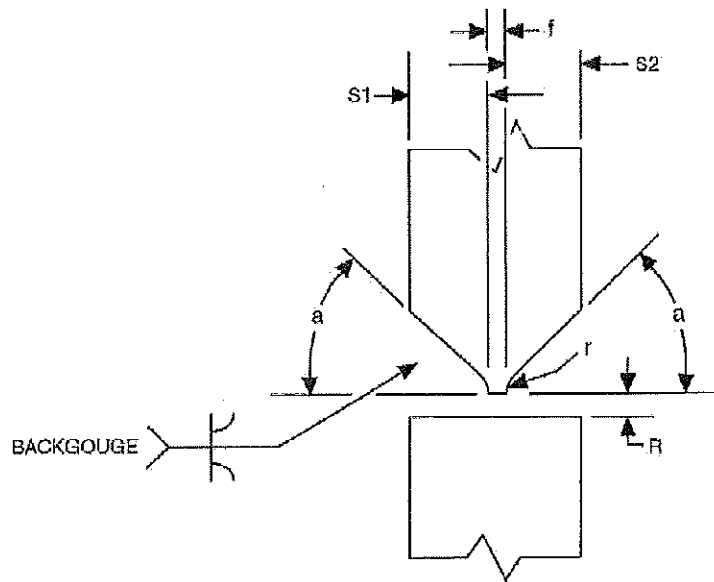
Figure 1 (continued)—Allowable Joint Designs

Standard Welding Procedure Specification (WPS)



$a = 45^\circ \text{ MIN.}$
 $R = 1/8 \text{ in., } +1/16-1/8$
 $f = \text{NOT LIMITED}$
 $r = 3/8 \text{ in., } +1/16-1/10$

JOINT 15

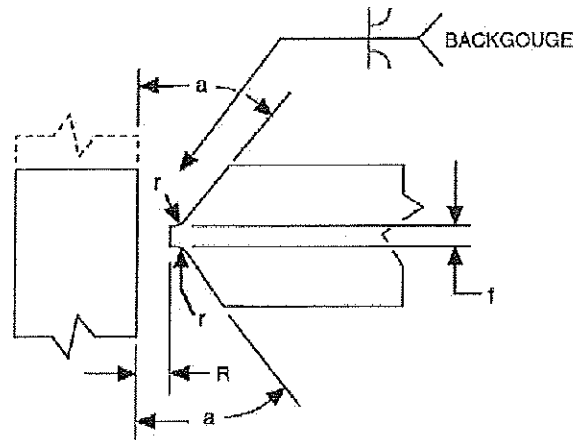


$a = 45^\circ \text{ MIN.}$
 $R = 1/8 \text{ in., } +1/16-1/8$
 $r = 3/8 \text{ in., } +1/16-1/16$
 $f = \text{NOT LIMITED}$
 $S1 \text{ AND } S2 = \text{NOT LIMITED}$

JOINT 16

Figure 1 (continued)—Allowable Joint Designs

Standard Welding Procedure Specification (WPS)



a = 45° MIN.
 R = 1/8 in., +1/16-1/8
 r = 3/8 in., +1/16-1/16
 l = NOT LIMITED

JOINT 17

Figure 1 (continued)—Allowable Joint Designs

Metric Conversions

in.	mm	°F	°C
1/16	1.6	50	10
3/32	2.4	150	65
1/8	3.2	500	260
5/32	4.0	1100	590
3/16	4.8	1200	650
1/4	6.4		
3/8	10		
1	25		
1-1/2	38		

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Domingo Ruiz Candelaria

300 La Granja Morovis, PR 00687-9150
Mobile: (787)382-9341/E-Mail: ruizwelding_2@yahoo.com

MAINTENANCE AND REPAIR OF THERMOELECTRIC PLANTS

MASTER WELDING | WELDING TECHNICIAN IN POWER PLANTS | QUALITY CONTROL | QUALITY ASSURANCE | WELDING PROJECTS SUPERVISION

SUMMARY OF QUALIFICATIONS:

- Successful career for 26 years collaborating with mechanical maintenance sections in power plants of the Puerto Rico Power Electric Authority.
- Work as a specialist in welding, make assessments of welder performance, develop trainings, provide effective job training, coaching, qualify and certify welders.
- As a supervisor, involved in welding projects with a high degree of difficulty.
- Nine years assigned to the Life Management and Extension (LM&E) Department. This group is responsible to monitor the inspection programs to main steam lines, boilers, storage tanks, structural steel units, condensers and others. Work in these programs as assistant project manager and specialist in welding, participated in the planning and repair of equipment inspected.

KEY ACHIEVEMENTS:

- Award for Excellence Antonio Lucchetti (2003), for develop and implement the program of quality control in welding for boilers and pressure vessels in thermal power plants. With it, we comply with changes in laws, regulations and codes adopted by our jurisdiction.
- Award for Excellence Antonio Lucchetti (2011), as part of the team, for supervise the quality controls and the welder's performance during conversion (bunker to natural gas) to units 5 and 6 at the Costa Sur Plant.

PROFESSIONAL EXPERIENCE:

Puerto Rico Power Electric Authority

Maintenance Supervisor 2004-2014
Engineering and Technical Services Division, Life Management and Extension (LM&E)
Department, Monacillo, Rio Piedras, Puerto Rico

Officer Trainings in Welding	1996-2004
Training Center of the Electrical System in Palo Seco, Toa Baja, Puerto Rico	
Mechanic of Power Plants	1992-1996
Maintenance Department, Hidro Gas Division, Palo Seco, Toa Baja, Puerto Rico	
Welding Instructor	1996-2004
Maintenance Department, Hidro Gas Division, Palo Seco, Toa Baja, Puerto Rico	
Combination Welder of Power Plants	1988-1992
Maintenance Department, Hidro Gas Division, Palo Seco, Toa Baja, Puerto Rico	
Assistant Mechanic of Power Plants	1988-1988
Maintenance Department, Hidro Gas Division, Palo Seco, Toa Baja, Puerto Rico	

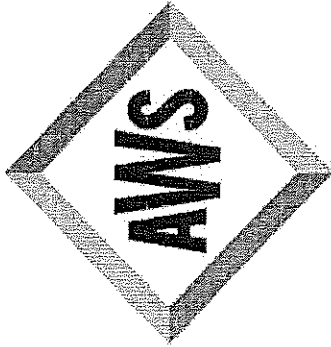
EDUCATION:

University of PR, Carolina- B.B.A. in Administration, Management concentration

University of PR, Carolina- A.S. in Mechanical Engineering (Magna Cum Laude)

PROFESSIONAL DEVELOPMENT:

AWS QC1, Standard for AWS Certification of Welding Inspectors | Boiler & Pressure Vessel Repair, NBIC | Welding Qualification, ASME | Welding Fabricator Quality Management System, AWS | Design of Welds, AWS | Welding Inspection, AWS | Interpretation of Industrial Radiographs, ASNT | Industrial Ultrasound, ASNT | Industrial Magnetic Particles, ASNT | Transmission Pipeline Design & Construction Practices, GTI | Gas Transmission Operations, GTI | Welding Certification Training, Georgia Power | "Competent Person in Scaffolds", PROSHACADEMY | Use and Management of Boats, DRNA | Teaching methodology, OARH | Computerized Automotive Mechanics, DIP



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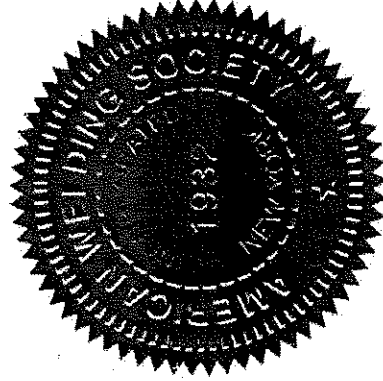
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Standard for AWS Certification of Welding Inspectors*

17013371

CERTIFICATE NUMBER

Jan/01/2023

EXPIRATION DATE



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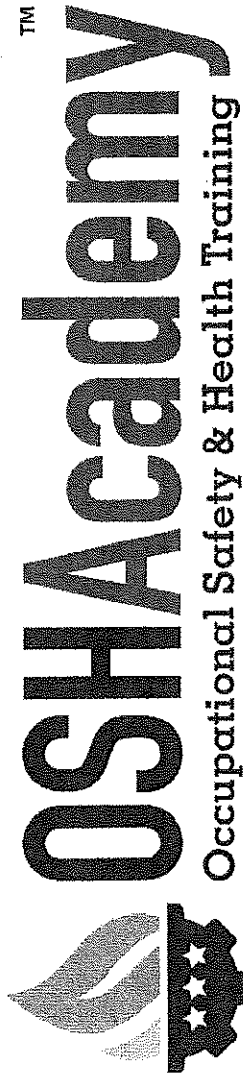
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CIP Certification Number 52975

Helen Sulinger

Executive Director
NACE International Institute

Awarded
June 2014



This is to certify that

Christopher Lugo Casablanca

*Has successfully completed all assignments and final exam requirements for the following
OSHA Academy Occupational Safety & Health Course:*

Confined Space Safety

Topics covered in this training include: Types of Confined Spaces, Basic Terms for Confined Space, Permit Required Confined Spaces, Non-Permit Required Confined Spaces, Entry Team Responsibilities, Hazardous Conditions inside a Confined Space, Confined Space Rescues, and Confined Space Training Requirements.

Steven J. Geigle

Steven J. Geigle, M.A., CET, CSHM
Director, Instructor (CET #28-362, CSHM #1208)
OSHA Academy OSH Training

This training conforms to OSHA CBT Training Standards and ANSI Z490.1-2009, Criteria for Accepted Practices in Safety, Health and Environmental Training. OSHA Academy training is endorsed by the National Safety Management Society and is recognized by the Institute for Safety and Health Management.

Student #	232451	Issue Date	07.05.2015	Hours	2.0
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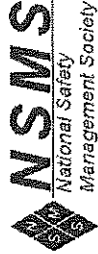
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Certificate of Attendance

Christopher Lugo Casablanca

has attended the course

**OSHA 510: Occupational Safety and Health
Standard for Construction Industry**

November 1 to 4, 2010



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Bayamón, Puerto Rico 00960-0278
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Javier Manzanedo

Javier Saracho Manzanedo
Center Director

Carmen Vázquez

Carmen Vázquez
Course Director

The Atlantic OSHA Training Center is a collaboration between the

UMDNJ-School of Public Health, Office of Public Health Practice • University at Buffalo-Toxicology Research Center
Universidad Metropolitana - INEDA •

Atlantic OSHA Training Center

An Authorized Region II, Department of Labor, OSHA Education Center

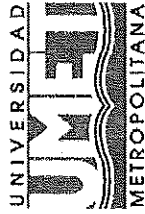
Certificate of Attendance

Christopher Lugo Casablanca

has attended the course

Principle of Scaffolding

February 14-16, 2011



ESCUELA DE ASUNTOS AMBIENTALES
INSTITUTO DE EDUCACIÓN AMBIENTAL
Apartado 278

Bayamón, Puerto Rico 00960-0278
(787) 288-1100 Xs 1375, 1382, 1373, 1381

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Atlantic OSHA Training Center

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Certificate of Attendance

Christopher Lugo Casablanca

has attended the course

**OSHA 7500: Introduction to Safety and Health
Management**

December 14, 2010



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INSTITUTO DE EDUCACIÓN AMBIENTAL
Apartado 278
Bayamón, Puerto Rico 00960-0278
(787) 288-1100 Xs 1375, 1382, 1373, 1381

Javier Saracho Manzanedo

Javier Saracho Manzanedo
Center Director

[Signature]

Course Director

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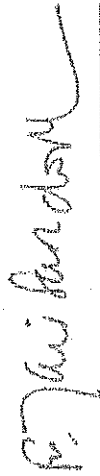
Certificate of Attendance

Christopher Lugo Casablanca

has attended the course

OSHA 3110: Fall Protection Systems

October 18-20, 2010

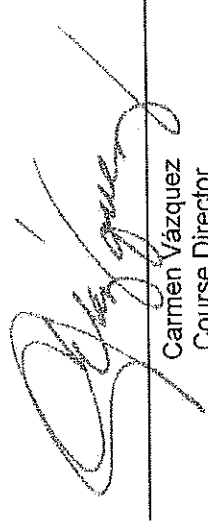


Javier Saracho Manzanedo
Center Director



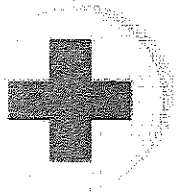
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Carmen Vázquez
Course Director

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Universidad Metropolitana - INEDA •



**American
Red Cross**

Christopher Lugo

has successfully completed requirements for

Primeros auxilios, RCP y DEA para adultos y pediátricos: valid 2 Years

Date Completed: 02/25/2014

conducted by: American Red Cross

Instructor: Carmen de Lourdes Gomez Pabon



1Zr0L0X83M

Scan code or visit:

redcross.org/confirm



AMERICAN PETROLEUM INSTITUTE
Individual Certification Programs: ICP™



API Individual Certification Programs

verifies that

Paul B. Owen

has met the requirements for API certification

*API-653 Aboveground Storage Tank
Inspector*

Certification Number *25849*

Original Certification Date *January 30, 2004*

Current Certification Date *January 31, 2019*

Expiration Date *January 31, 2022*

Manager, Individual Certification Programs





AMERICAN PETROLEUM INSTITUTE
Individual Certification Programs: ICP™



API Individual Certification Programs

verifies that

Paul B. Owen

has met the requirements for API certification.

API-570 Piping Inspector

Certification Number 28269

Original Certification Date *January 31, 2006*

Current Certification Date *January 31, 2018*

Expiration Date *January 31, 2021*

Manager, Individual Certification Programs





CONTRACTORS & SERVICES CORP

EXPERIENCIA EN TRABAJOS RELACIONADOS / COATINGS / EPOXY CERAMIC REINFORCED LININGS

AÑO	NOMBRE DEL PROYECTO	LOCALIDAD	APLICACION	PIES CUADRADOS APROX	PERSONA CONTACTO
2013	SI & S2 TANK ROOF	Aguirre - AEE	PPG coating application	22,200	Ing. Renecito Pabón
2014	Pipeline S1 & S2 Tank	Aguirre - AEE	PPG coating application	1,000	Ing. Renecito Pabón
2015	EDTA Tank	Aguirre - AEE	Repair tank, floor repair tank	4,000	Ing. Renecito Pabón
			PPG Full Exterior Coating Application		
			Cherteston Full interior Coating Application	5,000	
2015	3 Filters water treatment plant and pipeline	Aguirre - AEE	PPG Full Coating Application (Exterior)	1,500	Ing. Renecito Pabón
2015	Coating and Repair of dock crane	Aguirre - AEE	PPG Full Coating Application (Exterior)	800	Ing. Renecito Pabón
2015	Anion & Cation Vessels	Palo Seco - AEE	Cherteston Full interior Coating Application	6,000	Ing. Carlos Bermúdez
2015	Coating Combined Cycle Unit 1-1 & 1-3	Aguirre - AEE	PPG Full exterior coating application	15,000	Ing. Renecito Pabón
2015	Flowing Tank	Aguirre - AEE	PPG Full exterior coating application	22,000	Ing. Renecito Pabón
2016	Fire pipeline and rack	Aguirre - AEE	PPG Full coating application	27,500	Ing. Renecito Pabón
2016	Light distillate tank	Aguirre - AEE	PPG Full exterior coating application	20,000	Ing. Renecito Pabón
2017	S-4 Tank	Hidro Gas Mayaguez AEE	Sherwin Williams Full exterior coating application	8,800	Ing. Abigail Vélez
2018	Water Box Unit 4	Palo Seco - AEE	Cherteston Full interior Coating Application	4,000	Ing. Neftalí Ramírez
			PPG Full exterior coating application	5,000	
2019	Recubrimiento 2 Tanques de Aguas Crudas	Aguirre - AEE	PPG Full exterior coating application	40,000	Ing. Renecito Pabón
2020	Water Box Unit 4	San Juan - AEE	Cherteston Full interior Coating Application	500	Ing. Alberto Pérez

EXPERIENCIA EN TRABAJOS RELACIONADOS - LINEAS DE 10' COMBUSTIBLE / GAS / AGUA

2014	Pipeline S1 & S2 Tank	Aguirre - AEE	PPG coating application	1,000	Ing. Renecito Pabón
2016	Fire pipeline and rack	Aguirre - AEE	PPG Full coating application	2,500	Ing. Renecito Pabón
2019	Pipeline 10" Gas Distillate Tower	MESSER PLANT GUAYANILLA	Construction pipeline	3,000	Ing. Juan Casiano
			PPG Full coating application		

AÑO	NOMBRE DEL PROYECTO	LOCALIDAD	APLICACION	PIES CUADRADOS APROX	PERSONA CONTACTO
2009	Líneas de transferencia desde tanques de almacenamiento hasta day tank	Aguirre - AEE	Recubrimiento líneas de transferencia de diesel 10"	13,000	Ing. José A. Santiago / Trabajo en colaboración con el Departamento Vida Util AEE / Sr. Domingo Ruiz
2010	Conversión a Gas Natural unidades 5 y 6	Costa Sur - AEE	Recubrimiento de "transmission pipeline" con sistema epoxy, durante la construcción de todas las tuberías relacionadas a la conversión	52,000	Ing. Pedro J Morales / Ing. Miguel Beauchamp / Trabajo en colaboración con el Departamento Vida Util AEE / Sr. Domingo Ruiz
2010	Rehabilitación "Transmision Pipeline	Desde Ecoeléctrica a Central Costa Sur	Recubrimiento de varios tramos en "Transmission Pipeline" con sistema epoxy, durante la construcción de todas las tuberías relacionadas a la conversión	1,500	Ing. William Andino / Ing. Miguel Beauchamp / Trabajo en colaboración con el Departamento Vida Util AEE / Sr. Domingo Ruiz
2010	Recubrimiento línea 20" de Bunker C Sector Machuria	Desde Central San Juan a Central Palo Seco	Recubrimiento con sistema epoxy 5,632 pies lineales (1/3 parte del total de la línea)	29,500	Ing. Neftalí Ramirez / Ing. Héctor Moctezuma / Trabajo en colaboración con el Departamento Vida Util AEE / Sr. Domingo Ruiz / Christofer Lugo - supervisor a cargo 1/3 proyecto

Exhibit B-4

**GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY
PROFESSIONAL SERVICES CONTRACT**

**CONTRACT 86920
REQUISITION 241211**

-----APPEAR-----

AS FIRST PARTY: The Puerto Rico Electric Power Authority (PREPA), a public corporation and government instrumentality of the Commonwealth of Puerto Rico, created by Act No. 83 of May 2, 1941, as amended (Act 83), represented in this act by its Chief Executive Officer/Executive Director, José F. Ortiz Vázquez, of legal age, married, and resident of San Juan, Puerto Rico.-----

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AS SECOND PARTY: Earth Engineers, Inc., (Consultant), a corporation organized and existing under the laws of Puerto Rico, and registered to do business in Puerto Rico, represented in this act by its President, Marcos O. Arocho Ramírez, of legal age, married, engineer and resident in Trujillo Alto, Puerto Rico, authorized by virtue of Corporate Resolution dated May 28, 2020. -----

Both PREPA and Consultant are herein individually referred to as a Party and collectively referred to as the Parties. -----

-----**WITNESSETH**-----

WHEREAS, PREPA, by virtue of Act 83 has the authority to engage those professional, technical and consulting services necessary and convenient to the activities, programs and operations of PREPA;-----

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Contract, hereinafter stated, the Parties agree themselves, their personal representatives, and successors to enter into this Contract under the following:

-----**TERMS AND CONDITIONS**-----

Article 1. Scope of Services

1.1 The Consultant shall provide, as requested by PREPA, his services as an engineer expert, in matters of the damages occurred on Costa Sur Plant (Costa Sur) because the earthquakes occurred during this year. Also, the Consultant will support during the insurance's claims on the engineering part of the work performed on the Costa Sur tanks that were severely damage during the January 2020 earthquakes. The Consultant services include meetings, conference calls, depositions, report explanations, sketches, engineering design, and general consulting engineering services regarding services rendered to PREPA. The Consultant shall provide the required analysis and design of retaining walls in the site and any type of foundations. Also, in matters of Costa Sur, the Consultant shall provide PREPA for the geotechnical engineering services, which will include, but it is not limited to: Geotechnical and Foundation Engineering consultation, construction materials engineering, NDE Evaluations, materials testing services, specification review, construction and facilities inspection, and any other service related to Costa Sur works, as requested by PREPA.-----

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1.2 The Consultant, as requested by PREPA, shall prepare expert reports in relation to the earthquake's claims.-----

1.3 The Consultant shall participate in court proceedings and depositions, in matter of the earthquake's claims, and any other service as requested by PREPA.-----

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1.4 At the direction of PREPA, the Consultant may be required to work with other consulting, legal, investment, or other type of firms. The Parties agree to discuss such assignment in advance, so that all the Parties have a clear understanding as to their responsibilities. The Consultant is not responsible for worked performed by others. -----

1.5. All the services described in this Article 1 shall be defined in this Contract as the "Services". -----

Article 2. Services Coordination

All the Services of Consultant in relation to the terms and conditions of this Contract will be coordinated through PREPA's Generation Director or the person delegated by him.--

Article 3. Contract Assignment or Subcontract

The Consultant shall not assign nor subcontract its rights and obligations under this Contract, except in the event PREPA give written authorization for such actions. Provided, that no subcontract shall be considered for PREPA's approval, except when the following requirements are met: (1) the Consultant delivers to PREPA a copy of the subcontract, not less than thirty (30) days prior to the effective date of the proposed subcontract; (2) the subcontract includes, as a condition for its legal validity and

enforceability, a provision whereby PREPA has the right to substitute, subrogate or assume Consultants' rights under the subcontract, in the event that PREPA declares the Consultant in breach or default of any of the Contract terms and conditions; and (3) the subcontract includes, as a condition for its validity and enforceability, a provision establishing for the subcontractor the obligation to comply with all Consultants' obligations under the Contract (*mirror image clause*), except for such obligations, terms and conditions which exclusively related with works or services not included under the subcontract. A request to subcontract shall specify the issues or matters that will be referred to the subcontractor. These services shall be paid as part of the Contract Amount, as stated in Article 6, Payment. -----

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Article 4. Contract Term


This Contract shall be in effect from the date of its execution until June 30, 2021 (The Contract Period). The Contract may be extended, for an additional annual fiscal period, at the exclusive option of PREPA and subject to the availability of funds, only by written amendment agreed upon by both Parties. -----

Article 5. Contract Termination

5.1 PREPA shall have the right to terminate this Contract, at any time, with thirty (30) days prior written notice by registered mail, return receipt requested, or overnight express mail to the Consultant. If notice is given, the Contract shall terminate upon the expiration of the thirty (30) days and PREPA shall be obligated to pay all fees and expenses incurred up to the day of effective termination, in

accordance with the terms of this Contract. The rights, duties and responsibilities of the Parties shall continue in full force and effect during the thirty (30) day notice period. The Consultant shall have no further right to compensation except for what has been accrued for services rendered and expenses incurred under the Contract until said date of effective termination.-----

5.2 PREPA shall have the right to terminate this Contract immediately in the event of negligence, dereliction of duties or noncompliance by the Consultant, without prior written notice. -----

 5.3 The Parties acknowledge that PREPA is undergoing a transformation process, and therefore, both Parties agree that in the eventuality of the execution of a Partnership Contract, Sale Contract or any other PREPA Transaction (as these terms are defined in Act 120-2018), PREPA may sell, assign, convey, transfer, pledge, mortgage, sublease, delegate, hypothecate, or otherwise dispose (each, a "Transfer") any of its rights, title, or interest in this Contract as permitted by applicable law and at any time, and without Consultant's consent or cost, expense or incremental liability to PREPA, to any future operator of Puerto Rico's electric power transmission and distribution system or any of its affiliates, or to any governmental agency, body, public corporation or municipality of Puerto Rico; provided, that PREPA shall notify Consultant no later than thirty (30) days before the effective date of any such Transfer.-----

The Consultant acknowledges that all his responsibilities and obligations under the Contract, such as work to be performed and services to be provided, etc., will continue in full force and effect until the expiration of the thirty (30) day period. -----

Article 6. Payment

6.1 In accordance with the terms and conditions contained herein, PREPA agrees and Consultant accepts that the total amount to be paid under the Contract shall not exceed a cumulative amount of two hundred fifteen thousand dollars (\$215,000) the “Contract Amount”). All payments to be made under this Contract will be charged to account 01-1748-17568-555-354. PREPA will only pay for Services already rendered before the submitted invoice date. PREPA will not be required to make advance payments for any future service to be rendered by Consultant under the Contract.-----

6.2 Nothing herein shall preclude the Parties from agreeing to increase said amount in writing and signed by both Parties.-----

- PREPA will pay for the Services rendered by Consultant an hourly rate of \$200/hr.

6.3 Should the Consultant assign another person to attend to PREPA’s matters pursuant to this Contract, the Consultant shall promptly send PREPA an amended schedule to include such person’s name, position and rate, as well as request approval from PREPA.-----

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6.4 The Consultant shall immediately notify PREPA when the billing under the Contract amounts seventy-five percent (75%) of the Contract Amount. Once this notification has been issued, the Consultant, in coordination with PREPA, will ensure that no services will be rendered in excess of the Contract Amount, except that a written amendment is agreed upon by both Parties. In addition, the Consultant shall present an itemized list of the remaining billable Services under the Contract.-----

 **Article 7. Non-Discrimination**


The Consultant certifies that it will not discriminate against any employee or applicant for employment on account of race, color, gender, age, sex, national or social origin, social status, political ideas or affiliation, religion, for being or perceived to be a victim of domestic violence, sexual aggression or harassment, regardless of marital status, sexual orientation, gender identity or immigrant status, for physical or mental disability, for veteran status or genetic information.-----

Article 8. Invoices

8.1 Consultant shall submit its invoices on a monthly basis for the work already performed during the preceding month. Consultant will provide to PREPA an invoice for each billing period which will include a description of the services rendered and the number of hours spent by each person. The invoice for

professional services shall be itemized and must be duly certified by an authorized representative of the Consultant. -----

8.2 PREPA will review the invoices upon receipt, and if they are in compliance with the requirements set forth in this Contract, it will proceed with payment. Payment is due sixty (60) days of receipt of the invoice. PREPA reserves the right to conduct the audits it deems necessary, and it will not be subject to finance charges regarding invoice payments subject to an audit. -----

 8.3 All invoices submitted by Consultant shall include the following Certification in order to proceed with its payment:-----

No Interest Certification:

“We certify under penalty of nullity that no public servant of PREPA will derive or obtain any benefit or profit of any kind from the contractual relationship which is the basis of this invoice. If such benefit or profit exists, the required waiver has been obtained prior to entering into the Contract. The only consideration to be received in exchange for the performance of the Services provided is the agreed-upon price that has been negotiated with an authorized representative of the PREPA. The total amount shown on this invoice is true and correct. The Services have been rendered, and no payment has been received”.

Consultant’s Signature

This is an essential requirement and those invoices without this Certification will not be processed for payment. In order to comply with the certification requirements set forth above, Consultant shall require that subcontractors, if any approved by PREPA, providing Services also make the certification set forth above in any invoices submitted in connection with the Services. -----

Article 9. Transfer of Funds

9.1 If Consultant decides to assign or transfer an amount, due or payable, to which he is entitled for services rendered or goods provided during the term of this Contract, Consultant shall notify PREPA of such transfer of funds, in accordance to the provisions of Act 21-2012. Said notice shall clearly indicate the rights granted, including a copy of the contract under which the assignment or transfer of funds is made, the exact amount of funds to be assigned or transferred, and specific identification information regarding the assignee (full name of the person or company), address and any other contact information.-----

9.2 Consultant acknowledges and agrees that PREPA may deduct any amount, due or payable under this Contract, that Consultant owes; PREPA may retain any said amount if Consultant fails to fulfill its obligations and responsibilities under this Contract, or a claim arises for warranty or defects regarding the services rendered or goods provided under this Contract. Consultant also acknowledges and agrees that PREPA's payment obligation under any assignment of funds will cease upon payment of the outstanding amounts under this Contract. PREPA shall not be required to make payments or transfer any funds for an amount that exceeds the payment to which Consultant is entitled to under this Contract. -----

9.3 Consultant shall include with its notice of assignment of funds a cashier's check or money order for two hundred dollars (\$200), payable to "Puerto Rico Electric Power Authority", to cover administrative costs in processing such assignment.---



Article 10. Information and Material Facts

10.1 PREPA shall promptly provide to Consultant all information under the control of PREPA and necessary for Consultant to perform the Services under this Contract and those material facts that Consultant may reasonably require in order to provide its Services to PREPA. PREPA will ensure, to the best of its knowledge and belief, that the documents, data, and other information and material facts provided to Consultant, which are under its control, are true and complete, and does not constitute misleading or inaccurate information and Consultant shall be entitled to rely on the accuracy and completeness of the documents, data, and other information and material facts.-----

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10.2 PREPA will advise in writing Consultant of any developments of which PREPA becomes aware, and which PREPA considers may have a material effect with respect to the information and/or facts provided to Consultant. -----

Article 11. Information Disclosure and Confidentiality

11.1 The Parties shall take all reasonable steps to keep confidential and use only for the purposes contemplated by the terms of the Contract the information provided by PREPA and/or Consultant, and take all reasonable steps to ensure that such information is not disclosed or distributed by its employees or agents in violation of the terms of this Contract.-----

11.2 The Parties also agree that, except as agreed to in writing by both Parties, they will not, at any time after termination of this Contract, disclose any confidential

information to any person whatsoever, or permit any person whatsoever to examine and/or make copies of any reports prepared by Consultant or under its control by reason of its consulting services, and that upon termination of this Contract each Party will turn over to the other all documents, papers, and other matters in its possession or under its control that relate to the other Party. Consultant may retain one file copy for its records.-----

11.3 The term “confidential information” shall include, but not be limited to, all information provided to Consultant by PREPA or at PREPA’s direction regarding its facilities or operations and any and all information gathered or developed by Consultant regarding the same. The Parties further agree that proprietary records and documents related to Consultant’s business operations are confidential to Consultant and will not be disclosed to PREPA or other Parties, except as ordered by the court. The Parties agree that PREPA will resist any attempt by opposing counsel or other Parties to obtain Consultant’s proprietary information. The term “confidential information”, however, will not include information that:-----

- (i) is or becomes public other than through a breach of this Contract;
- (ii) is known to the receiving Party prior to the date of this Contract and with respect to which the receiving Party does not have any obligation of confidentiality; or


(iii) is independently developed by the receiving Party without use of, or reference to, confidential information.

11.4 The Parties acknowledge that disclosure of any confidential information by either Party will give rise to irreparable harm to the injured Party inadequately compensable in damages. Accordingly, either Party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies, which may be available.----

11.5 If this Contract terminates for any reason, Consultant shall maintain in strictest confidence both; during the term of this Contract and subsequent to termination of this Contract, and shall not during the term of this Contract or thereafter disclose or divulge to any person, firm, or corporation, or use directly or indirectly, for its own benefit or the benefit of others, any information which in good faith and good conscience ought to be treated as confidential information including, without limitation, information relating to PREPA's operations or trade secrets relating to the business or affairs of PREPA which Consultant may acquire or develop in connection with or as a result of the performance of the Services hereunder. In the event of an actual or threatened breach by Consultant of the provisions of this paragraph, PREPA shall be entitled to injunctive relief for such breach. Nothing herein shall be construed as prohibiting PREPA from pursuing any other legal remedies available, including the recovery of damages from Consultant.-----

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11.6 The above provisions do not apply with respect to information, which Consultant is requested to disclose under applicable law and regulations, court order, subpoena or governmental directives, in which case Consultant shall provide PREPA prompt notice of such request in order to procure for PREPA a reasonable opportunity to oppose such disclosure. Consultant agrees to expeditiously notify and submit to PREPA a copy of any court order or subpoena and to the extent possible provide any assistance to PREPA (in the form of documents) regarding the submission of such information.-----

 11.7 With respect to this Contract and any information supplied in relation with this Contract and designated by the disclosing Party as confidential, the recipient agrees to: (i) protect the confidential information in a reasonable and appropriate manner and in accordance with applicable professional standards; (ii) use confidential information only to perform its obligations under this Contract; and (iii) reproduce confidential information only as required to perform its obligations under this Contract.-----

Article 12. Rights and Titles

12.1 The Consultant will submit any reports reasonably required by PREPA regarding the Services performed under this Contract. If required by PREPA, at the completion of any assigned task, the Consultant will submit a final written report describing the work it has performed. This requirement shall not be interpreted

as a waiver by PREPA of Consultant's ethical obligation and responsibility of keeping PREPA informed of the progress of the assigned matters. -----

12.2 All rights, titles and interest in any reports, documents, analyses, investigations and any other by-product conceived or developed by the Consultant exclusively for PREPA as a result of performing its obligations under this Contract shall be the exclusive property of PREPA. The Consultant shall retain all right, title, and interest in and to proprietary works of authorship, pre-existing or otherwise, that have not been created specifically for PREPA under this Contract. With the exception of items marked as "CONFIDENTIAL" by the Consultant, PREPA shall retain the right to use, refer, share, or provide to any third party, as PREPA may determine, the results of any reports, documents, analyses, investigations or any other by-product of the Services performed by the Consultant under this Contract.-----

Article 13. Copyright

Consultant and PREPA shall jointly defend any suit or action brought against either party based on a claim that any document, report, study, analysis, copyrighted composition, article or any by-product of those, either used in the performance of the Services by Consultant or provided to PREPA by Consultant as part of its Services, or used in the performance of this Contract, including their use by PREPA, constitutes an infringement of any patents or copyrights of the United States. The Party of this Contract subject to the claim or that becomes aware of a potential claim shall promptly

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notify in writing the other Party of this Contract, and give the authority, information, and assistance reasonable and necessary for the defense of such claim.-----

Article 14. Warranty

14.1 Consultant warrants that it shall perform the Services in accordance with the applicable standards of care and diligence at the time of performance of the Services, and which are normally practiced and recognized in performing services of a similar nature (the “Standard”). Should any of the Services provided by Consultant not fulfill the above established Standard, Consultant shall take all necessary corrective measures to rectify such deficient Services, at its own and exclusive cost, whenever such course of action is possible or desirable. The rectification of deficient Services by Consultant shall not be understood as a waiver by PREPA to any other remedy it may have under this Contract or under the law or equity for any damages that Consultant’s may have caused to it by rendering such deficient Services.-----

14.2 No other warranty, express or implied, is made or intended by this Contract, by furnishing oral or written reports of findings made, or by any other act of Consultant. -----

Article 15. Responsibility for Damages

The appearing Parties agree that their responsibilities for damages under this Contract will be governed by the Puerto Rico Civil Code and its case law, as dictated by the Supreme Court of Puerto Rico.-----

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Article 16. Independent Contractor

16.1 Consultant shall be considered as an independent contractor, for all material purposes under this Contract, and all persons engaged or contracted by Consultant for the performance of its obligations herein, shall be considered as its employees or agents, and not as employees or agents of PREPA.-----

16.2 As an independent contractor, Consultant shall not be entitled to any fringe benefits, such as, but not limited to vacation, sick leave, and to which PREPA's employees are entitled.-----

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Article 17. Employees not to Benefit


No officer, employee or agent of PREPA, nor of the Government of the Commonwealth of Puerto Rico or its Municipal Governments shall be admitted to any share or part of this Contract or to any benefit that may arise therefrom.-----

Article 18. Conflict of Interest

18.1 Consultant certifies that none of its representatives under this Contract receive payment or compensation of any nature, for the services regularly rendered through an appointment in another government agency, body, public corporation or municipality of Puerto Rico. Consultant also certifies that it may have other consulting services contracts with other governmental agencies or bodies, but such condition does not constitute a conflict of interest for Consultant.-----

18.2 Consultant acknowledges that in executing its services pursuant to this Contract it has a duty of complete loyalty towards PREPA which includes not having

conflict of interest. “Conflict of Interest” means representing clients who have or may have interests that are contrary to PREPA, but does not include rendering services that are unrelated to the services covered in this Contract. Also, Consultant shall have the continuous obligation to disclose to PREPA all information and circumstances of its relations with clients and third persons that would result in a conflict of interest which would influence the Consultant when performing its responsibilities under this Contract. -----

 18.3 The Parties understand and agree that a conflict of interest exists when Consultant must advocate a position or outcome on behalf of any existing or future client that is contrary to PREPA’s interests. Also, any conduct defined in the Rules of Professional Conduct regarding conflict of interests shall apply to Consultant and its personnel.-----

18.4 In the event that any of the partners, directors, agents or employees of Consultant engaged in providing services under this Contract should incur in the conduct described herein, said conduct shall constitute a violation of the prohibitions provided herein.-----

18.5 Consultant’s partners, directors, agents or employees and personnel, if any, shall avoid even the appearance of the existence of conflicting interests.-----

18.6 Consultant acknowledges that PREPA’s Chief Executive Officer shall have the power to intervene with the acts of Consultant and/or its agents, employees, and subcontractors regarding the enforcement of the prohibitions contained herein.

In the event that the existence of adverse interests is discovered, the PREPA's Chief Executive Officer shall inform Consultant in writing of PREPA's intention to terminate this Contract within a thirty (30) day period. During said period, Consultant may request a hearing with the Chief Executive Officer to present its arguments regarding the alleged conflict of interests. In the event that Consultant does not request such hearing during the specified thirty (30) day period or the controversy is not satisfactory settled during the hearing, this Contract shall be canceled.-----

18.7 The Consultant certifies that, at the time of the execution of this Contract, it does not have nor does it represent anyone who has Conflict of Interests with PREPA. If such Conflict of Interest arises after the execution of the Contract, the Consultant shall notify PREPA immediately.-----

Article 19. Notices

All notices and other communications hereunder shall be in writing and shall be deemed given when delivered personally or sent by telecopy, or postage prepaid, by registered, certified or express mail (return receipt requested) or reputable overnight courier service and shall be deemed given when so delivered by hand, or telecopied, or if mailed, three days after mailing (one business day in the case of express mail or overnight courier service) to the Parties to the following addresses:-----

To PREPA: Puerto Rico Electric Power Authority
PO Box 364267
San Juan, Puerto Rico 00936-4267

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Attention: José F. Ortiz Vázquez
Chief Executive Officer

To Consultant: Earth Engineers, Inc.
4 Terrazas de Carraízo
San Juan, Puerto Rico 00926

Attention: Marcos O. Arocho Ramírez
President

 **Article 20. Applicable Law and Venue**

This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico. Also, the Parties expressly agree that only the state courts of Puerto Rico will be the courts of competent and exclusive jurisdiction to decide over the judicial controversies that the appearing Parties may have among them regarding the terms and conditions of this Contract.-----

Article 21. Change in Law

During the term of this Contract, any change in law, including, but not limited to changes in applicable tax law, which cause an increase in Consultant's costs when providing the services, shall be Consultant's responsibility and PREPA shall not be obligated to increase the Contract Amount.-----

Article 22. Force Majeure

22.1 The Parties shall be excused from performing their respective responsibilities and obligations under this Contract and shall not be liable in damages or otherwise, if and only to the extent that they are unable to perform or are prevented from performing by a force majeure event. -----

22.2 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.-----

22.3 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 services 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 event, 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 event has occurred shall be on the Party claiming the force majeure.-----

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Article 23. Novation

23.1 The Parties expressly agree that no amendment or change order, which could be made to the Contract during its term, shall be understood as a contractual novation, unless both Parties agree to the contrary, specifically and in writing.-----

23.2 The previous provision shall be equally applicable in such other cases where PREPA gives Consultant a time extension for the compliance of any of its

obligations under this Contract, or where PREPA dispenses the claim or demand of any of its credits or rights under the Contract. -----

Article 24. Severability

If a court of competent jurisdiction declares any of the Contract provisions as null and void or invalid, such holding will not affect the validity and effectiveness of the remaining provisions of this Contract and the Parties agree to comply with their respective obligations under such provisions not included in the judicial declaration.-----

Article 25. Save and Hold Harmless

The Consultant agrees to save and hold harmless and to indemnify PREPA for all expenses and costs of any nature (including reasonable attorneys' fees) incurred by PREPA arising out of any third party claim made by any person for bodily injuries, including death, or for property damage, to the extent directly caused by the Consultant by the negligent act or omission, in the performance or nonperformance of its obligations under the Contract, but not to the point directly caused by negligence or tort of PREPA or a third party, which is not an employee or subcontractor of the Consultant.-

With respect to any indemnity set forth in this Contract, each indemnity shall give prompt notice of its receipt of any threat, indication or other notice of any claim, investigation or demand that might give rise to any losses required to be indemnified hereunder and shall reasonably cooperate in the defense of such claim. The indemnifying party shall have the right to conduct defense of such action at its sole expense.-----

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Article 26. Insurance

The Consultant shall secure and maintain in full force and effect during the life of this Contract as provided herein, policies of insurance covering all operations engaged in by the Contract as follows:-----

1. Commonwealth of Puerto Rico Workmen’s Compensation Insurance:

The Consultant shall provide Workmen’s Compensation Insurance as required by the Workmen’s Compensation Act 45-1935 of the Commonwealth of Puerto Rico.

The Consultant shall also be responsible for compliance with said Workmen’s Compensation Act by all its sub-contractors, agents, and invitees, if any.-----

The Consultant shall furnish a certificate from the Puerto Rico State Insurance Fund showing that all personnel employed in the work are covered by the Workmen’s Compensation Insurance, in accordance with this Contract.-----

2. Employer’s Liability Insurance:

The Consultant shall provide Employer’s Liability Insurance with a minimum bodily injury limits of at least \$1,000,000 for each employee and at least \$1,000,000 for each accident covering against the liability imposed by Law upon the Consultant as result of bodily injury, by accident or disease, including death arising out of and in the course of employment, and outside of and distinct from any claim under the Workmen’s Compensation Act of the Commonwealth of Puerto Rico.-----

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3. Commercial General Liability Insurance:

The Consultant shall provide a Commercial General Liability Insurance with limits of at least \$1,000,000 per occurrence and at least \$1,000,000 aggregate. -----

4. Commercial Automobile Liability Insurance:

The Consultant shall provide a Commercial Automobile Liability Insurance with limits of at least \$1,000,000 combined single limit covering all owned or schedule autos, non-owned autos, and hired automobiles.-----

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5. Professional Liability Insurance:

The Consultant shall provide a Professional Liability Insurance with limits of at least \$1,000,000 per claim and at least \$1,000,000 aggregate. -----

Requirements under the Policies:

The Commercial General Liability and Commercial Automobile Liability Insurance required under this Contract shall be endorsed to include:-----

a. As Additional Insured:

Puerto Rico Electric Power Authority (PREPA)
Risk Management Office
PO Box 364267
San Juan, Puerto Rico 00936-4267

- b. A 30 day cancellation or nonrenewable notice to be sent to the above address
- c. An endorsement including this Contract under contractual liability coverage and identifying it by number, date and Parties to the contract
- d. Waiver of subrogation in favor of Puerto Rico Electric Power Authority (PREPA). -----

e. Breach of Warranties or Conditions:-----

“The Breach of any of the Warranties or Conditions in this policy by the Insured shall not prejudice PREPA’s rights under this policy.”-----

Furnishing of Policies:

All required policies of insurance shall be in a form acceptable to PREPA and shall be issued only by insurance companies authorized to do business in Puerto Rico.-----

The Consultant shall furnish a certificate of insurance in original signed by an authorized representative of the insurer in Puerto Rico, describing the coverage afforded.-----


Article 27. Compliance with the Commonwealth of Puerto Rico Contracting Requirements

The Consultant will comply with all applicable State Law, Regulations or Executive Orders that regulate the contracting process and requirements of the Commonwealth of Puerto Rico, including but not limited to: -----

- A. Executive Order No. OE-1991-24 of June 18, 1991 to require certification of compliance with the Internal Revenue Services of the Commonwealth of Puerto Rico: Pursuant to Executive Order No. OE-1991-24 of June 18, 1991, the Consultant will certify and guarantee that it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last five (5) years. The Consultant further will certify that it has complied and is current with the payment of any and all income taxes that are, or were due, to the



Government of Puerto Rico. The Consultant shall provide, to the satisfaction of PREPA, and whenever requested by PREPA during the term of this Contract, the necessary documentation to support its compliance with this clause. The Consultant will be given a specific amount of time to produce said documents. During the term of this Contract, the Consultant agrees to pay and/or to remain current with any repayment plan agreed to by the Consultant with the Government of Puerto Rico. ----

 B. Executive Order No. OE-1992-52 of August 28, 1992 to require certification of compliance with the Department of Labor of the Commonwealth of Puerto Rico. Pursuant to Executive Order No. 1992-52, dated August 28, 1992 amending OE-1991-24, the Consultant will certify and warrant that it has made all payments required for unemployment benefits, workmen's compensation and social security for chauffeurs, whichever is applicable, or that in lieu thereof, has subscribed a payment plan in connection with any such unpaid items and is in full compliance with the terms thereof. The Consultant accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every contractor and subcontractor, if any approved by PREPA, whose service the Consultant has secured in relation with the services to be rendered under this Contract and shall forward evidence to PREPA as to its compliance with this requirement.-----

C. Government of Puerto Rico Municipal Tax Collection Center: The Consultant will certify and guarantee that it does not have any current debt with regards to property


taxes that may be registered with the Government of Puerto Rico's Municipal Tax Collection Center (known in Spanish as *Centro de Recaudación de Ingresos Municipales* ("CRIM")). The Consultant further will certify to be current with the payment of any and all property taxes that are or were due to the Government of Puerto Rico. The Consultant shall provide, to the satisfaction of PREPA and whenever requested by PREPA during the term of this Contract, Certification issued by the Municipal Revenues Collection Center (MRCC), assuring that Consultant does not owe any tax accruing to such governmental agency. To request such Certification, Consultant will use the form issued by the MRCC (called "*CRIM-Certificados, Radicación, Estado de Cuenta y Todos los Conceptos*" in the website). The Consultant will deliver upon request any documentation requested by PREPA. During the Term of this Contract, the Consultant agrees to pay and/or to remain current with any repayment plan agreed to by the Consultant with the Government of Puerto Rico with regards to its property taxes.-----

The Consultant shall provide a Personal Property Tax Filing Certification, issued by the MRCC which indicates that Consultant has filed its Personal Property Tax Return for the last five (5) contributory terms or Negative Debt certification issued by the MRCC with respect to real and property taxes and a sworn statement executed by Consultant indicating that (i) its revenues are derived from the rendering of professional services, (ii) during the last five (5) years (or the time in which it has been providing professional services) it has had no taxable business or personal

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property on the 1st of January of each year, (iii) that for such reasons it has not been required to file personal property tax returns, as required under Article 6.03 of Act 83-1991, as amended, and (iv) that for such reason it does not have an electronic tax file in the MRCC's electronic system.-----

D. The Consultant shall provide a Puerto Rico Sales and Use Tax Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that Consultant has filed his Puerto Rico Sales and Use Tax for the last sixty (60) contributory periods. -----

 E. The Consultant shall provide a copy of Consultant's Certificate of Merchant's Registration issued by the Treasury Department of Puerto Rico. -----

F. Puerto Rico Child Support Administration (*ASUME*): The Consultant shall present, to the satisfaction of PREPA, the necessary documentation certifying that the Consultant nor any of its owners, affiliates of subsidiaries, if applicable, have any debt, outstanding debt, or legal procedures to collect child support payments that may be registered with the Puerto Rico Child Support Administration (known in Spanish as the *Administración Para El Sustento de Menores (ASUME)*). The Consultant will be given a specific amount of time to deliver said documents. 3 L.P.R.A. § 8611 et seq.;-----

G. The Consultant shall provide a Good Standing Certificate issued by the Department of State of Puerto Rico.-----

H. The Consultant shall provide a Certification of Incorporation, or Certificate of Organization or Certificate of Authorization to do business in Puerto Rico issued by the Department of State of Puerto Rico.-----

I. Special Contribution for Professional and Consulting Services: As required by Act 48-2013, as amended, PREPA will withhold a special contribution of one point five percent (1.5%) of the gross amounts paid under this Contract.-----

J. Social Security and Income Tax Retentions: In compliance with Executive Order 1991 OE- 24; and C.F.R. Part 404 et. Seq., the Consultant will be responsible for rendering and paying the Federal Social Security and Income Tax Contributions for any amount owed as a result of the income, from this Contract.-----

K. Income Tax Retention Law: PREPA shall deduct and withhold ten percent (10%) of any and all payments to residents of the Commonwealth of Puerto Rico as required by the Internal Revenue Code of Puerto Rico. In case of US citizens and Non-US citizens, which are nonresidents of the Commonwealth of Puerto Rico the Consultant will retain twenty percent (20%) and twenty-nine percent (29%) respectively. PREPA will remit such withholdings to the Government of Puerto Rico's Treasury Department (known in Spanish as *Departamento de Hacienda de Puerto Rico*). The Consultant will request PREPA not to make such withholdings if, to the satisfaction of PREPA, the Consultant timely provides a release from such obligation by the Government of Puerto Rico's Treasury Department. 3 L.P.R.A. § 8611 et seq., 2011 L.P.R. 232; 232-2011.-----

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L. Compliance with Act No. 1 of Governmental Ethics: The Consultant will certify compliance with Act 1 of January 3, 2012, as amended, known as the Ethics Act of the Government of Puerto Rico, which stipulates that no employee or executive of PREPA nor any member of his/he immediate family (spouse, dependent children or other members of his/her household or any individual whose financial affairs are under the control of the employee) shall have any direct or indirect pecuniary interest in the services to be rendered under this Contract, except as may be expressly authorized by the Governor of Puerto Rico in consultation with the Secretary of Treasury and the Secretary of Justice of the Government. 3 L.P.R.A. § 8611 et seq.;-----

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M. Act 168-2000: Act for the Strengthening of the Family Support and Livelihood of Elderly People: The Consultant will certify that if there is any Judicial or Administrative Order demanding payment or any economic support regarding Act 168-2000, as amended, the same is current and in all aspects in compliance. Act 168-2000 *“Law for the Strengthening of the Family Support and Livelihood of Elderly People”* in Spanish: *“Ley para el Fortalecimiento del Apoyo Familiar y Sustento de Personas de Edad Avanzada”*, 3 L.P.R.A. §8611 et seq.-----

N. Act 127-2004: Contract Registration in the Comptroller’s Office of Puerto Rico Act: Payment for services object of this Contract will not be made until this Contract is properly registered in the Office of the Comptroller of the Government of Puerto Rico pursuant to Act 18 of October 30, 1975, as amended.-----

O. Prohibition with respect to execution by public officers: 3 L.P.R.A. §8615(c): No public officer or employee authorized to contract on behalf of the executive agency for which he/she works may execute a contract between the agency for which he/she works and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.-----

 P. Prohibition with respect to contracting with officers or employees: 3 L.P.R.A. §8615(d): No executive agency may execute a contract in which any of its officers or employees or any member of their family units has or has had direct or indirect economic interest during the last four (4) years prior to their holding office, unless the Governor gives authorization thereto with the previous recommendation of the Secretary of the Treasury and the Secretary of Justice.-----

Q. Prohibition with respect to contracts with officers and employees of other Government entities: 3 L.P.R.A. §8615(e): No public officer or employee may be a party to or have any interest in any profits or benefits produced by a contract with any other executive agency or government dependency unless the Governor gives express authorization thereto with previous recommendation from the Secretary of the Treasury and the Secretary of Justice.-----

R. Prohibition with respect to evaluation and approval by public officers: 3 L.P.R.A. §8615(f): No public officer or employee who has the power to approve or authorize contracts shall evaluate, consider, approve or authorize any contract

between an executive agency and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.-----

S. Prohibition with respect to execution by public officers' contracts with former public officers: 3 L.P.R.A. §8615(h): No executive agency shall execute contracts with or for the benefit of persons who have been public officers or employees of said executive agency until after two (2) years have elapsed from the time said person has ceased working as such.-----

T. Dispensation: Any and all necessary dispensations have been obtained from any government entity and that said dispensations shall become part of the contracting record.-----

U. Rules of Professional Ethics: The Consultant acknowledges and accepts that it is knowledgeable of the rules of ethics of his/her profession and assumes responsibility for his/her own actions.-----

V. Provisions Required under Act 14-2004: Consultant agrees that articles extracted, produced, assembled, packaged or distributed in Puerto Rico by enterprises with operations in Puerto Rico, or distributed by agents established in Puerto Rico shall be used when the service is rendered, provided that they are available.-----

If any of the previously required Certifications shows a debt, and Consultant has requested a review or adjustment of this debt, Consultant will certify that it has made such request at the time of the Contract execution. If the requested review or



adjustment is denied and such determination is final, Consultant will provide, immediately, to PREPA a proof of payment of this debt; otherwise, Consultant accepts that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments.-----

Article 28. Anti-Corruption Code for a New Puerto Rico


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Consultant agrees to comply with the provisions of Act 2-2018, as the same may be amended from time to time, which establishes the Anti-Corruption Code for a New Puerto Rico. The Consultant hereby certifies that it does not represent particular interests in cases or matters that imply a conflicts of interest, or of public policy, between the executive agency and the particular interests it represents.-----

Consultant shall furnish a sworn statement to the effect that neither Consultant nor any president, vice president, executive director or any member of a board of officials or board of directors, or any person performing equivalent functions for Consultant has been convicted of or has pled guilty to any of the crimes listed in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico or any of the crimes included in Act 2-2018.-----

Consultant hereby certifies that it has not been convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the

Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.-----

 PREPA shall have the right to terminate the Contract in the event Consultant is convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.-----

Consequences of Non-Compliance: The Consultant expressly agrees that the conditions outlined throughout this Article are essential requirements of this Contract. Consequently, should any one of these representations, warranties or certifications be incorrect, inaccurate or misleading, in whole or in part, there shall be sufficient cause for the PREPA to render this Contract null and void, and the Consultant shall reimburse the PREPA all moneys received under this Contract.-----

**ARTICLE 29. COMPLIANCE WITH APPLICABLE FEDERAL LAW, REGULATIONS,
AND EXECUTIVE ORDERS**

29.1 Contract Work Hours and Safety Standards Act (40 U.S.C. 3701–3708)-----

A. Overtime requirements. No contractor or subcontractor contracting for any part of the Contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.-----

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B. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (A) of this section the Consultant and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (A) of this section, in the sum of \$27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours

without payment of the overtime wages required by the clause set forth in paragraph (A) of this section.-----

C. Withholding for unpaid wages and liquidated damages. The Government of Puerto Rico shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (B) of this section.-----

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D. Subcontracts. The Consultant or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (A) through (D) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (A) through (D) of this section.-----

29.2 Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended). Consultant certifies that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or

employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient (COR3). Consultant shall also submit to PREPA the required certification regarding lobbying, 44 C.F.R. Part 18 attached to this Contract as Appendix. -----

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29.3 Remedies. Any violation or breach of terms of this Contract on the part of the Consultant or a subcontractor may result in the suspension or termination of this Contract or such other action, including the recovery of damages, as may be necessary to enforce the rights of PREPA. The duties and obligations imposed by this Contract and the rights and remedies available hereunder shall be in addition to, and not a limitation of, any duties, obligations, rights, and remedies otherwise imposed or available by law. Upon a material breach by Consultant, PREPA may utilize any remedy available by law, including precluding Consultant from further work with PREPA in the future and recommend suspension and debarment.-----


29.4 Clean Air Act and the Federal Water Pollution Control Act.-----

A. The Consultant agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C.

§ 7401 et seq., and the Federal Water Pollution Control Act, as amended,
33 U.S.C. 1251 et seq.-----

B. The Consultant agrees to report each violation to PREPA and understands and agrees that PREPA will, in turn, report each violation as required to assure notification to COR3, Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.-----

C. The Consultant agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance.-----

 29.5 Changes. At any time, and only through a written change order instruction, PREPA may make changes in the Services or work to be performed within the general scope of this Contract. If such changes cause an increase or decrease in Consultant's cost of, or time required for, performance of any services under this Contract, an equitable adjustment shall be made and this Contract shall be modified in writing accordingly, provided, however, that no changes shall be made to the scope of the Services that would render the costs incurred in the performance of this Contract ineligible for, unallowable or not allocable under, outside the scope of, or not reasonable for the completion of, Federal grant awards from FEMA or any other U.S. federal agency.-----

29.6 Sufficiency of Funds. The Consultant recognizes and agrees that all or a portion of the funding for this Contract shall be derived from assistance awarded by Federal agencies of the United States of America to PREPA or the Government of

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Puerto Rico. As part of its obligations under this Contract, Consultant shall ensure that the work performed hereunder is eligible for funding by complying with all applicable Federal law, regulations, executive orders, Federal agency policy, procedures, directives and guidelines. If during the term of this Contract, Federal or local funding is reduced, deobligated, or withdrawn, PREPA may reduce the scope of or terminate the Contract, without penalty, by providing written notice to Consultant of the changes in scope or termination. PREPA shall not be obligated to pay nor shall be held financially liable if any work performed by Consultant under this Contract is deemed ineligible by any Federal agency. The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to PREPA, Consultant, or any other party pertaining to any matter resulting from this Contract.-----

29.7 FEMA Disaster Assistance Survivor/Registrant Data-----

- A. If the Consultant has access to Disaster Assistance Survivor/Registrant data or any other personally identifiable information, the Consultant shall comply with the provisions of the Terms and Conditions for Sharing FEMA Disaster Assistance Survivor/Registrant Data with State Governments set forth in the FEMA-Government of Puerto Rico Contract for FEMA-4339-DR-PR.-----
- B. The Consultant shall indemnify, defend, and hold harmless PREPA and the Government of Puerto Rico for any and all costs associated with the defense of that litigation, including costs and attorneys' fees, settlements, or adverse

judgments arising from the Consultant's failure to comply with the requirements under this Contract.-----

29.8 Costs. All costs incurred by the Consultant in performance of this Contract must be in accord with the cost principles of 2 C.F.R. pt. 200, Subpart E. PREPA shall not be required to make payments to the Consultant for costs which are found to be contrary to the cost principles 2 C.F.R. pt. 200, Subpart E.-----

29.9 Financial Management System. The Consultant's financial management system shall provide for the following: -----

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- A. accurate, current and complete disclosure of the financial results of this Contract and any other contract, grant, program, or other activity administered by the Consultant;-----
- B. records adequately identifying the source and application of all Consultant funds and all funds administered by the Consultant which shall contain information pertaining to all contract and grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays and income, and shall be segregated by contract or on a contract-by-contract basis;-----
- C. effective internal control structure over all funds, property and other assets, sufficient to allow the Consultant to adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes;-----

- D. comparison of actual outlays with budgeted amounts for this Contract and for any other contract, grant, program or other activity administered by the Consultant;-----
- E. accounting records supported by source documentation;-----
- F. procedures to minimize elapsed time between any advance payment issued and the disbursement of such advance funds by the Consultant; and-----
- G. procedures consistent with the provisions of any applicable policies of the Federal Government and the Government of Puerto Rico and procedures for determining the reasonableness, eligibility, allowability and allocability of costs under this Contract.-----

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29.10 Penalties, Fines, and Disallowed Costs. In the event that any U.S. Federal agency or the Government of Puerto Rico disallows or demands repayment for costs incurred in the performance of this Contract, or if any penalty is imposed due to an act or omission by the Consultant, the Consultant shall be solely responsible for such penalty, disallowed costs, or repayment demand, and shall reimburse PREPA in full within ten (10) days of receiving notice from PREPA of such penalty, disallowance, or repayment demand. Any monies paid by the Consultant pursuant to this provision shall not relieve the Consultant of liability to PREPA for damages sustained by PREPA by virtue of any other provision of this Contract.-----

29.11 Debarment, Suspension, and Ineligibility -----

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- A. This Contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such the Consultant represents and warrants that none of the Consultant, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935). The Consultant further represents and warrants that it will not enter into any contracts or subcontracts with any individual or entity which has been debarred, suspended or deemed ineligible under those provisions. During the term of this Contract, the Consultant will periodically review SAM.gov and local notices to verify the continued accuracy of this representation. The Consultant shall require all subcontractors at every tier to comply with this requirement.---
- B. The Consultant must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.-----
- C. This certification is a material representation of fact relied upon by PREPA. If it is later determined that the Consultant did not comply with 2 C.F.R. pt. 180, subpart C, an 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the Government of Puerto Rico and PREPA, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.-----

29.12 Reporting Requirements. The Consultant shall complete and submit all reports, in such form and according to such schedule, as may be required by PREPA.-----

29.13 Review of Laws. The Consultant certifies that it will access online and read each law that is cited in the aforementioned clauses and that, in the event it cannot access the online version, it will notify PREPA in order to obtain printed copies of the laws. Not requiring a printed copy of the laws to PREPA will be evidence that the Consultant was able to find it online and read it as required.-----

29.14 Notice of Federal Emergency Management Agency (FEMA) Reporting Requirements and Regulations.-----

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A. PREPA is using Federal grant funding awarded or administered by FEMA to the Government of Puerto Rico and/or PREPA to pay, in full, for the costs incurred under this Contract. As a condition of FEMA funding under major disaster declaration FEMA-4339-DR-PR, FEMA requires the Government of Puerto Rico PREPA to provide various financial and performance reporting. The Consultant agrees to provide all information, documentation, and reports necessary to satisfy these reporting requirements. Failure by the Consultant to provide information necessary to satisfy these reporting requirements may result in loss of Federal funding for this Contract, and such failure shall be a material breach of this Contract.-----

- B. Applicable Regulations and Policy. Applicable regulations, FEMA policy, and other sources setting forth these reporting requirements include, but are not limited to:-----
- i. 2 C.F.R. § 200.327 (Financial Reporting);-----
 - ii. 2 C.F.R. § 200.328 (Monitoring and Reporting Program Performance);-----
 - iii. Performance and financial reporting requirements set forth in 2 C.F.R. Part 206.-----

29.15 Access to Records.-----

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- A. The Consultant agrees to provide PREPA, the Government of Puerto Rico, the FEMA Administrator, the Secretary of HUD, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Consultant which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts, and transcriptions.-----
- B. The Consultant agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.-----
- C. The Consultant agrees to provide the FEMA Administrator, the Secretary of HUD, or his authorized representatives access to work sites pertaining to the work being completed under the Contract.-----

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29.16 Record Retention Requirements. The Consultant agrees to maintain all books, records, accounts, and reports and all other records produced or collected in connection with this Contract for a period of not less than three (3) years after the date of final payment and closeout of all pending matters related to this Contract. If any litigation, claim, or audit is reasonably anticipated to arise or is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.-----

29.17 Program Fraud and False or Fraudulent Statements or Related Acts. The Consultant acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Consultant's actions pertaining to this Contract.-----

29.18 Procurement of Recovered Materials. In the performance of this Contract, the Consultant shall make maximum use of products containing recovered materials that are Environmental Protection Agency ("EPA") designated items unless the product cannot be acquired.-----

- A. competitively within a timeframe providing for compliance with the Contract performance schedule;-----
- B. meeting Contract performance requirements; or -----
- C. at a reasonable price.-----

D. Information about this requirement, along with the list of EPA-designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpgprogram>.

29.19 Energy Efficiency. The Consultant agrees to comply with the requirements of 42 U.S.C. § 6201, which contain policies relating to energy efficiency that are defined in the Government of Puerto Rico's energy conservation plan issued in compliance with said statute.-----

29.20 Equal Employment Opportunity [REQUIRED ONLY IF THIS CONTRACT MEETS THE DEFINITION OF 'FEDERALLY ASSISTED CONSTRUCTION CONTRACT' AS PROVIDED IN 41 C.F.R. § 60-1.3]. During the performance of this Contract, the Consultant agrees as follows:-----

A. The Consultant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Consultant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment, or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Consultant agrees to post in conspicuous places,

available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.-----

B. The Consultant will, in all solicitations or advertisements for employees placed by or on behalf of the Consultant, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.-----

C. The Consultant will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Consultant's legal duty to furnish information.-----

D. The Consultant will send to each labor union or representative of workers with which it has a collective bargaining Contract or other contract or

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understanding (if any) a notice advising the labor union or workers' representative of the Consultant's commitments under section 202 of the US Executive Order 11246 of September 24, 1965, as amended, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.-----

E. The Consultant will comply with all provisions of Executive Order 11246, and of the rules, regulations, and relevant orders of the Secretary of Labor.-----

F. The Consultant will furnish all information and reports required by Executive Order 11246, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the Government Entity, the Government of Puerto Rico, and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.-----

G. In the event of the Consultant's non-compliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations, or orders, this Contract may be canceled, terminated or suspended in whole or in part and the Consultant may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.-----

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H. The Consultant will include the provisions of paragraphs (1) through (8) in every subcontract or purchase order, unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246, so that such provisions will be binding upon each subcontractor or vendor. The Consultant will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the Consultant becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Consultant may request the United States to enter into such litigation to protect the interests of the United States.-----

29.21 Age Discrimination Act of 1975. The Consultant shall comply with the provisions of the Age Discrimination Act of 1975. No person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity receiving federal financial assistance.-----

29.22 Americans with Disabilities Act. The Consultant shall comply with the appropriate areas of the Americans with Disabilities Act of 1990, as enacted and from time to time amended, and any other applicable federal regulation. A signed, written certificate stating compliance with the Americans with Disabilities Act may be requested at any time during the term of this Contract. -----

29.23 Title VI of the Civil Rights Act of 1964. The Consultant shall comply with the provisions of Title VI of the Civil Rights Act of 1964. No person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.-----

29.24 Section 504 of the Rehabilitation Act of 1973, as amended. The Consultant agrees that no otherwise qualified individual with disabilities shall, solely by reason of his disability, be denied the benefits, or be subjected to discrimination including discrimination in employment, any program or activity that receives the benefits from the federal financial assistance.-----

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29.25 Drug-Free Workplace. The Consultant shall maintain a drug-free work environment in accordance with the Drug-Free Workplace Act of 1988 (41 U.S.C. § 8101 et seq.), and implementing regulations at 2 C.F.R Part 3001.-----

29.26 Compliance with Laws, Regulations, and Executive Orders. The Consultant acknowledges that FEMA financial assistance will be used to fund this Contract. The Consultant shall comply will all applicable Federal and Government of Puerto Rico law, regulations, executive orders, policies, procedures, and directives, including but not limited to all Federal Cost Principles set forth in 2 C.F.R. Part 200, and all applicable FEMA regulations in 44 C.F.R. Chapter I, and 2 C.F.R. Part 200.-----

29.27 Provisions Required by Law Deemed Inserted. Each and every provision required by law regulation, executive order, policy, procedure, directive, Federal grant award or agreement, or cooperative agreement with any Federal agency to be inserted in this Contract shall be deemed to be inserted herein and the Contract shall be read and enforced as though it were included herein. If, through mistake or otherwise, any provision is not inserted, or is not correctly inserted, then upon the application of either party the Contract shall be amended to make such insertion or correction.-----

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29.28 Contract to Execute Other Required Documents. Consultant and all subcontractors, by entering into the Contract, understand and agree that funding for the Services is provided under Federal programs with specific contracting requirements. To the extent any such requirement is not otherwise set forth herein, Consultant agrees to execute such amendments or further agreements as may be necessary to ensure that PREPA receive Federal funding for this Contract.-----

29.29 U.S. Department of Homeland Security Seal, Logo, and Flags. The Consultant shall not use the U.S. Department of Homeland Security seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.-----

29.30 No Obligation by the Federal Government. The Government Entity and the Consultant acknowledge and agree that the Federal Government is not a party to

this Contract and is not subject to any obligations or liabilities to PREPA, Consultant, or any other party pertaining to any matter resulting from the contract.

29.31 General. All contracts shall contain a clause identifying the type of Contract and the mandatory clauses contained on the latest released HUD forms, as applicable to the Contract type. All contracts, except for general management consulting services, will include performance requirements and liquidated damages.-----

 29.32 Puerto Rico Energy Conservation Plan. Consultant must act in compliance, when applicable, with the mandatory standards and policies relating to energy efficiency which are contained in the Commonwealth's energy conservation plan.-----

29.33 Patent Rights. All contracts are subject to the patent rights with respect to any discovery or invention which arises or is developed during or under such Contract in accordance with 37 C.F.R. Section 401.2(a) and 37 C.F.R. Part 401.-----

29.34 Davis Bacon Act and Copeland Anti-Kickback Act-----

A. Consultant. Consultant shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this Contract.-----

B. Subcontracts. Consultant or subcontractors shall insert in any subcontracts the clause above and such other clauses as FEMA or HUD may by appropriate instructions require, and also a clause requiring the subcontractor to include these clauses in any lower tier subcontracts. Consultant shall be

responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.-----

C. Breach. A breach of the contract clauses above may be grounds for termination of the Contract, and for debarment as a contractor and subcontractor as provided in 29 C.F.R. § 5.12.-----


D. HUD Section 3 Clause-----

i. The work to be performed under this Contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.-----

ii. The Parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.-----

iii. Consultant agrees to send to each labor organization or representative of workers with which Consultant has a collective bargaining agreement or

other understanding, if any, a notice advising the labor organization or workers' representative of the Consultant's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.-----

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- iv. Consultant agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. Consultant will not subcontract with any subcontractor where Consultant has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.-----
 - v. Consultant will certify that any vacant employment positions, including training positions, that are filled (i) after Consultant is selected but before the contract is executed, and (ii) with persons other than those to whom

the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Consultant's obligations under 24 CFR part 135.-----

vi. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.-----

vii. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).-----

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29.35 HUD Section 3 Requirements -----

- A. Section 3 clause required in subcontracts. All Section 3 covered contracts must include a Section 3 clause in accordance with 24 C.F.R. § 135.38. A Section 3 covered contract means a contract or subcontract (including a

professional service contract) awarded by a recipient or Consultant for work generated by the expenditure of section 3 covered assistance, or for work arising in connection with a section 3 covered project. "Section 3 covered contracts" do not include contracts for the purchase of supplies and materials. However, whenever a contract for materials includes the installation of the materials, the contract constitutes a section 3 covered contract. For example, a contract for the purchase and installation of a furnace would be a section 3 covered contract because the contract is for work (i.e., the installation of the furnace) and thus is covered by section 3.-----

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- i. "Section 3 covered assistance" means assistance provided under any HUD housing or community development program that is expended for work arising in connection with public construction projects (which includes other buildings or improvements, regardless of ownership).-----
 - ii. A "Section 3 covered project" means, among other things, public construction which includes buildings or improvements (regardless of ownership) assisted with community development assistance.-----
- B. Section 3 minimum contracting goals. Consultant must endeavor to meet the following minimum goals for contracting under HUD funded contracts, as applicable:-----
- i. Arising in connection with public construction shall be awarded to Section 3 businesses. Public construction includes infrastructure work,

such as extending water and sewage lines, sidewalk repairs, site preparation, installing conduits for utility services, etc.-----

- ii. Three (3) percent of the total dollar amount of all non-construction Section 3 covered contracts shall be awarded to Section 3 businesses. Section 3 covered non-construction projects include maintenance contracts, including lawn care, re-painting, routine maintenance, HVAC servicing, and professional service contracts associated with construction (e.g., architectural, engineering, legal services, accounting, marketing, etc.).-----

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C. A Section 3 business is one that can demonstrate it meets one of the following criteria:-----

- i. 51 percent or more owned by Section 3 residents; or -----
- ii. has permanent, full time employees at least 30 percent of whom are currently Section 3 residents, or within three years of the date of first employment with the business concern were Section 3 residents; or -----
- iii. has a commitment to sub-contract in excess of 25 percent of the total dollar award of all sub-contracts to be awarded to such businesses described above.-----

D. Order of preference for Section 3 business concerns in contracting opportunities. Consultant and any subcontractors shall direct their efforts to award section 3 covered contracts, to the greatest extent feasible, to

section 3 business concerns in the following order of priority (24 C.F.R. § 135.36), where feasible:-----

- i. section 3 business concerns that provide economic opportunities for section 3 residents in the service area or neighborhood in which the section 3 covered project is located (category 1 businesses); -----
- ii. applicants (as this term is defined in 42 U.S.C. 12899) selected to carry out HUD Youthbuild programs (category 2 businesses); and -----
- iii. other section 3 business concerns. -----

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E. Eligibility for preference. A business concern seeking to qualify for a section 3 contracting preference shall certify or submit evidence, if requested, that the business concern is a section 3 business concern as defined in 24 C.F.R. § 135.5.-----

F. Ability to complete contract. A section 3 business concern seeking a contract or a subcontract shall submit evidence to Consultant or Subcontractor (as applicable), if requested, sufficient to demonstrate to the satisfaction of the Party awarding the contract that the business concern is responsible and has the ability to perform successfully under the terms and conditions of the proposed contract. (The ability to perform successfully under the terms and conditions of the proposed contract is required of all contractors and subcontractors subject to the procurement standards of 24 CFR 85.36 (2 CFR 200.318(h).) This regulation requires consideration of, among other

factors, the potential Consultant's record in complying with public policy requirements. Section 3 compliance is a matter properly considered as part of this determination.-----

29.36 Additional Fair Labor Standards Provisions (HUD Form 4010)-----

A. Applicability. The project or program to which the construction work covered by this contract pertains is being assisted by the United States of America and the following Federal Labor Standards Provisions are included in this Contract pursuant to the provisions applicable to such Federal assistance.-----

B. Minimum Wages. All laborers and mechanics employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between Consultant and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under Section I (b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the

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provisions of 29 CFR 5. 5(a)(1)(iv); also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs, which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under 29 CFR 5.5(a)(1)(ii) and the Davis-Bacon poster (WH-1321) shall be posted at all times by Consultant and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.-----

- i. (a) Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate and fringe benefits therefor only when the following criteria have been met:-----

- (b) The work to be performed by the classification requested is not performed by a classification in the wage determination; and-----
 - (c) The classification is utilized in the area by the construction industry; and----
 - (d) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.-----
- ii. If Consultant and the laborers and mechanics to be employed in the classification (if known), or their representatives, and HUD or its designee agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by HUD or its designee to the Administrator of the Wage and Hour Division, Employment Standards Administration, U. S. Department of Labor, Washington, D.C. 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB control number 1215- 0140.)-----
- iii. In the event the Consultant, the laborers or mechanics to be employed in the classification or their representatives, and HUD or its designee do not agree on the proposed classification and wage rate (including the amount

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designated for fringe benefits, where appropriate), HUD or its designee shall refer the questions, including the views of all interested parties and the recommendation of HUD or its designee, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)-----

- iv. The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (B)(1)(b) or (c) of this paragraph, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.-----
- v. Whenever the minimum wage rate prescribed in the contract for a class of laborer or mechanics includes a fringe benefit which is not expressed as an hourly rate, Consultant shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.-----
- vi. If Consultant does not make payments to a trustee or other third person, Consultant may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of

Labor has found, upon the written request of the Consultant, that the applicable standards of the Davis- Bacon Act have been met. The Secretary of Labor may require Consultant to set aside in a separate account assets for the meeting of obligations under the plan or program. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)-----

C. Withholding. HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from Consultant under this contract or any other Federal contract with the same prime contractor, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees and helpers, employed by Consultant or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee or helper, employed or working on the site of the work, all or part of the wages required by the contract, HUD or its designee may, after written notice to the Consultant, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased. HUD or its designee

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may, after written notice to Consultant, disburse such amounts withheld for and on account of Consultant or Subcontractor to the respective employees to whom they are due. The Comptroller General shall make such disbursements in the case of direct Davis-Bacon Act contracts.-----

D. Payrolls and basic records. Payrolls and basic records relating thereto shall be maintained by Consultant during the course of the work preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in Section I(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5 (a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in Section I(b)(2)(B) of the Davis-Bacon Act, Consultant shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Consultants

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employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs. (Approved by the Office of Management and Budget under OMB Control Numbers 1215-0140 and 1215-0017.)-----

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i. (a) Consultant shall submit weekly for each week in which any contract work is performed a copy of all payrolls to HUD or its designee if the agency is a Party to the contract, but if the agency is not such a Party, Consultant will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i) except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e. g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Website at <http://www.dol.gov/esa/whd/forms/wh347instr.htm> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all

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subcontractors. Consultants and Subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to HUD or its designee if the agency is a Party to the contract, but if the agency is not such a Party, Consultant will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee, Consultant, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this subparagraph for a prime contractor to require a Subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to HUD or its designee. (Approved by the Office of Management and Budget under OMB Control Number 1215-0149.)-----

ii. (b) Each payroll submitted shall be accompanied by a “Statement of Compliance,” signed by Consultant or Subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:-----


(a) That the payroll for the payroll period contains the information required to be provided under 29 CFR 5.5(a)(3)(ii), the appropriate information is being maintained under 29 CFR 5.5(a)(3)(i), and that such information is correct and complete;-----

- (b) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 CFR Part 3;-----
- (c) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.-----
- (d) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the “Statement of Compliance” required by subparagraph A.3.(ii)(b).-----
- (e) The falsification of any of the above certifications may subject Consultant or any Subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code.-----

iii. Consultant or Subcontractor shall make the records required under subparagraph A.3.(i) available for inspection, copying, or transcription by authorized representatives of HUD or its designee or the Department of

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Labor, and shall permit such representatives to interview employees during working hours on the job. If Consultant or Subcontractor fails to submit the required records or to make them available, HUD or its designee may, after written notice to the Consultant, sponsor, applicant or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.-----

 E. Apprentices and Trainees. -----

- i. Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to

journeymen on the job site in any craft classification shall not be greater than the ratio permitted to contractors to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the Consultant's or Subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the

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applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, Consultant will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.-----

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- ii. Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour

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Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, Consultant will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.-----

iii. Equal employment opportunity. The utilization of apprentices, trainees and journeymen under 29 CFR Part 5 shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30. -----

F. Compliance with Copeland Act requirements. Consultant shall comply with the requirements of 29 CFR Part 3 which are incorporated by reference in this Contract.-----

G. Subcontracts. Consultant or Subcontractor will insert in any subcontracts the clauses contained in subparagraphs 1 through 11 in this paragraph A and such other clauses as HUD or its designee may by appropriate instructions require, and a copy of the applicable prevailing wage decision, and also a clause requiring the Subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any Subcontractor or lower tier Subcontractor with all the contract clauses in this paragraph.-----

H. Contract termination; debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract and for debarment as a contractor and a Subcontractor as provided in 29 CFR 5.12.-----

I. Compliance with Davis-Bacon and Related Act Requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this Contract.-----

J. Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between Consultant (or any of its Subcontractors) and HUD or its designee, the U.S. Department of Labor, or the employees or their representatives.-----

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K. Certification of Eligibility. -----

- i. By entering into this Contract, Consultant certifies that neither it (nor he or she) nor any Person or firm who has an interest in the Consultant's firm is a Person or firm ineligible to be awarded Government contracts by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.-
- ii. No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.-----
- iii. The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001. Additionally, U.S. Criminal Code, Section 1 01 0, Title 18, U.S.C., "Federal Housing Administration transactions", provides in part: "Whoever, for the purpose of . . . influencing in any way the action of such Administration.makes, utters or publishes any statement knowing the same to be false.shall be fined not more than \$5,000 or imprisoned not more than two years, or both."-----

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L. Complaints, Proceedings, or Testimony by Employees. No laborer or mechanic to whom the wage, salary, or other labor standards provisions of this Contract are applicable shall be discharged or in any other manner discriminated against by Consultant or any Subcontractor because such

employee has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable under this Contract to his employer.--

M. Health and Safety. The provisions of this paragraph are applicable where the amount of the prime contract exceeds \$100,000:-----

i. No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor by regulation.-----

ii. Consultant shall comply with all regulations issued by the Secretary of Labor pursuant to Title 29 Part 1926 and failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act, (Public Law 91-54, 83 Stat 96). 40 USC 3701 et seq.-----

iii. Consultant shall include the provisions of this paragraph in every subcontract so that such provisions will be binding on each Subcontractor. Consultant shall take such action with respect to any Subcontractor as the Secretary of Housing and Urban Development or the Secretary of Labor shall direct as a means of enforcing such provisions.-----

Article 30. Dispute Resolution

Executive Negotiation: Any unresolved disputes shall be referred to the Contracting Officer, Project Manager or designee by PREPA and Consultant for resolution. During

the first thirty (30) days following the delivery of a notice of dispute (and during any extension agreed to by the Parties in writing, the “Negotiation Period”) the Parties shall attempt in good faith to resolve the dispute through negotiations. If such negotiations result in an agreement in principle to settle the dispute, they shall cause a written settlement agreement to be prepared, signed and dated (an “Executive Settlement”), and the dispute shall be deemed settled, and not subject to further dispute resolution. If a dispute is not resolved through the Executive negotiation, the Parties agree to resolve the dispute according to the jurisdiction established in the Choice of Law and Venue Article of the Contract.-----

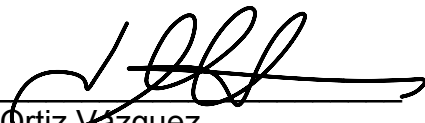
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Article 31. Entire Contract

The terms and conditions contained herein constitute the entire agreement between PREPA and Consultant with respect to the subject matter of this Contract, and supersede all communications, negotiations, and agreements of the Parties, whether written or oral, other than these, made prior to the signing of this Contract.-----


IN WITNESS THEREOF, the Parties hereto sign this Contract in San Juan, Puerto Rico this 10 day of June, 2020. -----

Puerto Rico Electric Power Authority



José F. Ortiz Vázquez
Chief Executive Officer
Tax ID: 660-43-3747

Earth Engineers, Inc.



Marcos O. Arocho Ramírez
President
Tax ID: 660-72-9050

Exhibit B-5

**GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY
PROFESSIONAL SERVICES CONTRACT**

**CONTRACT 86919
REQUISITION 241209**

-----APPEAR-----

AS FIRST PARTY: The Puerto Rico Electric Power Authority (PREPA), a public corporation and government instrumentality of the Commonwealth of Puerto Rico, created by Act No. 83 of May 2, 1941, as amended (Act 83), represented in this act by its Chief Executive Officer/Executive Director, José F. Ortiz Vázquez, of legal age, married, and resident of San Juan, Puerto Rico.-----

AS SECOND PARTY: HGE, P.S.C., (Consultant), a corporation organized and existing under the laws of Puerto Rico, and registered to do business in Puerto Rico, represented in this act by its President, Alan Heinsen, of legal age, married, licensed engineer with license number 17362 and resident in San Juan, Puerto Rico, authorized by virtue of Corporate Resolution dated May 21, 2020. -----

Both PREPA and Consultant are herein individually referred to as a Party and collectively referred to as the Parties. -----

-----**WITNESSETH**-----

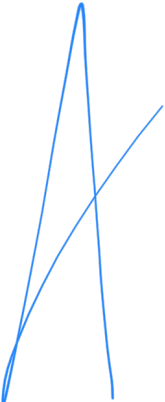
WHEREAS, PREPA, by virtue of Act 83 has the authority to engage those professional, technical and consulting services necessary and convenient to the activities, programs and operations of PREPA;-----

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Contract, hereinafter stated, the Parties agree themselves, their personal representatives, and successors to enter into this Contract under the following:

-----**TERMS AND CONDITIONS**-----

Article 1. Scope of Services

1.1 The Consultant shall provide, as requested by PREPA, his services as an engineer expert, in matters of the damages occurred on Costa Sur Plant (Costa Sur) because the earthquakes occurred during this year. Also, the Consultant will support during the insurance's claims on the engineering part of the work performed on the Costa Sur tanks that were severely damage during the January 2020 earthquakes. The Consultant services include meetings, conference calls, depositions, report explanations, sketches, engineering design and general consulting engineering services regarding services rendered to PREPA. The Consultant shall provide the required analysis and design of the tanks in the site and their foundations. The Consultant, as requested by PREPA, shall provide the retrofit design of the pile caps or the tank it selves for earthquake and hurricane loads and any other services related to Costa Sur repair works, as requested by PREPA. Also in matters of Costa Sur, the Consultant shall provide PREPA for the engineering services, which will include but it is not limited to: Structural Engineering consultation, construction materials engineering, NDE Evaluations,



materials testing services, specification review, construction and facilities inspection, and any other service related to Costa Sur works.-----

1.2 The Consultant, as requested by PREPA, shall prepare expert reports in relation to the earthquake's claims.-----

1.3 The Consultant shall participate in court proceedings and depositions, in matter of the earthquake's claims, and any other service as requested by PREPA.-----

1.4 At the direction of PREPA, the Consultant may be required to work with other consulting, legal, investment, or other type of firms. The Parties agree to discuss such assignment in advance, so that all the Parties have a clear understanding as to their responsibilities. The Consultant is not responsible for worked performed by others. -----

1.5 All the services described in this Article 1 shall be defined in this Contract as the "the Services".-----

Article 2. Services Coordination

All the Services of Consultant in relation to the terms and conditions of this Contract will be coordinated through PREPA's Generation Director or the person delegated by him.--

Article 3. Contract Assignment or Subcontract

The Consultant shall not assign nor subcontract its rights and obligations under this Contract, except in the event PREPA give written authorization for such actions.

Provided, that no subcontract shall be considered for PREPA's approval, except when

the following requirements are met: (1) the Consultant delivers to PREPA a copy of the subcontract, not less than thirty (30) days prior to the effective date of the proposed subcontract; (2) the subcontract includes, as a condition for its legal validity and enforceability, a provision whereby PREPA has the right to substitute, subrogate or assume Consultants' rights under the subcontract, in the event that PREPA declares the Consultant in breach or default of any of the Contract terms and conditions; and (3) the subcontract includes, as a condition for its validity and enforceability, a provision establishing for the subcontractor the obligation to comply with all Consultants' obligations under the Contract (*mirror image clause*), except for such obligations, terms and conditions which exclusively related with works or services not included under the subcontract. A request to subcontract shall specify the issues or matters that will be referred to the subcontractor. These services shall be paid as part of the Contract Amount, as stated in Article 6, Payment. -----

Article 4. Contract Term

This Contract shall be in effect from the date of its execution until June 30, 2021 (The Contract Period). The Contract may be extended, for an additional annual fiscal period, at the exclusive option of PREPA and subject to the availability of funds, only by written amendment agreed upon by both Parties. -----

Article 5. Contract Termination

5.1 PREPA shall have the right to terminate this Contract, at any time, with thirty (30) days prior written notice by registered mail, return receipt requested, or

overnight express mail to the Consultant. If notice is given, the Contract shall terminate upon the expiration of the thirty (30) days and PREPA shall be obligated to pay all fees and expenses incurred up to the day of effective termination, in accordance with the terms of this Contract. The rights, duties and responsibilities of the Parties shall continue in full force and effect during the thirty (30) day notice period. The Consultant shall have no further right to compensation except for what has been accrued for services rendered and expenses incurred under the Contract until said date of effective termination.-----

5.2 PREPA shall have the right to terminate this Contract immediately in the event of negligence, dereliction of duties or noncompliance by the Consultant, without prior written notice. -----

5.3 The Parties acknowledge that PREPA is undergoing a transformation process, and therefore, both Parties agree that in the eventuality of the execution of a Partnership Contract, Sale Contract or any other PREPA Transaction (as these terms are defined in Act 120-2018), PREPA may sell, assign, convey, transfer, pledge, mortgage, sublease, delegate, hypothecate, or otherwise dispose (each, a "Transfer") any of its rights, title, or interest in this Contract as permitted by applicable law and at any time, and without Consultant's consent or cost, expense or incremental liability to PREPA, to any future operator of Puerto Rico's electric power transmission and distribution system or any of its affiliates, or to any governmental agency, body, public corporation or municipality of Puerto Rico;

- CAD Draftmen \$50/hr
- Administrative \$30/hr

6.4 For depositions, a preparation fee of six hundred dollars (\$600) will be charged, plus a minimum 4 man hours deposition time will be charged. Court appearances will be charged a rate of two hundred dollars (\$200) per hour, minimum 4 hours plus a preparation fee of one thousand dollars (\$1,000).-----

6.5 Should the Consultant assign another person to attend to PREPA's matters pursuant to this Contract, the Consultant shall promptly send PREPA an amended schedule to include such person's name, position and rate, as well as request approval from PREPA.-----

6.6 The Consultant shall immediately notify PREPA when the billing under the Contract amounts seventy-five percent (75%) of the Contract Amount. Once this notification has been issued, the Consultant, in coordination with PREPA, will ensure that no services will be rendered in excess of the Contract Amount, except that a written amendment is agreed upon by both Parties. In addition, the Consultant shall present an itemized list of the remaining billable Services under the Contract.-----

Article 7. Non-Discrimination

The Consultant certifies that it will not discriminate against any employee or applicant for employment on account of race, color, gender, age, sex, national or social origin, social status, political ideas or affiliation, religion, for being or perceived to be a victim of

domestic violence, sexual aggression or harassment, regardless of marital status, sexual orientation, gender identity or immigrant status, for physical or mental disability, for veteran status or genetic information.-----

Article 8. Invoices

8.1 Consultant shall submit its invoices on a monthly basis for the work already performed during the preceding month. Consultant will provide to PREPA an invoice for each billing period which will include a description of the services rendered and the number of hours spent by each person. The invoice for professional services shall be itemized and must be duly certified by an authorized representative of the Consultant. -----

8.2 PREPA will review the invoices upon receipt, and if they are in compliance with the requirements set forth in this Contract, it will proceed with payment. Payment is due sixty (60) days of receipt of the invoice. PREPA reserves the right to conduct the audits it deems necessary, and it will not be subject to finance charges regarding invoice payments subject to an audit. -----

8.3 All invoices submitted by Consultant shall include the following Certification in order to proceed with its payment:-----

No Interest Certification:

“We certify under penalty of nullity that no public servant of PREPA will derive or obtain any benefit or profit of any kind from the contractual relationship which is the basis of this invoice. If such benefit or profit exists, the required waiver has been obtained prior to entering into the Contract. The only consideration to be received in exchange for the performance of the Services provided is the agreed-upon price that has been negotiated with an authorized representative of the PREPA. The

total amount shown on this invoice is true and correct. The Services have been rendered, and no payment has been received”.

Consultant's Signature

This is an essential requirement and those invoices without this Certification will not be processed for payment. In order to comply with the certification requirements set forth above, Consultant shall require that subcontractors, if any approved by PREPA, providing Services also make the certification set forth above in any invoices submitted in connection with the Services. -----

Article 9. Transfer of Funds


9.1 If Consultant decides to assign or transfer an amount, due or payable, to which he is entitled for services rendered or goods provided during the term of this Contract, Consultant shall notify PREPA of such transfer of funds, in accordance to the provisions of Act 21-2012. Said notice shall clearly indicate the rights granted, including a copy of the contract under which the assignment or transfer of funds is made, the exact amount of funds to be assigned or transferred, and specific identification information regarding the assignee (full name of the person or company), address and any other contact information.-----

9.2 Consultant acknowledges and agrees that PREPA may deduct any amount, due or payable under this Contract, that Consultant owes; PREPA may retain any said amount if Consultant fails to fulfill its obligations and responsibilities under this Contract, or a claim arises for warranty or defects regarding the services rendered or goods provided under this Contract. Consultant also acknowledges

and agrees that PREPA's payment obligation under any assignment of funds will cease upon payment of the outstanding amounts under this Contract. PREPA shall not be required to make payments or transfer any funds for an amount that exceeds the payment to which Consultant is entitled to under this Contract. -----

9.3 Consultant shall include with its notice of assignment of funds a cashier's check or money order for two hundred dollars (\$200), payable to "Puerto Rico Electric Power Authority", to cover administrative costs in processing such assignment.---

Article 10. Information and Material Facts



10.1 PREPA shall promptly provide to Consultant all information under the control of PREPA and necessary for Consultant to perform the Services under this Contract and those material facts that Consultant may reasonably require in order to provide its Services to PREPA. PREPA will ensure, to the best of its knowledge and belief, that the documents, data, and other information and material facts provided to Consultant, which are under its control, are true and complete, and does not constitute misleading or inaccurate information and Consultant shall be entitled to rely on the accuracy and completeness of the documents, data, and other information and material facts.-----

10.2 PREPA will advise in writing Consultant of any developments of which PREPA becomes aware, and which PREPA considers may have a material effect with respect to the information and/or facts provided to Consultant. -----

Article 11. Information Disclosure and Confidentiality

11.1 The Parties shall take all reasonable steps to keep confidential and use only for the purposes contemplated by the terms of the Contract the information provided by PREPA and/or Consultant, and take all reasonable steps to ensure that such information is not disclosed or distributed by its employees or agents in violation of the terms of this Contract.-----

11.2 The Parties also agree that, except as agreed to in writing by both Parties, they will not, at any time after termination of this Contract, disclose any confidential information to any person whatsoever, or permit any person whatsoever to examine and/or make copies of any reports prepared by Consultant or under its control by reason of its consulting services, and that upon termination of this Contract each Party will turn over to the other all documents, papers, and other matters in its possession or under its control that relate to the other Party. Consultant may retain one file copy for its records.-----

11.3 The term “confidential information” shall include, but not be limited to, all information provided to Consultant by PREPA or at PREPA’s direction regarding its facilities or operations and any and all information gathered or developed by Consultant regarding the same. The Parties further agree that proprietary records and documents related to Consultant’s business operations are confidential to Consultant and will not be disclosed to PREPA or other Parties, except as ordered by the court. The Parties agree that PREPA will resist any

attempt by opposing counsel or other Parties to obtain Consultant's proprietary information. The term "confidential information", however, will not include information that:-----

- (i) is or becomes public other than through a breach of this Contract;
- (ii) is known to the receiving Party prior to the date of this Contract and with respect to which the receiving Party does not have any obligation of confidentiality; or
- (iii) is independently developed by the receiving Party without use of, or reference to, confidential information.

11.4 The Parties acknowledge that disclosure of any confidential information by either Party will give rise to irreparable harm to the injured Party inadequately compensable in damages. Accordingly, either Party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies, which may be available.----

11.5 If this Contract terminates for any reason, Consultant shall maintain in strictest confidence both; during the term of this Contract and subsequent to termination of this Contract, and shall not during the term of this Contract or thereafter disclose or divulge to any person, firm, or corporation, or use directly or indirectly, for its own benefit or the benefit of others, any information which in good faith and good conscience ought to be treated as confidential information including, without limitation, information relating to PREPA's operations or trade secrets

relating to the business or affairs of PREPA which Consultant may acquire or develop in connection with or as a result of the performance of the Services hereunder. In the event of an actual or threatened breach by Consultant of the provisions of this paragraph, PREPA shall be entitled to injunctive relief for such breach. Nothing herein shall be construed as prohibiting PREPA from pursuing any other legal remedies available, including the recovery of damages from Consultant.-----

11.6 The above provisions do not apply with respect to information, which Consultant is requested to disclose under applicable law and regulations, court order, subpoena or governmental directives, in which case Consultant shall provide PREPA prompt notice of such request in order to procure for PREPA a reasonable opportunity to oppose such disclosure. Consultant agrees to expeditiously notify and submit to PREPA a copy of any court order or subpoena and to the extent possible provide any assistance to PREPA (in the form of documents) regarding the submission of such information.-----

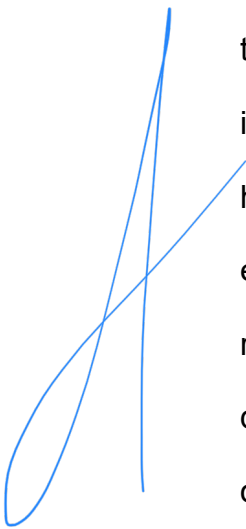
11.7 With respect to this Contract and any information supplied in relation with this Contract and designated by the disclosing Party as confidential, the recipient agrees to: (i) protect the confidential information in a reasonable and appropriate manner and in accordance with applicable professional standards; (ii) use confidential information only to perform its obligations under this Contract; and

(iii) reproduce confidential information only as required to perform its obligations under this Contract.-----

Article 12. Rights and Titles

12.1 The Consultant will submit any reports reasonably required by PREPA regarding the Services performed under this Contract. If required by PREPA, at the completion of any assigned task, the Consultant will submit a final written report describing the work it has performed. This requirement shall not be interpreted as a waiver by PREPA of Consultant's ethical obligation and responsibility of keeping PREPA informed of the progress of the assigned matters. -----

12.2 All rights, titles and interest in any reports, documents, analyses, investigations and any other by-product conceived or developed by the Consultant exclusively for PREPA as a result of performing its obligations under this Contract shall be the exclusive property of PREPA. The Consultant shall retain all right, title, and interest in and to proprietary works of authorship, pre-existing or otherwise, that have not been created specifically for PREPA under this Contract. With the exception of items marked as "CONFIDENTIAL" by the Consultant, PREPA shall retain the right to use, refer, share, or provide to any third party, as PREPA may determine, the results of any reports, documents, analyses, investigations or any other by-product of the Services performed by the Consultant under this Contract.-----



Article 13. Copyright

Consultant and PREPA shall jointly defend any suit or action brought against either party based on a claim that any document, report, study, analysis, copyrighted composition, article or any by-product of those, either used in the performance of the Services by Consultant or provided to PREPA by Consultant as part of its Services, or used in the performance of this Contract, including their use by PREPA, constitutes an infringement of any patents or copyrights of the United States. The Party of this Contract subject to the claim or that becomes aware of a potential claim shall promptly notify in writing the other Party of this Contract, and give the authority, information, and assistance reasonable and necessary for the defense of such claim.-----

Article 14. Warranty

14.1 Consultant warrants that it shall perform the Services in accordance with the applicable standards of care and diligence at the time of performance of the Services, and which are normally practiced and recognized in performing services of a similar nature (the "Standard"). Should any of the Services provided by Consultant not fulfill the above established Standard, Consultant shall take all necessary corrective measures to rectify such deficient Services, at its own and exclusive cost, whenever such course of action is possible or desirable. The rectification of deficient Services by Consultant shall not be understood as a waiver by PREPA to any other remedy it may have under this Contract or under the law or equity for any damages that Consultant's may have

caused to it by rendering such deficient Services.-----

14.2 No other warranty, express or implied, is made or intended by this Contract, by furnishing oral or written reports of findings made, or by any other act of Consultant. -----

Article 15. Responsibility for Damages

The appearing Parties agree that their responsibilities for damages under this Contract will be governed by the Puerto Rico Civil Code and its case law, as dictated by the Supreme Court of Puerto Rico.-----

Article 16. Independent Contractor

16.1 Consultant shall be considered as an independent contractor, for all material purposes under this Contract, and all persons engaged or contracted by Consultant for the performance of its obligations herein, shall be considered as its employees or agents, and not as employees or agents of PREPA.-----

16.2 As an independent contractor, Consultant shall not be entitled to any fringe benefits, such as, but not limited to vacation, sick leave, and to which PREPA's employees are entitled.-----

Article 17. Employees not to Benefit

No officer, employee or agent of PREPA, nor of the Government of the Commonwealth of Puerto Rico or its Municipal Governments shall be admitted to any share or part of this Contract or to any benefit that may arise therefrom.-----

Article 18. Conflict of Interest

18.1 Consultant certifies that none of its representatives under this Contract receive payment or compensation of any nature, for the services regularly rendered through an appointment in another government agency, body, public corporation or municipality of Puerto Rico. Consultant also certifies that it may have other consulting services contracts with other governmental agencies or bodies, but such condition does not constitute a conflict of interest for Consultant.-----

18.2 Consultant acknowledges that in executing its services pursuant to this Contract it has a duty of complete loyalty towards PREPA which includes not having conflict of interest. "Conflict of Interest" means representing clients who have or may have interests that are contrary to PREPA, but does not include rendering services that are unrelated to the services covered in this Contract. Also, Consultant shall have the continuous obligation to disclose to PREPA all information and circumstances of its relations with clients and third persons that would result in a conflict of interest which would influence the Consultant when performing its responsibilities under this Contract.-----

18.3 The Parties understand and agree that a conflict of interest exists when Consultant must advocate a position or outcome on behalf of any existing or future client that is contrary to PREPA's interests. Also, any conduct defined in the Rules of Professional Conduct regarding conflict of interests shall apply to Consultant and its personnel.-----

18.4 In the event that any of the partners, directors, agents or employees of Consultant engaged in providing services under this Contract should incur in the conduct described herein, said conduct shall constitute a violation of the prohibitions provided herein.-----

18.5 Consultant's partners, directors, agents or employees and personnel, if any, shall avoid even the appearance of the existence of conflicting interests.-----

18.6 Consultant acknowledges that PREPA's Chief Executive Officer shall have the power to intervene with the acts of Consultant and/or its agents, employees, and subcontractors regarding the enforcement of the prohibitions contained herein. In the event that the existence of adverse interests is discovered, the PREPA's Chief Executive Officer shall inform Consultant in writing of PREPA's intention to terminate this Contract within a thirty (30) day period. During said period, Consultant may request a hearing with the Chief Executive Officer to present its arguments regarding the alleged conflict of interests. In the event that Consultant does not request such hearing during the specified thirty (30) day period or the controversy is not satisfactory settled during the hearing, this Contract shall be canceled.-----

18.7 The Consultant certifies that, at the time of the execution of this Contract, it does not have nor does it represents anyone who has Conflict of Interests with PREPA. If such Conflict of Interest arises after the execution of the Contract, the Consultant shall notify PREPA immediately.-----

Article 19. Notices

All notices and other communications hereunder shall be in writing and shall be deemed given when delivered personally or sent by telecopy, or postage prepaid, by registered, certified or express mail (return receipt requested) or reputable overnight courier service and shall be deemed given when so delivered by hand, or telecopied, or if mailed, three days after mailing (one business day in the case of express mail or overnight courier service) to the Parties to the following addresses:-----

To PREPA: Puerto Rico Electric Power Authority
PO Box 364267
San Juan, Puerto Rico 00936-4267

Attention: José F. Ortiz Vázquez
Chief Executive Officer

To Consultant: HGE, P.S.C.
PO Box 190953
San Juan, Puerto Rico 00919

Attention: Alan Heinsen
President

Article 20. Applicable Law and Venue

This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico. Also, the Parties expressly agree that only the state courts of Puerto Rico will be the courts of competent and exclusive jurisdiction to decide over the judicial controversies that the appearing Parties may have among them regarding the terms and conditions of this Contract.-----

Article 21. Change in Law

During the term of this Contract, any change in law, including, but not limited to changes in applicable tax law, which cause an increase in Consultant's costs when providing the services, shall be Consultant's responsibility and PREPA shall not be obligated to increase the Contract Amount.-----

Article 22. Force Majeure

22.1 The Parties shall be excused from performing their respective responsibilities and obligations under this Contract and shall not be liable in damages or otherwise, if and only to the extent that they are unable to perform or are prevented from performing by a force majeure event. -----

22.2 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.-----

22.3 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 services 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 event, 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 event has occurred shall be on the Party claiming the force majeure.-----

Article 23. Novation

23.1 The Parties expressly agree that no amendment or change order, which could be made to the Contract during its term, shall be understood as a contractual novation, unless both Parties agree to the contrary, specifically and in writing.-----

23.2 The previous provision shall be equally applicable in such other cases where PREPA gives Consultant a time extension for the compliance of any of its obligations under this Contract, or where PREPA dispenses the claim or demand of any of its credits or rights under the Contract. -----

Article 24. Severability

If a court of competent jurisdiction declares any of the Contract provisions as null and void or invalid, such holding will not affect the validity and effectiveness of the remaining provisions of this Contract and the Parties agree to comply with their respective obligations under such provisions not included in the judicial declaration.-----

Article 25. Save and Hold Harmless

The Consultant agrees to save and hold harmless and to indemnify PREPA for all expenses and costs of any nature (including reasonable attorneys' fees) incurred by PREPA arising out of any third party claim made by any person for bodily injuries,

including death, or for property damage, to the extent directly caused by the Consultant by the negligent act or omission, in the performance or nonperformance of its obligations under the Contract, but not to the point directly caused by negligence or tort of PREPA or a third party, which is not an employee or subcontractor of the Consultant.-
With respect to any indemnity set forth in this Contract, each indemnity shall give prompt notice of its receipt of any threat, indication or other notice of any claim, investigation or demand that might give rise to any losses required to be indemnified hereunder and shall reasonably cooperate in the defense of such claim. The indemnifying party shall have the right to conduct defense of such action at its sole expense.-----

Article 26. Insurance

The Consultant shall secure and maintain in full force and effect during the life of this Contract as provided herein, policies of insurance covering all operations engaged in by the Contract as follows:-----

1. Commonwealth of Puerto Rico Workmen’s Compensation Insurance:

The Consultant shall provide Workmen’s Compensation Insurance as required by the Workmen’s Compensation Act 45-1935 of the Commonwealth of Puerto Rico. The Consultant shall also be responsible for compliance with said Workmen’s Compensation Act by all its sub-contractors, agents, and invitees, if any.-----

The Consultant shall furnish a certificate from the Puerto Rico State Insurance Fund showing that all personnel employed in the work are covered by the Workmen's Compensation Insurance, in accordance with this Contract.-----

2. Employer's Liability Insurance:

The Consultant shall provide Employer's Liability Insurance with a minimum bodily injury limits of at least \$1,000,000 for each employee and at least \$1,000,000 for each accident covering against the liability imposed by Law upon the Consultant as result of bodily injury, by accident or disease, including death arising out of and in the course of employment, and outside of and distinct from any claim under the Workmen's Compensation Act of the Commonwealth of Puerto Rico.-----

3. Commercial General Liability Insurance:

The Consultant shall provide a Commercial General Liability Insurance with limits of at least \$1,000,000 per occurrence and at least \$1,000,000 aggregate. -----

4. Commercial Automobile Liability Insurance:

The Consultant shall provide a Commercial Automobile Liability Insurance with limits of at least \$1,000,000 combined single limit covering all owned or schedule autos, non-owned autos, and hired automobiles.-----

5. Professional Liability Insurance:

The Consultant shall provide a Professional Liability Insurance with limits of at least \$1,000,000 per claim and at least \$1,000,000 aggregate. -----

Requirements under the Policies:

The Commercial General Liability and Commercial Automobile Liability Insurance required under this Contract shall be endorsed to include:-----

a. As Additional Insured:

Puerto Rico Electric Power Authority (PREPA)
Risk Management Office
PO Box 364267
San Juan, Puerto Rico 00936-4267

- b. A 30 day cancellation or nonrenewable notice to be sent to the above address
- c. An endorsement including this Contract under contractual liability coverage and identifying it by number, date and Parties to the contract
- d. Waiver of subrogation in favor of Puerto Rico Electric Power Authority (PREPA).-----

e. Breach of Warranties or Conditions:-----

“The Breach of any of the Warranties or Conditions in this policy by the Insured shall not prejudice PREPA’s rights under this policy.”-----

Furnishing of Policies:

All required policies of insurance shall be in a form acceptable to PREPA and shall be issued only by insurance companies authorized to do business in Puerto Rico.-----

The Consultant shall furnish a certificate of insurance in original signed by an authorized representative of the insurer in Puerto Rico, describing the coverage afforded.-----

Article 27. Compliance with the Commonwealth of Puerto Rico Contracting Requirements

To the extent permitted by the emergency situation caused by the COVID-19 global pandemic, Consultant will continue complying with all applicable State Law, Regulations or Executive Orders that regulate the contracting process and requirements of the Commonwealth of Puerto Rico. The Consultant shall provide, while the Puerto Rico's government agencies allows it, the certifications identified in this Article. If any of the Certifications, with exception of the Sworn statement in accordance with Anticorruption Code, is not available, PREPA will provide the Consultant additional days to provide them.-----

A. Executive Order No. OE-1991-24 of June 18, 1991 to require certification of compliance with the Internal Revenue Services of the Commonwealth of Puerto Rico: Pursuant to Executive Order No. OE-1991-24 of June 18, 1991, the Consultant will certify and guarantee that it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last five (5) years. The Consultant further will certify that it has complied and is current with the payment of any and all income taxes that are, or were due, to the Government of Puerto Rico. The Consultant shall provide, to the satisfaction of PREPA, and whenever requested by PREPA during the term of this Contract, the necessary documentation to support its compliance with this clause. The Consultant will be given a specific amount of time to produce said documents. During the term

of this Contract, the Consultant agrees to pay and/or to remain current with any repayment plan agreed to by the Consultant with the Government of Puerto Rico. ----

B. Executive Order No. OE-1992-52 of August 28, 1992 to require certification of compliance with the Department of Labor of the Commonwealth of Puerto Rico. Pursuant to Executive Order No. 1992-52, dated August 28, 1992 amending OE-1991-24, the Consultant will certify and warrant that it has made all payments required for unemployment benefits, workmen's compensation and social security for chauffeurs, whichever is applicable, or that in lieu thereof, has subscribed a payment plan in connection with any such unpaid items and is in full compliance with the terms thereof. The Consultant accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every contractor and subcontractor, if any approved by PREPA, whose service the Consultant has secured in relation with the services to be rendered under this Contract and shall forward evidence to PREPA as to its compliance with this requirement.-----

C. Government of Puerto Rico Municipal Tax Collection Center: The Consultant will certify and guarantee that it does not have any current debt with regards to property taxes that may be registered with the Government of Puerto Rico's Municipal Tax Collection Center (known in Spanish as *Centro de Recaudación de Ingresos Municipales* ("CRIM")). The Consultant further will certify to be current with the payment of any and all property taxes that are or were due to the Government of

Puerto Rico. The Consultant shall provide, to the satisfaction of PREPA and whenever requested by PREPA during the term of this Contract, Certification issued by the Municipal Revenues Collection Center (MRCC), assuring that Consultant does not owe any tax accruing to such governmental agency. To request such Certification, Consultant will use the form issued by the MRCC (called "*CRIM-Certificados, Radicación, Estado de Cuenta y Todos los Conceptos*" in the website).

The Consultant will deliver upon request any documentation requested by PREPA. During the Term of this Contract, the Consultant agrees to pay and/or to remain current with any repayment plan agreed to by the Consultant with the Government of Puerto Rico with regards to its property taxes.-----

The Consultant shall provide a Personal Property Tax Filing Certification, issued by the MRCC which indicates that Consultant has filed its Personal Property Tax Return for the last five (5) contributory terms or Negative Debt certification issued by the MRCC with respect to real and property taxes and a sworn statement executed by Consultant indicating that (i) its revenues are derived from the rendering of professional services, (ii) during the last five (5) years (or the time in which it has been providing professional services) it has had no taxable business or personal property on the 1st of January of each year, (iii) that for such reasons it has not been required to file personal property tax returns, as required under Article 6.03 of Act 83-1991, as amended, and (iv) that for such reason it does not have an electronic tax file in the MRCC's electronic system.-----

- D. The Consultant shall provide a Puerto Rico Sales and Use Tax Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that Consultant has filed his Puerto Rico Sales and Use Tax for the last sixty (60) contributory periods. -----
- E. The Consultant shall provide a copy of Consultant's Certificate of Merchant's Registration issued by the Treasury Department of Puerto Rico. -----
- F. Puerto Rico Child Support Administration (*ASUME*): The Consultant shall present, to the satisfaction of PREPA, the necessary documentation certifying that the Consultant nor any of its owners, affiliates of subsidiaries, if applicable, have any debt, outstanding debt, or legal procedures to collect child support payments that may be registered with the Puerto Rico Child Support Administration (known in Spanish as the *Administración Para El Sustento de Menores (ASUME)*). The Consultant will be given a specific amount of time to deliver said documents. 3 L.P.R.A. § 8611 et seq.;-----
- G. The Consultant shall provide a Good Standing Certificate issued by the Department of State of Puerto Rico.-----
- H. The Consultant shall provide a Certification of Incorporation, or Certificate of Organization or Certificate of Authorization to do business in Puerto Rico issued by the Department of State of Puerto Rico.-----
- I. Special Contribution for Professional and Consulting Services: As required by Act 48-2013, as amended, PREPA will withhold a special contribution of one point five percent (1.5%) of the gross amounts paid under this Contract.-----

J. Social Security and Income Tax Retentions: In compliance with Executive Order 1991 OE- 24; and C.F.R. Part 404 et. Seq., the Consultant will be responsible for rendering and paying the Federal Social Security and Income Tax Contributions for any amount owed as a result of the income, from this Contract.-----

K. Income Tax Retention Law: PREPA shall deduct and withhold ten percent (10%) of any and all payments to residents of the Commonwealth of Puerto Rico as required by the Internal Revenue Code of Puerto Rico. In case of US citizens and Non-US citizens, which are nonresidents of the Commonwealth of Puerto Rico the Consultant will retain twenty percent (20%) and twenty-nine percent (29%) respectively. PREPA will remit such withholdings to the Government of Puerto Rico's Treasury Department (known in Spanish as *Departamento de Hacienda de Puerto Rico*). The Consultant will request PREPA not to make such withholdings if, to the satisfaction of PREPA, the Consultant timely provides a release from such obligation by the Government of Puerto Rico's Treasury Department. 3 L.P.R.A. § 8611 et seq., 2011 L.P.R. 232; 232-2011.-----

L. Compliance with Act No. 1 of Governmental Ethics: The Consultant will certify compliance with Act 1 of January 3, 2012, as amended, known as the Ethics Act of the Government of Puerto Rico, which stipulates that no employee or executive of PREPA nor any member of his/he immediate family (spouse, dependent children or other members of his/her household or any individual whose financial affairs are under the control of the employee) shall have any direct or indirect pecuniary interest

in the services to be rendered under this Contract, except as may be expressly authorized by the Governor of Puerto Rico in consultation with the Secretary of Treasury and the Secretary of Justice of the Government. 3 L.P.R.A. § 8611 et seq.;-----

M. Act 168-2000: Act for the Strengthening of the Family Support and Livelihood of Elderly People: The Consultant will certify that if there is any Judicial or Administrative Order demanding payment or any economic support regarding Act 168-2000, as amended, the same is current and in all aspects in compliance. Act 168-2000 “*Law for the Strengthening of the Family Support and Livelihood of Elderly People*” in Spanish: “*Ley para el Fortalecimiento del Apoyo Familiar y Sustento de Personas de Edad Avanzada*”, 3 L.P.R.A. § 8611 et seq.-----

N. Act 127-2004: Contract Registration in the Comptroller’s Office of Puerto Rico Act: Payment for services object of this Contract will not be made until this Contract is properly registered in the Office of the Comptroller of the Government of Puerto Rico pursuant to Act 18 of October 30, 1975, as amended.-----

O. Prohibition with respect to execution by public officers: 3 L.P.R.A. § 8615(c): No public officer or employee authorized to contract on behalf of the executive agency for which he/she works may execute a contract between the agency for which he/she works and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.-----

P. Prohibition with respect to contracting with officers or employees: 3 L.P.R.A. § 8615(d): No executive agency may execute a contract in which any of its officers or employees or any member of their family units has or has had direct or indirect economic interest during the last four (4) years prior to their holding office, unless the Governor gives authorization thereto with the previous recommendation of the Secretary of the Treasury and the Secretary of Justice.-----

Q. Prohibition with respect to contracts with officers and employees of other Government entities: 3 L.P.R.A. § 8615(e): No public officer or employee may be a party to or have any interest in any profits or benefits produced by a contract with any other executive agency or government dependency unless the Governor gives express authorization thereto with previous recommendation from the Secretary of the Treasury and the Secretary of Justice.-----

R. Prohibition with respect to evaluation and approval by public officers: 3 L.P.R.A. § 8615(f): No public officer or employee who has the power to approve or authorize contracts shall evaluate, consider, approve or authorize any contract between an executive agency and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.-----

S. Prohibition with respect to execution by public officers' contracts with former public officers: 3 L.P.R.A. § 8615(h): No executive agency shall execute contracts with or for the benefit of persons who have been public officers or employees of said

executive agency until after two (2) years have elapsed from the time said person has ceased working as such.-----

T. Dispensation: Any and all necessary dispensations have been obtained from any government entity and that said dispensations shall become part of the contracting record.-----

U. Rules of Professional Ethics: The Consultant acknowledges and accepts that it is knowledgeable of the rules of ethics of his/her profession and assumes responsibility for his/her own actions.-----

V. Provisions Required under Act 14-2004: Consultant agrees that articles extracted, produced, assembled, packaged or distributed in Puerto Rico by enterprises with operations in Puerto Rico, or distributed by agents established in Puerto Rico shall be used when the service is rendered, provided that they are available.-----

If any of the previously required Certifications shows a debt, and Consultant has requested a review or adjustment of this debt, Consultant will certify that it has made such request at the time of the Contract execution. If the requested review or adjustment is denied and such determination is final, Consultant will provide, immediately, to PREPA a proof of payment of this debt; otherwise, Consultant accepts that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments.-----

Article 28. Anti-Corruption Code for a New Puerto Rico

Consultant agrees to comply with the provisions of Act 2-2018, as the same may be amended from time to time, which establishes the Anti-Corruption Code for a New Puerto Rico. The Consultant hereby certifies that it does not represent particular interests in cases or matters that imply a conflicts of interest, or of public policy, between the executive agency and the particular interests it represents.-----

Consultant shall furnish a sworn statement to the effect that neither Consultant nor any president, vice president, executive director or any member of a board of officials or board of directors, or any person performing equivalent functions for Consultant has been convicted of or has pled guilty to any of the crimes listed in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico or any of the crimes included in Act 2-2018.-----

Consultant hereby certifies that it has not been convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in

Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.-----

PREPA shall have the right to terminate the Contract in the event Consultant is convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.-----

Consequences of Non-Compliance: The Consultant expressly agrees that the conditions outlined throughout this Article are essential requirements of this Contract. Consequently, should any one of these representations, warranties or certifications be incorrect, inaccurate or misleading, in whole or in part, there shall be sufficient cause for the PREPA to render this Contract null and void, and the Consultant shall reimburse the PREPA all moneys received under this Contract.-----

ARTICLE 29. COMPLIANCE WITH APPLICABLE FEDERAL LAW, REGULATIONS, AND EXECUTIVE ORDERS

29.1 Contract Work Hours and Safety Standards Act (40 U.S.C. 3701–3708)-----

A. Overtime requirements. No contractor or subcontractor contracting for any part of the Contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.-----

B. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (A) of this section the Consultant and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (A) of this section, in the sum of \$27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (A) of this section.-----

C. Withholding for unpaid wages and liquidated damages. The Government of Puerto Rico shall upon its own action or upon written request of an authorized



representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (B) of this section.-----

D. Subcontracts. The Consultant or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (A) through (D) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (A) through (D) of this section.-----

29.2 Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended). Consultant certifies that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place

in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient (COR3). Consultant shall also submit to PREPA the required certification regarding lobbying, 44 C.F.R. Part 18 attached to this Contract as Appendix. -----

29.3 Remedies. Any violation or breach of terms of this Contract on the part of the Consultant or a subcontractor may result in the suspension or termination of this Contract or such other action, including the recovery of damages, as may be necessary to enforce the rights of PREPA. The duties and obligations imposed by this Contract and the rights and remedies available hereunder shall be in addition to, and not a limitation of, any duties, obligations, rights, and remedies otherwise imposed or available by law. Upon a material breach by Consultant, PREPA may utilize any remedy available by law, including precluding Consultant from further work with PREPA in the future and recommend suspension and debarment.-----

29.4 Clean Air Act and the Federal Water Pollution Control Act.-----

A. The Consultant agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq., and the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.-----

B. The Consultant agrees to report each violation to PREPA and understands and agrees that PREPA will, in turn, report each violation as required to

assure notification to COR3, Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.-----

C. The Consultant agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance.-----

29.5 Changes. At any time, and only through a written change order instruction, PREPA may make changes in the Services or work to be performed within the general scope of this Contract. If such changes cause an increase or decrease in Consultant's cost of, or time required for, performance of any services under this Contract, an equitable adjustment shall be made and this Contract shall be modified in writing accordingly, provided, however, that no changes shall be made to the scope of the Services that would render the costs incurred in the performance of this Contract ineligible for, unallowable or not allocable under, outside the scope of, or not reasonable for the completion of, Federal grant awards from FEMA or any other U.S. federal agency.-----

29.6 Sufficiency of Funds. The Consultant recognizes and agrees that all or a portion of the funding for this Contract shall be derived from assistance awarded by Federal agencies of the United States of America to PREPA or the Government of Puerto Rico. As part of its obligations under this Contract, Consultant shall ensure that the work performed hereunder is eligible for funding by complying with all applicable Federal law, regulations, executive orders, Federal agency policy, procedures, directives and guidelines. If during the term of this Contract, Federal

or local funding is reduced, deobligated, or withdrawn, PREPA may reduce the scope of or terminate the Contract, without penalty, by providing written notice to Consultant of the changes in scope or termination. PREPA shall not be obligated to pay nor shall be held financially liable if any work performed by Consultant under this Contract is deemed ineligible by any Federal agency. The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to PREPA, Consultant, or any other party pertaining to any matter resulting from this Contract.-----

29.7 FEMA Disaster Assistance Survivor/Registrant Data-----

A. If the Consultant has access to Disaster Assistance Survivor/Registrant data or any other personally identifiable information, the Consultant shall comply with the provisions of the Terms and Conditions for Sharing FEMA Disaster Assistance Survivor/Registrant Data with State Governments set forth in the FEMA-Government of Puerto Rico Contract for FEMA-4339-DR-PR.-----

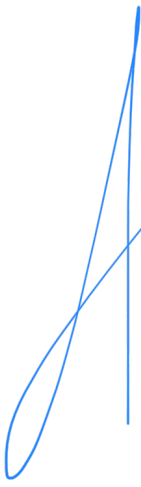
B. The Consultant shall indemnify, defend, and hold harmless PREPA and the Government of Puerto Rico for any and all costs associated with the defense of that litigation, including costs and attorneys' fees, settlements, or adverse judgments arising from the Consultant's failure to comply with the requirements under this Contract.-----

29.8 Costs. All costs incurred by the Consultant in performance of this Contract must be in accord with the cost principles of 2 C.F.R. pt. 200, Subpart E. PREPA shall

not be required to make payments to the Consultant for costs which are found to be contrary to the cost principles 2 C.F.R. pt. 200, Subpart E.-----

29.9 Financial Management System. The Consultant's financial management system shall provide for the following: -----

- A. accurate, current and complete disclosure of the financial results of this Contract and any other contract, grant, program, or other activity administered by the Consultant;-----
- B. records adequately identifying the source and application of all Consultant funds and all funds administered by the Consultant which shall contain information pertaining to all contract and grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays and income, and shall be segregated by contract or on a contract-by-contract basis;-----
- C. effective internal control structure over all funds, property and other assets, sufficient to allow the Consultant to adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes;-----
- D. comparison of actual outlays with budgeted amounts for this Contract and for any other contract, grant, program or other activity administered by the Consultant;-----
- E. accounting records supported by source documentation;-----
- F. procedures to minimize elapsed time between any advance payment issued and the disbursement of such advance funds by the Consultant; and-----



G. procedures consistent with the provisions of any applicable policies of the Federal Government and the Government of Puerto Rico and procedures for determining the reasonableness, eligibility, allowability and allocability of costs under this Contract.-----

29.10 Penalties, Fines, and Disallowed Costs. In the event that any U.S. Federal agency or the Government of Puerto Rico disallows or demands repayment for costs incurred in the performance of this Contract, or if any penalty is imposed due to an act or omission by the Consultant, the Consultant shall be solely responsible for such penalty, disallowed costs, or repayment demand, and shall reimburse PREPA in full within ten (10) days of receiving notice from PREPA of such penalty, disallowance, or repayment demand. Any monies paid by the Consultant pursuant to this provision shall not relieve the Consultant of liability to PREPA for damages sustained by PREPA by virtue of any other provision of this Contract.-----

29.11 Debarment, Suspension, and Ineligibility -----

A. This Contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such the Consultant represents and warrants that none of the Consultant, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935). The Consultant further represents and warrants that it will not enter into any contracts or

subcontracts with any individual or entity which has been debarred, suspended or deemed ineligible under those provisions. During the term of this Contract, the Consultant will periodically review SAM.gov and local notices to verify the continued accuracy of this representation. The Consultant shall require all subcontractors at every tier to comply with this requirement.---

B. The Consultant must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.-----

C. This certification is a material representation of fact relied upon by PREPA. If it is later determined that the Consultant did not comply with 2 C.F.R. pt. 180, subpart C, an 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the Government of Puerto Rico and PREPA, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.-----

29.12 Reporting Requirements. The Consultant shall complete and submit all reports, in such form and according to such schedule, as may be required by PREPA.-----

29.13 Review of Laws. The Consultant certifies that it will access online and read each law that is cited in the aforementioned clauses and that, in the event it cannot access the online version, it will notify PREPA in order to obtain printed copies of the laws. Not requiring a printed copy of the laws to PREPA will be evidence that the Consultant was able to find it online and read it as required.-----


29.14 Notice of Federal Emergency Management Agency (FEMA) Reporting Requirements and Regulations.-----

A. PREPA is using Federal grant funding awarded or administered by FEMA to the Government of Puerto Rico and/or PREPA to pay, in full, for the costs incurred under this Contract. As a condition of FEMA funding under major disaster declaration FEMA-4339-DR-PR, FEMA requires the Government of Puerto Rico PREPA to provide various financial and performance reporting. The Consultant agrees to provide all information, documentation, and reports necessary to satisfy these reporting requirements. Failure by the Consultant to provide information necessary to satisfy these reporting requirements may result in loss of Federal funding for this Contract, and such failure shall be a material breach of this Contract.-----

B. Applicable Regulations and Policy. Applicable regulations, FEMA policy, and other sources setting forth these reporting requirements include, but are not limited to:-----

- i. 2 C.F.R. § 200.327 (Financial Reporting);-----
- ii. 2 C.F.R. § 200.328 (Monitoring and Reporting Program Performance);-----
- iii. Performance and financial reporting requirements set forth in 2 C.F.R. Part 206.-----

29.15 Access to Records.-----

- 
- A. The Consultant agrees to provide PREPA, the Government of Puerto Rico, the FEMA Administrator, the Secretary of HUD, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Consultant which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts, and transcriptions.-----
 - B. The Consultant agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.-----
 - C. The Consultant agrees to provide the FEMA Administrator, the Secretary of HUD, or his authorized representatives access to work sites pertaining to the work being completed under the Contract.-----

29.16 Record Retention Requirements. The Consultant agrees to maintain all books, records, accounts, and reports and all other records produced or collected in connection with this Contract for a period of not less than three (3) years after the date of final payment and closeout of all pending matters related to this Contract. If any litigation, claim, or audit is reasonably anticipated to arise or is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.-----

29.17 Program Fraud and False or Fraudulent Statements or Related Acts. The Consultant acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Consultant's actions pertaining to this Contract.-----

29.18 Procurement of Recovered Materials. In the performance of this Contract, the Consultant shall make maximum use of products containing recovered materials that are Environmental Protection Agency ("EPA") designated items unless the product cannot be acquired.-----

A. competitively within a timeframe providing for compliance with the Contract performance schedule;-----

B. meeting Contract performance requirements; or -----

C. at a reasonable price.-----

D. Information about this requirement, along with the list of EPA-designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpgprogram>.

29.19 Energy Efficiency. The Consultant agrees to comply with the requirements of 42 U.S.C. § 6201, which contain policies relating to energy efficiency that are defined in the Government of Puerto Rico's energy conservation plan issued in compliance with said statute.-----


29.20 Equal Employment Opportunity [REQUIRED ONLY IF THIS CONTRACT MEETS THE DEFINITION OF 'FEDERALLY ASSISTED CONSTRUCTION CONTRACT']

AS PROVIDED IN 41 C.F.R. § 60-1.3]. During the performance of this Contract, the Consultant agrees as follows:-----

A. The Consultant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Consultant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment, or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.-----

B. The Consultant will, in all solicitations or advertisements for employees placed by or on behalf of the Consultant, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.-----

C. The Consultant will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or



applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Consultant's legal duty to furnish information.-----

- D. The Consultant will send to each labor union or representative of workers with which it has a collective bargaining Contract or other contract or understanding (if any) a notice advising the labor union or workers' representative of the Consultant's commitments under section 202 of the US Executive Order 11246 of September 24, 1965, as amended, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.-----
- E. The Consultant will comply with all provisions of Executive Order 11246, and of the rules, regulations, and relevant orders of the Secretary of Labor.-----
- F. The Consultant will furnish all information and reports required by Executive Order 11246, and by the rules, regulations, and orders of the Secretary of

Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the Government Entity, the Government of Puerto Rico, and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.-----

G. In the event of the Consultant's non-compliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations, or orders, this Contract may be canceled, terminated or suspended in whole or in part and the Consultant may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.-----

H. The Consultant will include the provisions of paragraphs (1) through (8) in every subcontract or purchase order, unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246, so that such provisions will be binding upon each subcontractor or vendor. The Consultant will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the Consultant becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a

result of such direction, the Consultant may request the United States to enter into such litigation to protect the interests of the United States.-----

29.21 Age Discrimination Act of 1975. The Consultant shall comply with the provisions of the Age Discrimination Act of 1975. No person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity receiving federal financial assistance.-----

29.22 Americans with Disabilities Act. The Consultant shall comply with the appropriate areas of the Americans with Disabilities Act of 1990, as enacted and from time to time amended, and any other applicable federal regulation. A signed, written certificate stating compliance with the Americans with Disabilities Act may be requested at any time during the term of this Contract. -----

29.23 Title VI of the Civil Rights Act of 1964. The Consultant shall comply with the provisions of Title VI of the Civil Rights Act of 1964. No person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.-----

29.24 Section 504 of the Rehabilitation Act of 1973, as amended. The Consultant agrees that no otherwise qualified individual with disabilities shall, solely by reason of his disability, be denied the benefits, or be subjected to discrimination

including discrimination in employment, any program or activity that receives the benefits from the federal financial assistance.-----

29.25 Drug-Free Workplace. The Consultant shall maintain a drug-free work environment in accordance with the Drug-Free Workplace Act of 1988 (41 U.S.C. § 8101 et seq.), and implementing regulations at 2 C.F.R Part 3001.-----

29.26 Compliance with Laws, Regulations, and Executive Orders. The Consultant acknowledges that FEMA financial assistance will be used to fund this Contract.

The Consultant shall comply will all applicable Federal and Government of Puerto Rico law, regulations, executive orders, policies, procedures, and directives, including but not limited to all Federal Cost Principles set forth in 2 C.F.R. Part 200, and all applicable FEMA regulations in 44 C.F.R. Chapter I, and 2 C.F.R. Part 200.-----

29.27 Provisions Required by Law Deemed Inserted. Each and every provision required by law regulation, executive order, policy, procedure, directive, Federal grant award or agreement, or cooperative agreement with any Federal agency to be inserted in this Contract shall be deemed to be inserted herein and the Contract shall be read and enforced as though it were included herein. If, through mistake or otherwise, any provision is not inserted, or is not correctly inserted, then upon the application of either party the Contract shall be amended to make such insertion or correction.-----

29.28 Contract to Execute Other Required Documents. Consultant and all subcontractors, by entering into the Contract, understand and agree that funding for the Services is provided under Federal programs with specific contracting requirements. To the extent any such requirement is not otherwise set forth herein, Consultant agrees to execute such amendments or further agreements as may be necessary to ensure that PREPA receive Federal funding for this Contract.-----

29.29 U.S. Department of Homeland Security Seal, Logo, and Flags. The Consultant shall not use the U.S. Department of Homeland Security seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.-----

29.30 No Obligation by the Federal Government. The Government Entity and the Consultant acknowledge and agree that the Federal Government is not a party to this Contract and is not subject to any obligations or liabilities to PREPA, Consultant, or any other party pertaining to any matter resulting from the contract.

29.31 General. All contracts shall contain a clause identifying the type of Contract and the mandatory clauses contained on the latest released HUD forms, as applicable to the Contract type. All contracts, except for general management consulting services, will include performance requirements and liquidated damages.-----

29.32 Puerto Rico Energy Conservation Plan. Consultant must act in compliance, when applicable, with the mandatory standards and policies relating to energy efficiency which are contained in the Commonwealth's energy conservation plan.-----

29.33 Patent Rights. All contracts are subject to the patent rights with respect to any discovery or invention which arises or is developed during or under such Contract in accordance with 37 C.F.R. Section 401.2(a) and 37 C.F.R. Part 401.-----


29.34 Davis Bacon Act and Copeland Anti-Kickback Act-----

A. Consultant. Consultant shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this Contract.-----

B. Subcontracts. Consultant or subcontractors shall insert in any subcontracts the clause above and such other clauses as FEMA or HUD may by appropriate instructions require, and also a clause requiring the subcontractor to include these clauses in any lower tier subcontracts. Consultant shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.-----

C. Breach. A breach of the contract clauses above may be grounds for termination of the Contract, and for debarment as a contractor and subcontractor as provided in 29 C.F.R. § 5.12.-----

D. HUD Section 3 Clause-----

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- i. The work to be performed under this Contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.-----
 - ii. The Parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.-----
 - iii. Consultant agrees to send to each labor organization or representative of workers with which Consultant has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Consultant's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject

to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.-----

- iv. Consultant agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. Consultant will not subcontract with any subcontractor where Consultant has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.-----
- v. Consultant will certify that any vacant employment positions, including training positions, that are filled (i) after Consultant is selected but before the contract is executed, and (ii) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Consultant's obligations under 24 CFR part 135.-----
- vi. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.-----



vii. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).-----

29.35 HUD Section 3 Requirements -----

A. Section 3 clause required in subcontracts. All Section 3 covered contracts must include a Section 3 clause in accordance with 24 C.F.R. § 135.38. A Section 3 covered contract means a contract or subcontract (including a professional service contract) awarded by a recipient or Consultant for work generated by the expenditure of section 3 covered assistance, or for work arising in connection with a section 3 covered project. "Section 3 covered contracts" do not include contracts for the purchase of supplies and materials. However, whenever a contract for materials includes the installation of the materials, the contract constitutes a section 3 covered contract. For example,

a contract for the purchase and installation of a furnace would be a section 3 covered contract because the contract is for work (i.e., the installation of the furnace) and thus is covered by section 3.-----

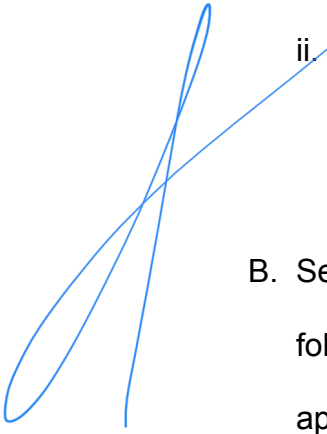
i. "Section 3 covered assistance" means assistance provided under any HUD housing or community development program that is expended for work arising in connection with public construction projects (which includes other buildings or improvements, regardless of ownership).-----

ii. A "Section 3 covered project" means, among other things, public construction which includes buildings or improvements (regardless of ownership) assisted with community development assistance.-----

B. Section 3 minimum contracting goals. Consultant must endeavor to meet the following minimum goals for contracting under HUD funded contracts, as applicable:-----

i. Arising in connection with public construction shall be awarded to Section 3 businesses. Public construction includes infrastructure work, such as extending water and sewage lines, sidewalk repairs, site preparation, installing conduits for utility services, etc.-----

ii. Three (3) percent of the total dollar amount of all non-construction Section 3 covered contracts shall be awarded to Section 3 businesses. Section 3 covered non-construction projects include maintenance contracts, including lawn care, re-painting, routine maintenance, HVAC



servicing, and professional service contracts associated with construction (e.g., architectural, engineering, legal services, accounting, marketing, etc.).-----

C. A Section 3 business is one that can demonstrate it meets one of the following criteria:-----

- i. 51 percent or more owned by Section 3 residents; or -----
- ii. has permanent, full time employees at least 30 percent of whom are currently Section 3 residents, or within three years of the date of first employment with the business concern were Section 3 residents; or -----
- iii. has a commitment to sub-contract in excess of 25 percent of the total dollar award of all sub-contracts to be awarded to such businesses described above.-----

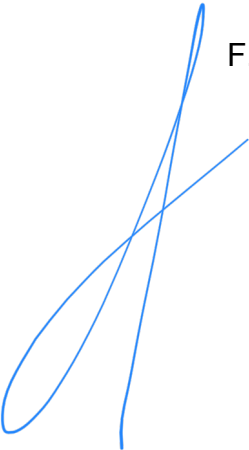
D. Order of preference for Section 3 business concerns in contracting opportunities. Consultant and any subcontractors shall direct their efforts to award section 3 covered contracts, to the greatest extent feasible, to section 3 business concerns in the following order of priority (24 C.F.R. § 135.36), where feasible:-----

- i. section 3 business concerns that provide economic opportunities for section 3 residents in the service area or neighborhood in which the section 3 covered project is located (category 1 businesses); -----



- ii. applicants (as this term is defined in 42 U.S.C. 12899) selected to carry out HUD Youthbuild programs (category 2 businesses); and -----
- iii. other section 3 business concerns. -----

E. Eligibility for preference. A business concern seeking to qualify for a section 3 contracting preference shall certify or submit evidence, if requested, that the business concern is a section 3 business concern as defined in 24 C.F.R. § 135.5.-----

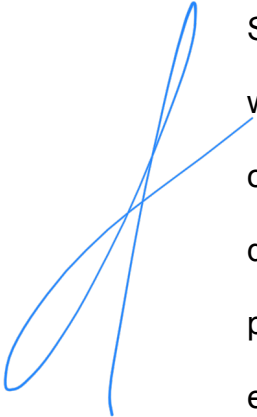


F. Ability to complete contract. A section 3 business concern seeking a contract or a subcontract shall submit evidence to Consultant or Subcontractor (as applicable), if requested, sufficient to demonstrate to the satisfaction of the Party awarding the contract that the business concern is responsible and has the ability to perform successfully under the terms and conditions of the proposed contract. (The ability to perform successfully under the terms and conditions of the proposed contract is required of all contractors and subcontractors subject to the procurement standards of 24 CFR 85.36 (2 CFR 200.318(h).) This regulation requires consideration of, among other factors, the potential Consultant's record in complying with public policy requirements. Section 3 compliance is a matter properly considered as part of this determination.-----

29.36 Additional Fair Labor Standards Provisions (HUD Form 4010)-----

A. Applicability. The project or program to which the construction work covered by this contract pertains is being assisted by the United States of America and the following Federal Labor Standards Provisions are included in this Contract pursuant to the provisions applicable to such Federal assistance.-----

B. Minimum Wages. All laborers and mechanics employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between Consultant and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under Section I (b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of 29 CFR 5. 5(a)(1)(iv); also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs, which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period.



Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under 29 CFR 5.5(a)(1)(ii) and the Davis-Bacon poster (WH-1321) shall be posted at all times by Consultant and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.-----

- i. (a) Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate and fringe benefits therefor only when the following criteria have been met:-----
- (b) The work to be performed by the classification requested is not performed by a classification in the wage determination; and-----
- (c) The classification is utilized in the area by the construction industry; and----


(d) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.-----

ii. If Consultant and the laborers and mechanics to be employed in the classification (if known), or their representatives, and HUD or its designee agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by HUD or its designee to the Administrator of the Wage and Hour Division, Employment Standards Administration, U. S. Department of Labor, Washington, D.C. 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB control number 1215- 0140.)-----

iii. In the event the Consultant, the laborers or mechanics to be employed in the classification or their representatives, and HUD or its designee do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), HUD or its designee shall refer the questions, including the views of all interested parties and the recommendation of HUD or its designee, to the Administrator for



determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)-----

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- iv. The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (B)(1)(b) or (c) of this paragraph, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.-----
 - v. Whenever the minimum wage rate prescribed in the contract for a class of laborer or mechanics includes a fringe benefit which is not expressed as an hourly rate, Consultant shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.-----
 - vi. If Consultant does not make payments to a trustee or other third person, Consultant may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the Consultant, that the applicable standards of the Davis- Bacon Act have been met. The Secretary of Labor may require Consultant to set aside in a separate

account assets for the meeting of obligations under the plan or program.


(Approved by the Office of Management and Budget under OMB Control
Number 1215-0140.)-----

C. Withholding. HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from Consultant under this contract or any other Federal contract with the same prime contractor, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees and helpers, employed by Consultant or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee or helper, employed or working on the site of the work, all or part of the wages required by the contract, HUD or its designee may, after written notice to the Consultant, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased. HUD or its designee may, after written notice to Consultant, disburse such amounts withheld for and on account of Consultant or Subcontractor to the respective employees to

whom they are due. The Comptroller General shall make such disbursements in the case of direct Davis-Bacon Act contracts.-----

D. Payrolls and basic records. Payrolls and basic records relating thereto shall be maintained by Consultant during the course of the work preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in Section I(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5 (a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in Section I(b)(2)(B) of the Davis-Bacon Act, Consultant shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Consultants employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and

certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs. (Approved by the Office of Management and Budget under OMB Control Numbers 1215-0140 and 1215-0017.)-----



i. (a) Consultant shall submit weekly for each week in which any contract work is performed a copy of all payrolls to HUD or its designee if the agency is a Party to the contract, but if the agency is not such a Party, Consultant will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i) except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e. g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Website at <http://www.dol.gov/esa/whd/forms/wh347instr.htm> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Consultants and Subcontractors shall maintain the full social security number and current address of each covered worker, and

shall provide them upon request to HUD or its designee if the agency is a Party to the contract, but if the agency is not such a Party, Consultant will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee, Consultant, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this subparagraph for a prime contractor to require a Subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to HUD or its designee. (Approved by the Office of Management and Budget under OMB Control Number 1215-0149.)-----

- ii. (b) Each payroll submitted shall be accompanied by a “Statement of Compliance,” signed by Consultant or Subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:-----
 - (a) That the payroll for the payroll period contains the information required to be provided under 29 CFR 5.5(a)(3)(ii), the appropriate information is being maintained under 29 CFR 5.5(a)(3)(i), and that such information is correct and complete;-----
 - (b) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been

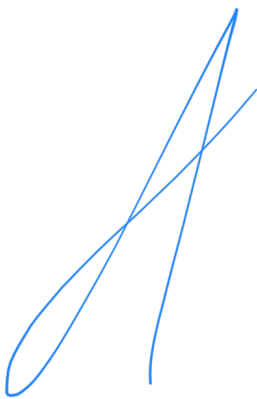
paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 CFR Part 3;-----

(c) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.-----

(d) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by subparagraph A.3.(ii)(b).-----

(e) The falsification of any of the above certifications may subject Consultant or any Subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code.-----

iii. Consultant or Subcontractor shall make the records required under subparagraph A.3.(i) available for inspection, copying, or transcription by authorized representatives of HUD or its designee or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If Consultant or Subcontractor fails to submit the

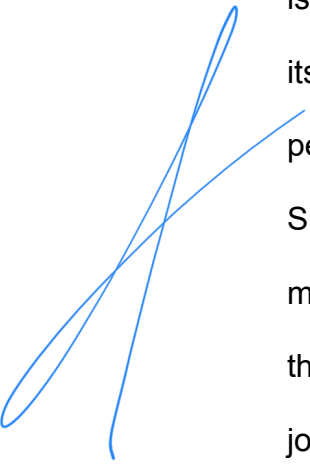


required records or to make them available, HUD or its designee may, after written notice to the Consultant, sponsor, applicant or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.-----

E. Apprentices and Trainees. -----

i. Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to contractors to the entire work force under the





registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the Consultant's or Subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training,

Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, Consultant will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.-----

- ii. Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which

provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, Consultant will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.-----

iii. Equal employment opportunity. The utilization of apprentices, trainees and journeymen under 29 CFR Part 5 shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30. -----

F. Compliance with Copeland Act requirements. Consultant shall comply with the requirements of 29 CFR Part 3 which are incorporated by reference in this Contract.-----

G. Subcontracts. Consultant or Subcontractor will insert in any subcontracts the clauses contained in subparagraphs 1 through 11 in this paragraph A and

such other clauses as HUD or its designee may by appropriate instructions require, and a copy of the applicable prevailing wage decision, and also a clause requiring the Subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any Subcontractor or lower tier Subcontractor with all the contract clauses in this paragraph.-----

H. Contract termination; debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract and for debarment as a contractor and a Subcontractor as provided in 29 CFR 5.12.-----

I. Compliance with Davis-Bacon and Related Act Requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this Contract.-----

J. Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between Consultant (or any of its Subcontractors) and HUD or its designee, the U.S. Department of Labor, or the employees or their representatives.-----

K. Certification of Eligibility. -----

i. By entering into this Contract, Consultant certifies that neither it (nor he or she) nor any Person or firm who has an interest in the Consultant's firm is a Person or firm ineligible to be awarded Government contracts by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.-

ii. No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.-----

iii. The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001. Additionally, U.S. Criminal Code, Section 1 01 0, Title 18, U.S.C., "Federal Housing Administration transactions", provides in part: "Whoever, for the purpose of . . . influencing in any way the action of such Administration.makes, utters or publishes any statement knowing the same to be false.shall be fined not more than \$5,000 or imprisoned not more than two years, or both."-----

L. Complaints, Proceedings, or Testimony by Employees. No laborer or mechanic to whom the wage, salary, or other labor standards provisions of this Contract are applicable shall be discharged or in any other manner discriminated against by Consultant or any Subcontractor because such employee has filed any complaint or instituted or caused to be instituted any

proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable under this Contract to his employer.--

M. Health and Safety. The provisions of this paragraph are applicable where the amount of the prime contract exceeds \$100,000:-----

i. No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor by regulation.-----

ii. Consultant shall comply with all regulations issued by the Secretary of Labor pursuant to Title 29 Part 1926 and failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act, (Public Law 91-54, 83 Stat 96). 40 USC 3701 et seq.-----

iii. Consultant shall include the provisions of this paragraph in every subcontract so that such provisions will be binding on each Subcontractor. Consultant shall take such action with respect to any Subcontractor as the Secretary of Housing and Urban Development or the Secretary of Labor shall direct as a means of enforcing such provisions.-----

Article 30. Dispute Resolution

Executive Negotiation: Any unresolved disputes shall be referred to the Contracting Officer, Project Manager or designee by PREPA and Consultant for resolution. During the first thirty (30) days following the delivery of a notice of dispute (and during any

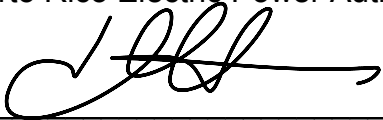
extension agreed to by the Parties in writing, the “Negotiation Period”) the Parties shall attempt in good faith to resolve the dispute through negotiations. If such negotiations result in an agreement in principle to settle the dispute, they shall cause a written settlement agreement to be prepared, signed and dated (an “Executive Settlement”), and the dispute shall be deemed settled, and not subject to further dispute resolution. If a dispute is not resolved through the Executive negotiation, the Parties agree to resolve the dispute according to the jurisdiction established in the Choice of Law and Venue Article of the Contract.-----

Article 31. Entire Contract

The terms and conditions contained herein constitute the entire agreement between PREPA and Consultant with respect to the subject matter of this Contract, and supersede all communications, negotiations, and agreements of the Parties, whether written or oral, other than these, made prior to the signing of this Contract.-----

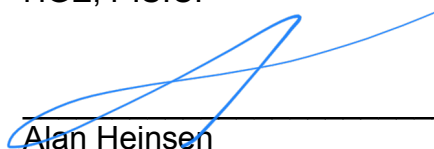
IN WITNESS THEREOF, the Parties hereto sign this Contract in San Juan, Puerto Rico this 10 day of June, 2020. -----

Puerto Rico Electric Power Authority



José F. Ortiz Vázquez
Chief Executive Officer
Tax ID: 660-43-3747

HGE, P.S.C.



Alan Heinsen
President
Tax ID: 660-83-1355