

**GOVERNMENT OF PUERTO RICO
PUBLIC SERVICE REGULATORY BOARD
PUERTO RICO ENERGY BUREAU**

NEPR

Received:

Jul 12, 2023

9:57 PM

IN RE: REVIEW OF LUMA'S INITIAL BUDGETS

CASE NO.: NEPR-MI-2021-0004

SUBJECT: Urgent Request for Approval of Four Contracts for Professional Services in Compliance with the June 25 and July 11 Orders

**URGENT REQUEST FOR APPROVAL OF FOUR CONTRACTS FOR
PROFESSIONAL SERVICES IN COMPLIANCE
WITH THE JUNE 25 AND JULY 11 ORDERS**

COMES NOW the Puerto Rico Electric Power Authority ("PREPA"), through its counsel of record, and respectfully submits and requests as follows:

1. On May 16, 2023, LUMA¹ filed a document titled *Submission of Consolidated Annual Budgets for Fiscal Year 2024 and Proposed Annual T&D Projections Through Fiscal Year 2026* ("May 16 Motion") for the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau" or "PREB") review and approval. The May 16 Motion included the following budget components: (i) the proposed T&D budget developed by LUMA, (ii) the proposed generation budget developed by Genera PR, LLC ("Genera") on behalf of the PREPA, for the PREPA subsidiary GENCO LLC ("GenCo"), and (iii) the proposed Budget developed by PREPA for its holding company, HoldCo, and its subsidiaries PREPA HydroCo LLC ("HydroCo") and PREPA PropertyCo, LLC ("PropertyCo").

2. On June 25, 2023, after a series of procedural events, including a technical conference and various submissions including responses to the Energy Bureau's requests for information, the Energy Bureau entered *Resolution and Order* issuing a determination on the FY24 Annual

¹ LUMA Energy, LLC and LUMA Energy ServCo, LLC (jointly referred to as, "LUMA").

Budgets for the electric utility system including the budgets for LUMA Energy, LLC and LUMA ServCo, LLC (collectively, “LUMA”), Genera-PR, LLC (“Genera”) and PREPA (“June 25 Order”).

3. The June 25 Order included a series of orders to PREPA including ordering PREPA “to file with the Energy Bureau for review and approval, any new contract or amendment to an existing contract, prior to executing or making any award of such contract or amendment”. See June 25 Order at p. 31.

4. In response, on July 7, 2023, PREPA filed with the Energy Bureau various motions requesting approval of certain PREPA contracts (“July 7 Motions”).²

5. As a result of the above, on July 11, 2023, the Energy Bureau entered *Resolution and Order* (“July 11 Order”) determining that “PREPA did not comply with the criteria necessary for the Energy Bureau's review of the contracts submitted with the July 7 Motions. In order to review and get the Energy Bureau's approval of these contracts, PREPA must specify: 1) if these are the totality of the contracts to be executed during FY24 and 2) how the amounts referenced pertaining these contracts fit within the FY24 Approved Budget.” Accordingly, the Energy Bureau ordered PREPA to “on or before Friday, July 14, 2023, identify the budgeted line items from the Non-Labor Expenses Category that the contracts fall within and ensure

² *Motion to Submit PREPA's Contract for Professional Services in Compliance with Portion of the June 25 Order and Urgent Request for Approval* dated July 7, 2023; *Second Motion to Submit PREPA's Contracts for Professional and Technical Services in Compliance with Portion of the June 25 Order and Urgent Request for Approval* dated July 7, 2023; *Third Motion to Submit PREPA's Contracts for Professional and Technical Services in Compliance with Portion of the June 25 Order and Urgent Request for Approval* dated July 7, 2023, (“July 7 Motions”).

that the referenced amounts are within the budgeted amounts for FY24 considering the totality of the contracts to be executed during FY24.” The Energy Bureau, through footnote 13 clarified that “the Energy Bureau's review and approval at this time is limited to verifying that the amounts of the totality of the contracts subject to approval fall within the Approved FY24 Budget.”

6. Lastly, the Energy Bureau ordered PREPA to certify that there is no duplicity of scopes of work between the efforts handled by LUMA, Genera , and PREPA.

7. In furtherance of the July 11 Order, PREPA hereby submits the proposed contract for the Díaz & Vazquez Law Firm PSC (“D&V Contract”). *See*, Annex A. The D&V Contract is being submitted for a total of \$3.350M as approved by PREPA’s Governing Board through Resolution 5043 for professional services to be rendered from July 1, 2023-June 30, 2024. *See*, Annex B. Of these amounts, \$2M corresponds to the budget allocation approved in the Bankruptcy Advisor Title III Costs in the June 25 Order, and the other \$1.350M corresponds to the HoldCo Non-Labor Expenses category, for the HoldCo Operating and Capital Expenditures portion of the FY 2024 Budget.

8. The scope of services provided by D&V to PREPA can be found in Article 1 of the D&V Contract, the services include, among others, the following: D&V provides PREPA legal consulting and representation in an array of different matters including litigation before the Superior Courts of Puerto Rico, Labor administrative cases, Regulatory Compliance cases before this exact forum, and also provides support in the Title III case³ Restructuring. For the Title III proceedings, D&V has workstreams with the Financial Oversight and Management Board for Puerto Rico’s (“FOMB”) contractor Berkley Research Group (“BRG”) related to the pending

³ *In re P.R. Elec. Power Auth.*, Bankruptcy Case No. 17 -BK-4780 (LTS) (D.P.R. July 7, 2017) (the “Title III Case”).

evaluation of UTIER labor claims (~2273) for ACR pre-petition reconciliation, eminent domain and inverse condemnation cases (22), ADR cases (~35), PREPA trade claims and other proof of claim’s reconciliations (~15 i.e. pre-petition PPOA claims). D&V also provides support in other matters related to Title III under the PREPA Debt Restructuring or the Puerto Rico Oversight, Management, and Economic Stability Act (“PROMESA”), including support to the O’Melveny and Proskauer law firms in adversary litigations as well as matters and issues generated in the bankruptcy proceeding under Title III of PROMESA, including those related to administrative expenses claimed by PREPA creditors, among others.

9. PREPA also resubmits for the Energy Bureau’s urgent review and approval the professional services contract for O’Melveny Myers LLP (“O’Melveny Contract”)⁴, a legal firm that provides PREPA legal services in connection to PREPA’s ongoing operational and financial restructuring, litigation in the Title III case, mediation, fiscal plan issues, among others, and also the contract for Ankura Consulting Group LLC (“Ankura Contract”)⁵ PREPA’s financial advisor on matters such as fiscal plan revisions, reporting to the FOMB and other initiatives.⁶

10. The totality of the contracts for professional services related to **Restructuring – Title III** advisors for FY24 are the following, including the D&V, O’Melveny, King & Spalding and Ankura contracts:

PREPA Restructuring & Title III	FY2024 Budget
O'Melveny	\$ 9,000,000
Diaz y Vazquez	\$ 2,000,000
King & Spalding	\$ 1,500,000
Ankura Consulting Group LLC	\$ 8,000,000
Norton Rose Fulbright	\$ 900,000

⁴ See, Annex C, O’Melveny Contract

⁵ ‘See, Annex D, the Ankura Contract.

⁶ Both the O’Melveny Contract and the Ankura Contract were previously submitted to the Energy Bureau as part of the July 7 Motions.

Sub-Total P3A / LUMA Proposed	\$ 21,400,000
LUMA Interim Costs (Title III related)	\$ 8,750,000
Total PREB / FOMB Approved	\$ 30,150,000

11. In compliance with the parameters established by the Energy Bureau through the July 11 Order, for the evaluation, revision, and approval from PREB it is submitted that the O’Melveny Contract for the amount of nine (9) MM to be in effect from July 1, 2023 to June 30, 2024 is subject to the Bankruptcy Title III Advisor Cost portion of the FY2024 budget which was approved by this Energy Bureau as proposed by PREPA for the entirety of \$30,150 million. Hence, executing this contract is in compliance with the approved FY 2024 budget, will not alter the approved budget and consequently is compliant with the 2017 Rate Order.⁷

12. The scope of services provided by O’Melveny to PREPA can be found in Article 1 of the O’Melveny Contract, the services include, among others, the following: (a) the restructuring of the outstanding indebtedness of PREPA (the “PREPA Debt Restructuring”); (b) all negotiation, litigation, and mediation related to PROMESA, as well as other litigation matters requested by PREPA or the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”, for its Spanish acronym), related to PREPA; (c) matters related to confirmation and implementation of PREPA’s Title III Plan of Adjustment for the PREPA Debt Restructuring; and (d) other corporate, finance, securities, litigation or restructuring matters, including related to the PREPA Debt Restructuring, the PREPA Plan of Adjustment, the PREPA transformation process, PROMESA, relations with and submissions to the Financial Oversight & Management Board (the “Oversight Board”), fiscal plan issues, or other matters, as requested by PREPA or AAFAF, related to PREPA. It is noteworthy that the O’Melveny contract has already been approved by the FOMB.

⁷ PREPA also re-submits PREPA’s Board Resolution No. 5045 as part of Annex B.

13. Meanwhile, the Ankura Contract for the amount of six-point six (6.6) MM to be in effect from July 1, 2023 to June 30, 2024 is also submitted to the Energy Bureau as included in the Bankruptcy Title III Advisor Cost portion of the FY2024 approved budget. This Title III professional advisors' budget was approved by PREB and FOMB in an amount totaling \$30.15 million (see above table in item no. 10). It should be noted that the Ankura Contract has also been approved by the FOMB.

14. The scope of services provided by Ankura to PREPA can be found in Article 1 of the Ankura Contract, the services include, among others, work related to Title III matters and related support to bankruptcy legal teams at PREPA and AAFAF, preparation of fiscal plans, budgets, and long-term financial projections for submittal to the Oversight Board as required under PROMESA, development of cash flow projections and liquidity reports required by the Oversight Board, and other Restructuring & Title III related matters, as well as related proceedings/RFI's from PREB related to PREPA (HoldCo/HydroCo/PropertyCo), support to PREPA in issuing audited financial statements, among others. Furthermore, the \$6.6 million amount currently earmarked for the Ankura Contract is for the initial and majority of Ankura's expected work during FY2024, which is budgeted for a full fiscal year total of \$8 million.⁸

15. Lastly, PREPA submits for the Energy Bureau's review and approval the professional services contract with King and Spalding LLP ("King and Spalding"), for the amount of one million to be in effect from July 1 2023 to June 30, 2024. The scope of services provided by King and Spalding to PREPA can be found in Article 1 of the King and Spalding Contract. *See, Annex E.*⁹ The King & Spalding Contract corresponds to the budget allocation related to

⁸ PREPA also submits PREPA's Board Resolution No. 5047 approving the Ankura Contract as part of Annex B.

⁹ PREPA also submits PREPA's Board Resolution No. 5048 approving the King & Spalding Contract as part of Annex B.

the PREPA Restructuring & Title III line item, included in the Bankruptcy Advisor Title III Costs as approved by the Energy Bureau in the June 25 Order.

16. PREPA affirms that the referenced amounts for the D&V, O’Melveny, Ankura and King & Spalding contracts are within the budgeted amounts for FY24 considering the totality of the contracts to be executed during FY24.

17. Finally, PREPA hereby submits, as Annex F, certification affirming that the works to be executed by the D&V, O’Melveny, Ankura and King & Spalding firms are not duplicative of the scopes of work handled by LUMA, Genera PR, LLC and PREPA, as none of the firms represent LUMA or Genera or perform work for LUMA or Genera related to the abovementioned matters.

WHEREFORE, PREPA respectfully requests the Energy Bureau to take **NOTICE** of the information provided in compliance with the June 25 and July 11 Orders and **APPROVE** the 2MM requested for D&V under the Title III costs, and the O’Melveny, Ankura and King & Spalding contracts as submitted for review and approval.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 12th day of July 2023.

/s Maralíz Vázquez-Marrero
Maralíz Vázquez-Marrero
TSPR 16,187
mvazquez@diazvaz.law

/s Joannely Marrero-Cruz
Joannely Marrero Cruz
TSPR 20,014
jmarrero@diazvaz.law

DÍAZ & VÁZQUEZ LAW FIRM, P.S.C.

290 Jesús T. Piñero Ave.
Oriental Tower, Suite 803
San Juan, PR 00918
Tel.: (787) 395-7133
Fax. (787) 497-9664

CERTIFICATE OF SERVICE

It is hereby certified that, on this same date, I have filed the above motion with the Office of the Clerk of the Energy Bureau using its Electronic Filing System at <https://radicacion.energia.pr.gov/login>, and a courtesy copy of the filing was sent to LUMA through its legal representatives at margarita.mercado@us.dlapiper.com and ana.rodruiguezrivera@us.dlapiper.com and to Genera-PR, LLC through its legal representatives jfr@sbgblaw.com; alopez@sbgblaw.com; legal@genera-pr.com; regulatory@genera-pr.com.

In San Juan, Puerto Rico, this 12th day of July 2023.

/s Joannely Marrero-Cruz
Joannely Marrero Cruz

Annex A

Díaz & Vázquez Proposed Contract for Legal Services

**GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY
PROFESSIONAL SERVICES CONTRACT**

-----**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 83 of May 2, 1941, as amended (Act 83), represented in this act by its Executive Director, Josué A. Colón Ortiz, of legal age, married, and resident of Caguas, Puerto Rico. -----

AS SECOND PARTY: Díaz & Vázquez Law Firm, P.S.C.(Consultant), a professional services corporation organized and existing under the laws of Commonwealth of Puerto Rico, with offices in San Juan, itsein represented by its Founding Partner , Arturo Díaz Angueira, of legal age, married, lawyer and resident of san Juan, Puerto Rico, duly authorized to appear in representation of the Consultant by Resolution dated . 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. -----

WHEREAS: On May 24, 2023, PREPA’s Governing Board, through Resolution 5043 authorize to execute the Contract from July, 1 2023 until June 30, 2024, with a Contact amount of \$4,000,000 after the receiving the waiver of the Office of Management and Budget of Puerto Rico and all required authorizations. -----

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 In accordance with the terms and conditions set forth herein, the Consultant will provide to PREPA legal services in connection with the bankruptcy procedure of PREPA filed under the Title III and pursuant to the Puerto Rico Oversight, Management and Economic Stability Act (PROMESA). The Consultant will also provide to PREPA legal representation in connection with cases filed at the local or federal levels, in relation with labor and employment claims, including claims for discrimination, dismissal, salaries, breach of labor contracts, and legal opinions, among other matters. In addition, the Consultant will provide necessary legal assistance in any other matters referred by PREPA for the defense of its interests.
- 1.2 The Consultant also provides PREPA legal representation in cases filed before the Puerto Rico Energy Bureau (PREB), (such as the Rate Case and IRP), which require a substantial amount of time, expedient coordination with PREPA personnel and gathering of information to adequately comply with PREB orders within a limited timeframe, among other matters referred by PREPA for the defense of its interests. Also, Consultant has collaborated with PREPA in its transformation process including some legal work related to the transition with LUMA, LLC, PREPA's Employees Retirement System and PREPA's reorganization process. -----

1.3 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. -----

Article 2. Services Coordination

All the Consultant's Services in relation to the terms and conditions of this Contract, related to legal affairs cases, human resources and labor affairs matters, and legal services in connection with the bankruptcy procedure and pursuant to PROMESA, will be coordinated through PREPA's General Counsel, Human Resources and Labor Affairs Director and Restructuring and Fiscal Affairs Administrator, or the person delegated by them, respectively.-----

Article 3. Contract Assignment or Subcontract

The Consultant, except as provided in Article 9. Transfer of Funds 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 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 its execution, until June 30, 2024 (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, and the performance of the Consultant 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. Consultant reserves the right to withdraw from our legal representation as required or permitted by, and in accordance with, applicable rules of professional conduct, including but not limited to Delaware Lawyers Rule of Professional Conduct 1.16. If we terminate the engagement, the Consultant will take such steps as are reasonably practicable to protect your interests in the matter or matters the Consultant may be handling for you, and PREPA agrees to take all steps necessary to free the Consultant of any obligation to perform further, including the execution of any documents necessary to perfect our withdrawal. The Consultant will be entitled to be paid for all services rendered and costs or expenses incurred on your behalf through the date of withdrawal. If permission for withdrawal is required by a court or arbitration panel, we will promptly request such permission, and PREPA agrees not to oppose our request. -----

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 three million three hundred fifty thousand dollars (\$3,350,000), including reimbursable expenses (“Contract Amount”). All payments to be made under this Contract will be charged to account 01-4019-92311-556-615. 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. -----

6.3 PREPA will pay for the Services rendered by Consultant according to the following hourly rates: -----

Díaz & Vázquez Law Firm, PSC Rates	
Attorneys with 10 or more years of experience	\$ 300 per hour
Attorneys with 5 or more years of experience but less than 10 years	\$ 250 per hour
Attorneys with 5 years or less of experience	\$175 per hour

6.4 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. -----

6.5 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. Fees, Expenses and Disbursements

7.1 PREPA should not be billed for (a) time spent in processing conflict searches, preparing billing statements, or in responding to PREPA inquiries concerning Consultant's invoices; or (b) travel time during which Consultant is billing another client for work performed while traveling. Moreover, PREPA requires that only

professional services be billed. Accordingly, PREPA should not be billed for the administrative tasks of creating, organizing, reviewing and/or updating files; routine or periodic status reports; receiving, reviewing, and/or distributing mail; faxing or copying documents; checking electronic mail or converting information to disk. -----

7.2 PREPA will reimburse the Consultant for actual costs and expenses related to matters assigned to Consultant and for necessary and reasonable out-of-pocket disbursements, subject to the limitations and exceptions set forth below. According to the terms and conditions set forth in this Contract, the Consultant is expected to have in place a system that ensures the prompt and accurate issuance and delivery of billings for expenses, disbursements and billable time to PREPA. -----

7.3 PREPA will not reimburse Consultant for: costs included in a miscellaneous' or 'other' category of charges; overhead costs and expenses such as those relating to fees for time or overtime expended by support staff (secretaries, administrative/clerical personnel, internal messengers, and other similar services), word processing and/or proofreading, cost of supplies or equipment, and/or other similar costs of doing business; time spent attending education seminars or training programs; or mark-ups or surcharges on any cost or expense. In addition, if communications are sent to PREPA using more than one method, PREPA shall not be expected to pay for the costs attributable to several notifications of the same communication. For instance, if a piece of correspondence is sent to PREPA by email, we do not expect to pay for the cost of that same correspondence if it is also sent via regular or expedited mail. In those situations, Consultant shall verify and

ensure that the costs of any given communication sent via more than one method is not being duplicated in any billing delivered to PREPA. -----

7.4 PREPA will reimburse Consultant for separately itemized expenses and disbursements in the following categories: -----

7.4.1 Messenger/courier service – PREPA will reimburse actual charges billed to Consultant for deliveries (including overnight deliveries) where this level of service is required because of time constraints imposed by PREPA or because of the need for reliability given the nature of the items being transported. Appropriate summaries of messenger/courier expenses must reflect the date and cost of the service and the identity of the sender and the recipient or the points of transportation. -----

7.4.2 Travel – PREPA will reimburse actual charges for transportation and hotels reasonable and necessary for effective services to PREPA. PREPA will not pay for any first-class or business-class travel. Summaries of transportation expenses should reflect the identity of the user, the date and amount of each specific cost, and the points of travel. Summaries of lodging and meals expenses should include the identity of the person making the expenditure, the date and amount, and the nature of the expenditure. -----
Travel expenses reimbursement applies for personnel providing the services to PREPA, travel expenses for family members or guests are not chargeable to PREPA or reimbursable. -----

7.4.3 Air Travel - The cost of air travel will be reimbursed up to an amount of \$500 per person per flight (including: seat assignment, applicable taxes, and other

applicable fees). The Consultant shall submit a copy of the airline ticket and paid invoice. Airfare may only be invoiced following completion of travel. ---- Airfare necessary to attend PREPA's official business will be paid by PREPA according to these guidelines. The Consultant shall buy an economic class ticket or equivalent, then if desired, he/she may upgrade, but PREPA will only pay the amount corresponding to the economy class or equivalent airfare. Baggage fees will not be reimbursed. ----- Travel and lodging expenses for services undertaken outside the continental United States shall be authorized in writing and in advance by PREPA. -----

7.4.4 Maximum Per Diem Rates (no proof of payment will be required): -----

Meals: - \$57 per person for each traveling day. -----

Lodging (standard not smoking room): \$200 per person, per night not including government fees and taxes. The Consultant will use the most economical alternative of lodging, including temporary rentals of apartments or rooms (Airbnb like rentals). For travel period longer than five days, temporary rentals shall be coordinated when this temporary rental is less expensive than hotel accommodation, and evidence of said temporary rental shall be provided. -----

Ground Transportation: - \$20 per person, per working day. If a car is rented for the services to be provided, a fixed amount of \$25 per day will be reimbursed for rental expenses, upon presentation of evidence of the car rental (no proof of payment will be required). -----

- 7.4.5 Reimbursable expenses shall not exceed six percent (6%) of the Contract Amount in one year and will be reimbursed by PREPA through the presentation of acceptable evidence for such expenses. -----
- 7.4.6 Photocopying/printing – PREPA will reimburse actual charges for outside binding, and printing services and costs of outside photocopying services, which are not to exceed the actual five (5) cents per page for black and white copies, and twenty-five (25) cents per page for color copies. Summaries of expenditures for copying should reflect both the number of copies made and the cost per copy. -----
- 7.4.7 Third-Party Services – The approval of PREPA must be obtained in writing prior to retaining any third-party services. The Consultant shall be responsible for ensuring that there are no conflicts of interest between any third party and PREPA or between any third-party clients and PREPA. In addition, all arrangements with third-party vendors should include an appropriate undertaking of confidentiality and data privacy. Invoices from third-party vendors should be paid directly by Consultant, incorporated into its invoice to PREPA and should include appropriate detail. Copies of third-party invoices may be requested by PREPA and should be retained in accordance with PREPA’s guidelines. -----
- 7.4.8 PREPA reserves the right to question the charges on any bill (even after payment) and to obtain a discount or refund of those charges that are disputed. At PREPA’s request, copies of bills and records reflecting reimbursable expenses must be provided to PREPA. -----

Article 8. Invoices

8.1 Consultant shall submit its invoices on a monthly basis for the work already performed during the preceding month. Each invoice shall include: invoice number, a brief description of the project or task to which the services relate, a full chronological description of the services performed during the statement period, the name of the professional who performed such services, the applicable hourly rates and the number of hours spent (by date) for each professional, reasonable detail of the reimbursable expenses and disbursements made on behalf of PREPA during the invoice period, fees, disbursements and total charges during the statement period, fiscal year to date and since the commencement of the matter and name of PREPA's official that requested the services. If reimbursement for third party services is to be made, a copy of the relevant third-party invoice must be attached. The Consultant shall allocate any invoiced fees between: (i) activities undertaken outside of Puerto Rico; and (ii) those relating to activities undertaken within Puerto Rico. -----

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 its payment. Payment is due sixty (60) days of receipt of the invoice with all the evidence needed, and in compliance with all payment and invoice requirements set forth in this Contract. 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 Consultant, in writing, 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, and subject to section 11.6 of this Contract, 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, including but not limited to any applicable rules of professional responsibility. -----

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 connection 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. Liability

16.1 To the fullest extent permitted by law, neither Party nor its subsidiaries or affiliates shall be liable to the other Party or its clients, customers, agents, contractors or subcontractors, or their shareholders, officers, directors, employees, affiliates and subsidiaries for any loss of profit or revenue, loss of use, loss of opportunity, loss of

goodwill, cost of capital, or any special, indirect, consequential, incidental, exemplary, or punitive damages arising out of or in connection with this Contract. In no event will the liability of either Party, or their shareholders, officers, directors, employees, affiliates and subsidiaries, exceed the amount of fees paid or payable under this Contract. The Parties hereby agree and recognize that the responsibility for claims 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 shall be governed by the provisions of Article 26. Save and Hold Harmless. -----

16.3 Each Party agrees to release, indemnify, defend, save and hold harmless the other from and against any and all claims, damages, injuries, losses, expenses (including reasonable attorney's fees and legal costs) and other liabilities of any kind, up to an amount not exceeding the fees to be paid to Consultant in this engagement, and arising in any manner out of gross negligence or willful misconduct, related to this Contract or the performance, non-performance of the Services, to the extent that such claims, damages, injuries, losses, expenses (including reasonable attorney's fees and legal costs) and other liabilities are in excess of or outside the scope of the limitations or exclusions of liability to which each Party is entitled under this Contract.-----

16.4 Consultant acknowledges that it is liable for damages caused by its negligent acts or omissions and that it carries sufficient professional liability insurance. -----

16.5 Consultant shall make, use, provide, and take all proper, reasonably necessary and

sufficient precautions, safeguards, and protection against the occurrence or happenings of injuries, death and/or damages to any person or property during the progress of the work.-----

Article 17. Independent Contractor

17.1 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. -----

17.2 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 18. 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 19. Conflict of Interest

19.1 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. -----

- 19.2 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.-----
- 19.3 The Parties understand and agree that any conduct defined in the Rules of Professional Conduct regarding conflict of interests shall apply to Consultant and its personnel. The Parties understand and agree that a potential 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 and will alert PREPA to any conflict pursuant to obligations under the Rules of Professional. -----
- 19.4 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. -----
- 19.5 Consultant's partners, directors, agents or employees and personnel shall avoid even the appearance of the existence of conflicting interests. -----
- 19.6 Consultant acknowledges that PREPA's Executive Director 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, PREPA's Executive Director 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 PREPA's Executive Director 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. -----

19.7 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 20. 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: Josué A. Colón Ortiz
Executive Director

To Consultant: Díaz & Vázquez Law Firm, P.S.C.

1403 Ponce de León Ave.
Suite 1607
San Juan, PR

Attention: Arturo Díaz Angueira
Founding Partner

Article 21. Applicable Law and Venue

This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico and any federal law and/or regulation if applicable. To the extent appropriate, the Delaware Rules of Professional Conduct shall be applied. 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 22. 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 23. Force Majeure

23.1 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. -----

23.2 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. -----

23.3 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 24. Novation

24.1 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. ----

24.2 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 25. 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 26. 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 indemnitee 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 27. 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 \$1,000,000 for each employee and \$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 \$1,000,000 per occurrence and \$ 1,000,000 aggregate. -----

4. Commercial Automobile Liability Insurance:

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

Professional Liability Insurance:

The Consultant shall provide a Professional Liability Insurance with limits of \$1,000,000 per claim and \$1,000,000 aggregate. -----

5. 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)
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 28. Compliance with the Commonwealth of Puerto Rico Contracting

Requirements

The Consultant will comply with all applicable laws, regulations and executive orders that regulate the contracting process and requirements of the Government of Puerto Rico, including Act 73-2019, as amended, known as the “2019 General Services Administration Act for the Centralization of Purchases of the Government of Puerto Rico” (Act 73-2019). In compliance with the provisions of Act 73-2019, the Consultant has provided PREPA the Certification of Eligibility of the Unique Registry of Professional Services Providers (known in Spanish as “Certificado de Elegibilidad del Registro Único de Proveedores de Servicios Profesionales”, and hereinafter referred to as the “RUP Certification”, issued by the General Services Administration. It is hereby acknowledged that pursuant to the provisions of Article 42 of Act 73-2019, a valid RUP Certification serves as evidence of compliance with the documentation requirements necessary for contracting professional services with the Government of Puerto Rico, particularly those applicable under Act 237-2004, as amended, which establishes uniform contracting requirements for professional and consultant services for the agencies and governmental entities of the Commonwealth of Puerto Rico (3 L.P.R.A. § 8611 et seq.), the Puerto Rico Department of Treasury Circular Letter Number 1300-16-16 issued on January 22, 2016, as amended, and the sworn statement before notary public required pursuant to Article 3.3 of Act 2-2018.-----

Further, the Consultant hereby certifies, guarantees, acknowledges and agrees to the following:

A. The Consultant hereby certifies that as of the execution of this Contract, it has filed

income, sales and use (“IVU” for its Spanish acronym), and property taxes returns, in Puerto Rico for the past five (5) years. The Consultant also certifies that it does not have any outstanding debt or other debts with the Government of Puerto Rico for income (collected by the Department of the Treasury), IVU, real or chattel property taxes (collected by the “Centro de Recaudación de Ingresos Municipales”(“CRIM”), unemployment insurance premiums, workers’ compensation payments, Social Security for chauffeurs from the Department of Labor and Human Resources, nor have debts with the Puerto Rico Child Support Administration (known in Spanish as the Administración para el Sustento de Menores (ASUME). In the event that the Consultant owes taxes or premiums to said government agencies, it agrees that PREPA may withhold any monies due to the Consultant under this Contract to be applied to the payment and cancellation of said debt. The Consultant also certifies that it is in corporate “Good Standing” at the Department of State of Puerto Rico. The Consultant hereby represents and certifies that it is duly authorized to do business under the laws of Puerto Rico by the Department of State and the execution, delivery and performance of all the services under this Contract are within the Consultant authorized powers and are not in contravention of law. The Consultant also certifies that it is in compliance with the Merchant Registration. Accordingly, the Consultant has submitted to PREPA its Certificate of Providers (“Certificado Único de Proveedores”) from the General Services Administration. The Consultant shall maintain its certificate valid for the duration of this Contract. -----

In accordance with the provisions of Article 42 of Act 73-2019, PREPA, as an Exempt Entity, recognizes the validity of the RUP Certification issued by the General Services

Administration, who requires from professional service providers all certifications and documents required for governmental contracting, in accordance with Act 237-2014, as amended, and other provisions approved thereunder.-----

B. 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. -----

C. 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. -----

D. 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 PREPA shall deduct and withhold 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. -----

E. Compliance with Act 1 of Governmental Ethics: The Consultant will certify compliance with Act 1 of January 3, 2012, as amended (Act 1-2012), 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.; -----

F. 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. -----

G. 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.-----

H. 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.-----

I. 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.-----

J. 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.-----

K. 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. -----

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

M. 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. -----

N. Act 168-2000: Law 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. ----

O. Provisions Required under Act 14-2004: If applicable to the services provided under the Contract, 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. -----

Article 29. Non-Discrimination

The Consultant agrees 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 30. Contractor's Certification Requirement

The Parties acknowledge that the Consultant has submitted the certification titled "Contractor Certification Requirement" required in accordance with the Contract Review Policy of the Financial Oversight and Management Board for Puerto Rico, effective as of

November 6, 2017, and amended on October 30, 2020, signed by the Consultant's Executive Director (or another official with an equivalent position or authority to issue such certifications). A signed copy of the "Contractor Certification Requirement" is included as an annex to this Contract. -----

The Consultant represents and warrants that the information included in the Contractor Certification Requirement is complete, accurate and correct, and that any misrepresentation, inaccuracy or falseness in such Certification will render the Contract null and void and the Consultant will have the obligation to reimburse immediately to the Commonwealth any amounts, payments or benefits received from the Commonwealth under the Contract. -----

Article 31. Non-Recurring Professional Services or Specialized Professional Services

In matters of this Contract, the transfer of skills and technical knowledge required by the Certified Fiscal Plan is inapplicable given the non-recurring or specialized nature of the contracted services.-----

Article 32. 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 _____ day of _____, 2023. -----

Puerto Rico Electric Power Authority

Díaz & Vázquez Law Firm, P.S.C.

Josué A. Colón Ortiz
Executive Director
Tax ID: 660-433747

Arturo Díaz Angueira, Esq.
Founding Partner
Tax ID: 660-92-8303

adiaz@cnrd.com

Annex B

PREPA's Governing Board Resolutions 5043, 5045, 5047 and 5048



GOVERNMENT OF PUERTO RICO

PUERTO RICO ELECTRIC POWER AUTHORITY

Governing Board | jgob@prepa.com

RESOLUTION 5043

**Approval of Professional Services Contract with Díaz & Vázquez Law Firm, P.S.C.
for Fiscal Year 2023-2024**

WHEREAS: The Puerto Rico Electric Power Authority (PREPA) is a public corporation and an instrumentality of the Government of Puerto Rico created by the Act 83 of May 2, 1941, as amended (Act 83). PREPA was created to provide electrical energy in a reliable way contributing to the general welfare and sustainable future of the people of Puerto Rico, maximizing benefits and minimizing social, environmental, and economic impacts. In addition, PREPA provides a service based on affordable, fair, reasonable, and non-discriminatory costs that is consistent with environmental protection, non-profit, focused on citizen participation and its clients.

WHEREAS: Act 83 authorizes PREPA to grant contracts and formalize all the instruments that are necessary or convenient in the exercise of any of its powers.

WHEREAS: Section 15(1)(a) of Act 83 states that all purchases made and contracts for supplies or services, except professional services, entered into by PREPA, including its capital construction contracts, shall follow a bid process.

afp

WHEREAS: According to Section 15(2)(d) of Act 83, a competitive bidding process shall not be necessary, when: professional or expert services or work are required and PREPA deems it in the best interests of good administration for such works or services to be contracted without such announcements.

WHEREAS: Díaz & Vázquez Law Firm, P.S.C., (Díaz & Vázquez) is a boutique law firm, with thirteen (13) practicing attorneys, some of whom have had a longstanding relationship with PREPA providing legal services for the better part of the last fifteen (15) years. As such, the lawyers have gained ample experience and knowledge in representing PREPA in Federal and State Litigation, Labor and Employment Law, Governmental Affairs, Commercial Collections, Administrative proceedings, Bankruptcy, Restructuring, and Insolvency and regulatory work with the Puerto Rico Energy Bureau (PREB). More recently, the lawyers of Díaz & Vázquez have also represented PREPA in matters related to its ongoing Title III proceeding, the PROMESA legislation,



PO Box 364267 San Juan, Puerto Rico 00936-4267

*We are an equal opportunity employer and do not discriminate on the basis of race, color, gender, age, 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 immigration status; for physical or mental disability, for veteran status or genetic information

and the transformation process related to the private operator for the Transmission and Distribution (T&D) system.

WHEREAS: Díaz & Vázquez has also developed excellent working relationships with the Fiscal Oversight and Management Board of Puerto Rico (Oversight Board), the Puerto Rico Public-Private Partnership Authority (P3A), the Fiscal Agency and Financial Advisory Authority (AAFAF, for its Spanish acronym) as well as its consultants O'Melveny, Proskauer Rose LLC, and the Berkeley Research Group (BRG). These relationships have allowed the lawyers in the Law Firm to develop a thorough understating of PREPA's structure, restructuring, and transformation efforts as well as its intricate inner workings and the manner in which the public corporation works at different levels. As a result of that knowledge and understanding, Díaz & Vázquez has been able to render legal services of excellence, at much lower rates than those charged by state-side law firms for comparable work.

WHEREAS: During the Fiscal Year 2022-2023, Díaz & Vázquez has advised, assisted, and represented PREPA on matters related to litigation, opinions, legislative processes, regulatory matters, labor issues, procurement, and transformation processes, PREB cases, and all matters related to Title III under PROMESA, including reconciliation of proof of claims regarding labor and litigation claims and other legal services routinely requested by PREPA. The legal services have included, among others, matters before the Courts of Puerto Rico and the United States in connection with the bankruptcy procedures of PREPA filed under Title III of PROMESA, current federal and state court litigation as well as cases before administrative and regulatory forums like PREB, the *Comisión Apelativa del Servicio Público* (CASP), and the *Negociado de Reconciliación y Arbitraje* in complaints related to the mobility of PREPA personnel as part of the transformation of the electrical system pursuant to Act 120-2018 and other labor complaints filed by PREPA's unions. Díaz & Vázquez has also represented PREPA in regulatory cases related to tariffs, the Integrated Resource Plan (IRP), and the Renewables Projects Request for Proposal processes, among others.

WHEREAS: Also, Díaz & Vázquez has assisted PREPA in its transformation process including legal work related to the transition to GENERA, LLC, which has required additional legal work.

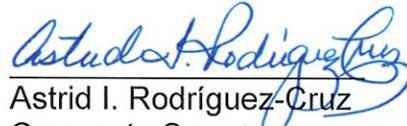
WHEREAS: PREPA has and will continue to have, for the 2023-2024 fiscal year, the need for legal services and representation on the matters detailed above as well as others that may arise during the Fiscal Year 2023-2024.

WHEREAS: On May 16, 2023, PREPA's Chief Financial Officer, mister Nelson Morales Rivera, certified that the budget for Fiscal Year 2023-2024 includes \$3,350,000 under account 01-4019-92311-556-615, for payments under this Contract.

THEREFORE: In accordance with Act 83, PREPA's Governing Board resolves to:

1. Approve the Professional Services Contract between PREPA and Díaz & Vázquez Law Firm & P.S.C., for Fiscal Year 2023-2024, from July 1, 2023, until June 30, 2024, with a maximum amount of \$3,350,000.
2. Authorize the Executive Director to execute the Professional Services Contract, after receiving the approval of the Office of Management and Budget of Puerto Rico, and the Financial Oversight and Management Board for Puerto Rico.

Approved in San Juan, Puerto Rico, on the twenty-fourth day of May two thousand twenty-three.


Astrid I. Rodríguez-Cruz
Corporate Secretary



GOVERNMENT OF PUERTO RICO

PUERTO RICO ELECTRIC POWER AUTHORITY

Governing Board | jgob@prepa.com

RESOLUTION 5045

Approval of Professional Services Contract with O'Melveny & Myers, LLP for Fiscal Year 2023-2024

- WHEREAS: The Puerto Rico Electric Power Authority (PREPA) is a public corporation and an instrumentality of the Government of Puerto Rico created by the Act 83 of May 2, 1941, as amended (Act 83). PREPA was created to provide electrical energy in a reliable way contributing to the general welfare and sustainable future of the people of Puerto Rico, maximizing benefits and minimizing social, environmental, and economic impacts. In addition, PREPA provides a service based on affordable, fair, reasonable, and non-discriminatory costs that is consistent with environmental protection, non-profit, focused on citizen participation and its clients.
- WHEREAS: Act 83 authorizes PREPA to grant contracts and formalize all the instruments that are necessary or convenient in the exercise of any of its powers.
- WHEREAS: Section 15(1)(a) of Act 83 states that all purchases made and contracts for supplies or services, except professional services, entered into by PREPA, including its capital construction contracts, shall follow a bid process. *allc*
- WHEREAS: According to Section 15(2)(d) of Act 83, a competitive bidding process shall not be necessary, when: professional or expert services or work are required and PREPA deems it in the best interests of good administration for such works or services to be contracted without such process.
- WHEREAS: On July 7, 2020, PREPA and O'Melveny & Myers, LLP (O'Melveny & Myers), executed Professional Services Contract 2021-P00013 (Contract), for the services of advising and assisting PREPA on various matters relating to the restructuring of PREPA, including legal issues arising from PREPA's ongoing operational and financial restructuring, litigation, Title III matters, mediation, fiscal plan issues, plan of adjustment development, finance, securities, and corporate, for a maximum amount of \$9,000,000 (Contract Amount), until June 30, 2021.



PO Box 364267 San Juan, Puerto Rico 00936-4267

*We are an equal opportunity employer and do not discriminate on the basis of race, color, gender, age, 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 immigration status; for physical or mental disability, for veteran status or genetic information

- WHEREAS: After several amendments, a new Contract between the parties was executed for the fiscal year 2022-2023, from July 1, 2022, to June 30, 2023, with a not to exceed Contract Amount of \$9,000,000.
- WHEREAS: Given PREPA's financial situation and status as a Title III debtor, and especially now that the Title III case is in its final stage, the services rendered by the Consultant are more necessary than ever before.
- WHEREAS: PREPA's Legal Affairs Division requests authorization to execute a new contract, with a maximum amount of \$9,000,000, for Fiscal Year 2023-2024, from July 1, 2023, to June 30, 2024.
- WHEREAS: PREPA's General Counsel considered the request and concluded that the new professional services contract with O'Melveny & Myers may be carried out, after the approval of the Governing Board and the Financial Oversight Management Board.
- WHEREAS: On May 19, 2023, PREPA's Acting Chief Financial Officer, Ms. Lizzandra Matías Varela, certified the availability of \$9,000,000, under account 01-4019-92303-556-673, in the budget for Fiscal Year 2023-2024.

THEREFORE: In accordance with Act 83, PREPA's Governing Board resolves to:

1. Approve the Professional Services Contract between PREPA and O'Melveny & Myers, LLP for Fiscal Year 2023-2024, from July 1, 2023, until June 30, 2024, for a maximum amount of \$9,000,000.
2. Authorize the Executive Director to execute the Professional Services Contract, after receiving the approval of the Office of Management and Budget of Puerto Rico, and the Financial Oversight and Management Board for Puerto Rico.

Approved in San Juan, Puerto Rico, on the twenty-fourth day of May two thousand twenty-three.


Astrid I. Rodríguez-Cruz
Corporate Secretary



RESOLUTION 5047

Approval of Professional Services Contract with Ankura Consulting Group, LLC for Fiscal Year 2023-2024

- WHEREAS: The Puerto Rico Electric Power Authority (PREPA) is a public corporation and an instrumentality of the Government of Puerto Rico created by the Act 83 of May 2, 1941, as amended (Act 83). PREPA was created to provide electrical energy in a reliable way contributing to the general welfare and sustainable future of the people of Puerto Rico, maximizing benefits and minimizing social, environmental, and economic impacts. In addition, PREPA provides a service based on affordable, fair, reasonable, and non-discriminatory costs that is consistent with environmental protection, non-profit, focused on citizen participation and its clients.
- WHEREAS: Act 83 authorizes PREPA to grant contracts and formalize all the instruments that are necessary or convenient in the exercise of any of its powers.
- WHEREAS: Section 15(1)(a) of Act 83 states that all purchases made and contracts for supplies or services, except professional services, entered into by PREPA, including its capital construction contracts, shall follow a bid process.
- WHEREAS: According to Section 15(2)(d) of Act 83, a competitive bidding process shall not be necessary, when: professional or expert services or work are required and PREPA deems it in the best interests of good administration for such works or services to be contracted without such process.
- WHEREAS: Ankura Consulting Group, LLC (Ankura) has been involved in key aspects of PREPA's operations, finances liquidity, restructuring, and transformation ensuring continuity and execution of the initiatives. PREPA requires this critical transformation and operational initiatives that have a direct impact on its restructuring and transformation efforts and are necessary to meet key requirements for the Commonwealth of Puerto Rico and PREPA.
- WHEREAS: The scope of their contract includes financial advisory and bankruptcy support services, including Title III technical support to PREPA and its counsel, fiscal plan development and certification, reporting,

all



recordkeeping, leading Financial Oversight and Management Board for Puerto Rico (FOMB) matters with the Executive Director, Deputy Executive Director, and Finance Director, coordination with stakeholders, such as the Puerto Rico Fiscal Agency and Financial Advisory Authority (AAFAF for its acronym in Spanish), FOMB, and advisors.

WHEREAS: The Finance Directorate requests approval from PREPA's Governing Board to execute a Professional Services Contract between PREPA and Ankura with a maximum amount of \$6,600,000 from July 1, 2023, until June 30, 2024 (the Contract).

WHEREAS: In his May 12, 2023, memorandum, Chief Financial Officer, mister Nelson Morales Rivera, stated that PREPA needs to continue receiving Ankura's services to maintain business continuity and avoid interruption of significant work streams.

WHEREAS: Mister Morales Rivera certified funds for these services, under account 01-4019-92319-556-673, for Fiscal Year 2023-24, in the amount of \$6,600,000.

WHEREAS: PREPA's Legal Affairs Director considered mister Morales Rivera's memorandum and concluded that the procurement of these services, may be carried out through a professional services contract without a competitive bid process, according to the faculty granted to PREPA by Section 15(2)(d) of Act 83, after the approval of the Governing Board, the Office of Management and Budget of Puerto Rico, and FOMB.

THEREFORE: In accordance with Act 83, PREPA's Governing Board resolves to:

1. Approve the Professional Services Contract between PREPA and Ankura Consulting Group, LLP for Fiscal Year 2023-2024, from July 1, 2023, until June 30, 2024, for a maximum amount of \$6,600,000.
2. Authorize the Executive Director to execute the Professional Services Contract, after receiving the approval of the Office of Management and Budget of Puerto Rico, and the Financial Oversight and Management Board for Puerto Rico.

Approved in San Juan, Puerto Rico, on the twenty-fourth day of May two thousand twenty-three.


Astrid I. Rodríguez-Cruz
Corporate Secretary



GOVERNMENT OF PUERTO RICO

PUERTO RICO ELECTRIC POWER AUTHORITY

Governing Board | jgob@prepa.com

RESOLUTION 5048

Approval of Professional Services Contract with King & Spalding, LLP

WHEREAS: The Puerto Rico Electric Power Authority (PREPA) is a public corporation and an instrumentality of the Government of Puerto Rico created by the Act 83 of May 2, 1941, as amended (Act 83). PREPA was created to provide electrical energy in a reliable way contributing to the general welfare and sustainable future of the people of Puerto Rico, maximizing benefits and minimizing social, environmental, and economic impacts. In addition, PREPA provides a service based on affordable, fair, reasonable, and non-discriminatory costs that is consistent with environmental protection, non-profit, focused on citizen participation and its clients.

WHEREAS: Act 83 authorizes PREPA to grant contracts and formalize all the instruments that are necessary or convenient in the exercise of any of its powers.

WHEREAS: Section 15(1)(a) of Act 83 states that all purchases made and contracts for supplies or services, except professional services, entered into by PREPA, including its capital construction contracts, shall follow a bid process. *arlc*

WHEREAS: According to Section 15(2)(d) of Act 83, a competitive bidding process shall not be necessary, when: professional or expert services or work are required and PREPA deems it in the best interests of good administration for such works or services to be contracted without such process.

WHEREAS: As indicated by the Deputy Executive Director of Operations Office, PREPA needs the services of King & Spalding, LLP (K&S) to complete the Tranche 1 negotiations. The corresponding PSA will allow PREPA to (i) avoid interruptions to the ongoing activities of the Renewable Energy Generation and Energy Storage Resources ("RE RFP") – Tranche 1 No. 112648 ("T1 RFP"), as described below, and (ii) maintain business continuity and apply lessons learned from the T1 RFP in PREPA's participation in the published RE RFP for Tranche 2 ("T2 RFP"), as mandated by the Puerto Rico Energy Bureau ("PREB" or "Energy Bureau").



PO Box 364267 San Juan, Puerto Rico 00936-4267

"We are an equal opportunity employer and do not discriminate on the basis of race, color, gender, age, 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 immigration status; for physical or mental disability, for veteran status or genetic information"

WHEREAS: Tranche 1 ("T1") contracts finalization upon reaching the closing date represents one of PREPA's most significant tasks before the year end. PREPA has already submitted for PREB evaluation nine (9) power purchase and operating agreements ("PPOAs") of greenfield renewable energy generation that reached closing date by April 26, 2023. Another four PPOAs still under negotiations and will reach closing date by mid-June. Regarding the energy storage resources, three (3) additional projects totaling 150MW were submitted for PREB evaluation which K&S facilitated, and two additional projects are completing the documents gathering for further submittal to the PREB. Upon PREB and the Financial Oversight and Management Board for Puerto Rico (FOMB) approval, PREPA expects to finalize commercial agreements for such sixteen (16) projects, PPOAs, and BESS, before the year's end. Further the approval by the FOMB, of the Grid Services Agreement for a 17 MW virtual power plant, PREPA is heavily involved in the development process and participated in the kickoff meeting with Sunrun held on May 12, 2023.

WHEREAS: Regarding the T2 RFP, the PREB determined PREPA's role in the request for proposals ("RFP") process as set forth in their June 9, 2022's Resolution and Order. Among the duties and responsibilities, PREPA shall provide legal advice and resources in ensuring the RFP documents, including the PPOAs to be included as part of the RFP and final contracts execution. K&S provides critical legal and related services in support of PREPA through the PSA and carries substantial institutional and process knowledge regarding the overall RE RFP and the commercial realities of renewable energy development in Puerto Rico. As such, PREPA cannot easily replace these.

REC

WHEREAS: The Deputy Executive Director of Operations Office requests approval from PREPA's Governing Board for the PSA between PREPA and K&S with an estimated amount of \$1,000,000 from July 1, 2023, until December 31, 2023.

WHEREAS: Mr. Nelson Morales Rivera, Chief Financial Officer, certified funds for these services, under account 01-4019-92320-556-673, in the amount of \$1,000,000.

WHEREAS: PREPA's Legal Affairs Director considered the Deputy Executive Director of Operations memorandum and concluded that the procurement of these services, may be carried out through a professional services contract without a competitive bid process, according to the faculty granted to PREPA by Section 15(2)(d) of Act 83, after the approval of the Governing Board, the Office of Management and Budget of Puerto Rico, and FOMB.

THEREFORE: In accordance with Act 83, PREPA's Governing Board resolves to:

1. Approve the Professional Services Contract between PREPA and King & Spalding, LLP, from July 1 until December 31, 2023, for a maximum amount of \$1,000,000.
2. Authorize the Executive Director to execute the Professional Services Contract, after receiving the approval of the Office of Management and Budget of Puerto Rico, and the Financial Oversight and Management Board for Puerto Rico.

Approved in San Juan, Puerto Rico, on the twenty-fourth day of May two thousand twenty-three.


Astrid I. Rodríguez-Cruz
Corporate Secretary

Annex C

O'Melveny Proposed Contract for Legal Services

**GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY
PROFESSIONAL SERVICES AGREEMENT**

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 of May 2, 1941, No. 83, as amended (Act 83), represented in this act by its Executive Director, Josué A. Colón Ortiz, of legal age, married, engineer and resident of Caguas, Puerto Rico. -----

AS SECOND PARTY: O'Melveny & Myers, LLP (OMM), a limited liability partnership organized and existing under the laws of California, United States, represented in this act by its Partner, Maria J. DiConza of legal age, married, lawyer and resident in New York, United States, duly authorized to appear in representation of OMM by Certificate dated May 23, 2023.-----

Both PREPA and OMM 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: -----

WHEREAS, Pursuant Section 205 (2) (d) of Act No. 83 competitive bidding shall not be necessary when professional or expert services or work are required and PREPA deems



it in the best interests of good administration for such works or services to be contracted without such announcements. -----

NOW, THEREFORE, in accordance with PREPA's Governing Board Resolution No. 5045, and the mutual covenants and agreements contained in this Agreement, hereinafter stated, the Parties agree themselves, their personal representatives, and successors to enter into this Agreement under the following: -----

TERMS AND CONDITIONS

Article 1. Scope of Services

- 1.1 OMM will advise and assist PREPA on various matters relating to the restructuring of PREPA including legal issues arising from PREPA's ongoing operational and financial restructuring, litigation, Title III matters, mediation, fiscal plan issues, plan of adjustment development, finance, securities, and corporate. OMM will also provide services related to any filings, interactions or other issues involving PROMESA and the Financial Oversight and Management Board, other stakeholder engagement, the transformation process, and other matters as requested by PREPA. -----
- 1.2 At the direction of PREPA, OMM 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. OMM is not responsible for worked performed by others. -----
- 1.3 For each week, OMM will present a table that will include the specific projects or tasks that will be working, including the lead personnel assigned to each projects or task



and the name of the PREPA or AAFAF official requesting or overseeing the projects or task, and the dates on which any personnel will be traveling to and from Puerto Rico. Should any matter arise that is not foreseeable, OMM will include the updated information on next week's work plan. -----

Article 2. Services Coordination

All OMM's Services in relation to the terms and conditions of this Agreement will be coordinated through the Executive Director the person delegated by him or through AAFAF, in its capacity as fiscal agent to PREPA. -----

Article 3. Agreement Assignment or Subcontract

OMM shall not assign nor subcontract its rights and obligations under this Agreement, 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) OMM 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 OMMs' rights under the subcontract, in the event that PREPA declares OMM in breach or default of any of the Agreement 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 OMMs' obligations under the Agreement (*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 Agreement Amount, as stated in Article 6, Payment. The foregoing provisions shall not apply to temporary attorneys. Temporary attorneys have been retained by OMM pursuant to prior authorization from PREPA and no further authorization is required for the retention of such temporary attorneys. All services provided by temporary attorneys shall be billed to PREPA at cost, including any overtime costs, and shall be included in OMM's monthly invoices. Such temporary attorneys are engaged to provide document review services in connection with certain litigation matters at discounted rates, which are disclosed in the rate schedule attached hereto. -----

Article 4. Agreement Term

This Agreement shall be in effect from July 1, 2023, until June 30, 2024, (Agreement Term). The Agreement 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. Agreement Termination

5.1 Either Party shall have the right to terminate this Agreement, at any time, with thirty (30) days prior written notice by registered mail, return receipt requested, or overnight express mail to OMM. If notice is given, the Agreement shall terminate upon the expiration of the thirty (30) days (Termination Date) and PREPA shall be obligated to pay all fees and expenses incurred up to the Termination Date, in accordance with the terms of this Agreement. The rights, duties and responsibilities of the Parties shall continue in full force and effect during the thirty (30) day notice



period. In the event of termination, OMM shall have no further right to compensation except for what has been accrued for services rendered and expenses incurred under the Agreement until the Termination Date. -----

If either Party terminates this Agreement, such termination shall not affect OMM's right to receive all amounts owed by PREPA to OMM or the accrued rights of PREPA to receive the Work generated by OMM through the date of termination. -----



5.2 PREPA shall have the right to terminate this Agreement immediately in the event of negligence, dereliction of duties or noncompliance by OMM, 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 Agreement as permitted by applicable law and at any time, and without OMM's consent or cost, expense or incremental liability to PREPA, to any future operator of Puerto Rico's generation system or any of its affiliates, or to any governmental agency, body, public corporation or municipality of Puerto Rico; provided, that PREPA shall notify OMM no later than thirty (30) days before the effective date of any such Transfer.-----

OMM acknowledges that all its responsibilities and obligations under the Agreement, 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 OMM accepts that the total amount to be paid under the Agreement shall not exceed nine million dollars (\$9,000,000), including reimbursable expenses (the "Agreement Amount"). All payments to be made under this Agreement will be charged to account 01-4019-92303-556-673. 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 OMM under the Agreement.-----

6.2 Nothing herein shall preclude the Parties from agreeing to increase said amount in writing and signed by both Parties. -----

6.3 PREPA will pay for the Services rendered by OMM according to the blended hourly rates established in Appendix A. -----

6.4 Should OMM assign another person to attend to PREPA's matters pursuant to this Agreement, OMM shall promptly send PREPA an amended schedule to include such person's name, position and rate, as well as request approval from PREPA. -----

6.5 OMM shall promptly notify PREPA when the billing under the Agreement amounts seventy-five percent (75%) of the Agreement Amount. Once this notification has been issued, OMM, in coordination with PREPA, will ensure that no services will be



rendered in excess of the Agreement Amount, except that a written amendment is agreed upon by both Parties. In addition, OMM shall present a reasonably itemized list of the remaining billable Services under the Agreement. -----

Article 7. Fees, Expenses and Disbursements

7.1 PREPA should not be billed for (a) time spent in processing conflict searches, preparing billing statements, or in responding to PREPA inquiries concerning OMM's invoices; or (b) travel time during which OMM is billing another client for work performed while traveling. Moreover, PREPA requires that only professional services be billed on a time and material basis in accordance with OMM's fixed hourly rates. Accordingly, PREPA should not be billed for the administrative tasks of creating, organizing, reviewing and/or updating files; receiving, reviewing, and/or distributing mail; faxing or copying documents; checking electronic mail or converting information to disk, not directly related to PREPA's Agreement. -----



7.2 PREPA will only pay to OMM up to a maximum of 12 working hours per person, per day. -----

7.3 PREPA will reimburse OMM for actual costs and expenses related to matters assigned to OMM and for necessary and reasonable out-of-pocket disbursements, subject to the limitations and exceptions set forth below. OMM is expected to have a system in place that requires those who bill time and disbursements to PREPA matters do so promptly and accurately. -----

7.4 PREPA will not reimburse OMM for: (a) costs included in a 'miscellaneous' or 'other' category of charges; (b) overhead costs and expenses-such as those relating to fees

for time or overtime expended by support staff (secretaries, administrative/clerical personnel, internal messengers, and other similar services), word processing and/or proofreading, cost of supplies or equipment, and/or other similar costs of doing business; (f) time spent attending education seminars or training programs; or (h) mark-ups or surcharges on any cost or expense. In addition, if communications are sent to PREPA using more than one medium, PREPA does not expect to pay for the cost of both communications. For instance, if a piece of correspondence is sent to PREPA by email, we do not expect to pay for the cost of that same correspondence if it is also sent via regular or expedited mail. -----

7.5 PREPA will reimburse OMM for separately itemized expenses and disbursements in the following categories: -----

7.5.1 Messenger/courier service – PREPA will reimburse actual charges billed to your firm for deliveries (including overnight deliveries) where this level of service is required because of time constraints imposed by PREPA or because of the need for reliability given the nature of the items being transported. Appropriate summaries of messenger/courier expenses must reflect the date and cost of the service and the identity of the sender and the recipient or the points of transportation. We do not expect all documents to be hand delivered or sent by overnight express; indeed, we do expect that decisions about modes of delivery, from by-hand messenger to electronic transmission, will be made with due regard for need, economy, and good sense. -----

7.5.2 Travel – PREPA will reimburse actual charges for transportation and hotels reasonable and necessary for effective services to PREPA. PREPA will not pay for any first-class or business-class travel. Summaries of transportation expenses should reflect the identity of the user, the date and amount of each specific cost, and the points of travel. Summaries of lodging expenses should include the identity of the person making the expenditure, the date and amount, and the nature of the expenditure. PREPA expects you to be reasonable and prudent both in selecting hotels and restaurants, if applicable, for which we are to be charged and in distinguishing between personal expenses and properly chargeable business expenses. -----



Travel expenses reimbursement applies for personnel providing the services to PREPA, travel expenses for family members or guests are not chargeable to PREPA or reimbursable. -----

7.5.3 Air Travel - The cost of air travel will be reimbursed up to an amount that is no more than the advanced purchase of the lowest available economy airfare (including applicable taxes). The Consultant shall submit a copy of the original airline ticket or paid travel agency invoice. Airfare may only be invoiced following completion of travel. In the event of a scheduled trip has to be cancelled by PREPA's order, PREPA will assume the cost of the penalty fee. Maximum Per Diem Rates (no proof of payment will be required): -----

Meals: - \$60 for each traveling day for persons working in Puerto Rico or other location as directed and approved by PREPA under the Agreement. Under no circumstances PREPA will reimburse alcoholic beverages. -----

Lodging (standard not smoking room): - \$250 per person, per night including government fees and taxes OMM may use an economical alternative of lodging, including temporary rentals of apartments or rooms (Airbnb like rentals). For travel period longer than five days, temporary rentals, including all taxes and applicable fees is less expensive than hotel accommodation, and evidence of said temporary rental shall be provided. -----

Ground Transportation: - Shall be reimbursable at cost, including Uber type services, car rentals (as approved by PREPA and associated driving expenses such as, but not limited to parking fees, highway tolls, and fuel). -----

7.5.4 Reimbursable expenses shall not exceed six percent (6%) of the Agreement Price in one year and will be reimbursed by PREPA through the presentation of acceptable evidence for such expenses. This limitation does not apply to expenses related to third-party services necessary for Contractor to render its services under the Agreement, given they are previously approved by PREPA. PREPA will not reimburse expenses disallowed by Order of the Title III Court -----

7.5.5 Photocopying/printing – PREPA will reimburse actual charges for outside binding, and printing services and costs of outside photocopying services, which are not to exceed the actual five (5) cents per page for black and white



copies, and twenty-five (25) cents per page for color copies. Summaries of expenditures for copying should reflect both the number of copies made and the cost per copy. -----

7.5.6 Third-Party Services – The approval of PREPA must be obtained in writing prior to retaining any third-party services necessary to support the Services and provided exclusively for the benefit of PREPA. OMM shall be responsible for requiring that there are no conflicts of interest between any third party and PREPA or between any third-party clients and PREPA. In addition, all arrangements with third-party vendors should include an appropriate undertaking of confidentiality and data privacy. Invoices from third-party vendors should be paid directly by OMM, incorporated into its invoice to PREPA and should include appropriate detail. Copies of third-party invoices may be requested by PREPA and should be retained in accordance with PREPA's guidelines. The foregoing provisions shall not apply to data hosting charges for litigation purposes. PREPA acknowledges that OMM is maintaining a document repository through Relativity for litigation purposes and no further authorization is required for the data hosting charges associated with the repository. Data hosting charges, including but not limited to Relativity charges, shall be billed to PREPA at cost and shall be included in OMM's monthly expense invoices.-----

7.5.7 PREPA reserves the right to question the charges on any bill (even after payment) and to obtain a discount or refund of those charges that are not in

compliance with the terms of the Agreement. At PREPA's request, copies of bills and records reflecting reimbursable expenses that are not specifically identified as a per diem. -----

Article 8. Invoices



8.1 OMM shall submit its invoices on a monthly basis for the work already performed within the thirty (30) days after the last business day of the month in which the services were rendered. PREPA will review the invoices within thirty (30) days of receipt, and if they are in compliance with the requirements set forth in this Agreement, it will proceed with payment. Provided, that invoices that are subject to Title III shall be paid in accordance with the Title III process. The Title III invoices shall be drafted, submitted and paid in accordance to the United States Trustee guidelines for reviewing applications for compensation and, also, in accordance to such rules as established by the Fee Examiner in the Title III case, both by memorandum, or by Court Order. Notwithstanding, OMM shall submit the invoices to PREPA, concurrently to the Title III fee examiner submittal. PREPA will not honor invoices that have been outstanding for services provided more than two (2) months before an invoice is received, as it is nearly impossible for such an invoice to be accurately reviewed and approved after such time has passed. -----

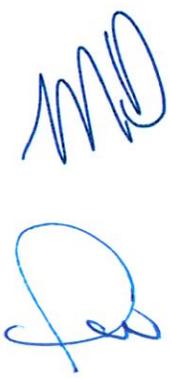
8.2 All invoices, must be prepared in corporate letterhead within the following framework. PREPA shall process invoices that do not include the items below. -----

- a. Invoice Number. -----
- b. A brief description of the project or task to which the services relate. -----

- c. A full chronological description of the services performed during the statement period, the name of the professional who performed such services and the hourly rates and the number of hours spent (by date) for each professional. -----
- d. Reasonable detail of the reimbursable expenses and disbursements made on behalf of PREPA during the statement period. -----
- e. Fees, disbursements and total charges during the statement period. -----
- f. If reimbursement for third party services is to be made, a copy of the relevant third party invoice must be attached. -----
- g. Please show clearly on the invoice the total current bill (without regard to prior balances). Prior balances or payment history should be shown separately, if at all, by invoice number, invoice date, and amount. -----

8.3 The invoice for professional services must be duly certified by an authorized representative of OMM. OMM shall allocate any invoiced fees between: (i) activities undertaken outside of Puerto Rico; and (ii) those relating to activities undertaken within Puerto Rico. -----

8.4 PREPA will review the invoices upon receipt, and if they are in compliance with the requirements set forth in this Agreement, it will proceed with payment. OMM will comply with the terms of the Compensation Order in invoicing its fees and PREPA shall pay OMM in accordance with the Compensation Order. 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. -----



8.5 All invoices submitted by OMM 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 Agreement. 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".



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

9.3 OMM 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 OMM all information under the control of PREPA and necessary for OMM to perform the Services under this Agreement and those material facts that OMM may reasonably require in order to provide its Services to PREPA. PREPA will ensure, to the best of its knowledge and belief, that the

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke, located on the left side of the page.

documents, data, and other information and material facts provided to OMM, which are under its control, are true and complete, and does not constitute misleading or inaccurate information and OMM 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 OMM 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 OMM. -----

Article 11. Information Disclosure and Confidentiality

11.1 OMM acknowledges the proprietary and confidential nature of all internal, non-public, information systems, financial, and business information relating to PREPA and its personnel, its subsidiary corporations and affiliates and their personnel, the Commonwealth of Puerto Rico, its agencies, corporations and/or municipalities and their personnel, now or hereafter provided to OMM or otherwise obtained by OMM in the course of rendering services for PREPA (collectively, "Confidential Information").-

11.2 OMM and its employees, affiliates and authorized sub-contractors shall keep in strict confidence all Confidential Information, and: (i) shall not make public or disclose any of said materials without the previous written consent of PREPA, provided that OMM shall be permitted to share financial and other information prepared or provided for purposes of PREPA's financial restructuring with representatives of the Puerto Rico Fiscal Agency and Financial Authority ("AAFAF") and, with the consent of AAFAF and PREPA, with creditors of PREPA that have signed non-disclosure agreements in a form and substance acceptable to AAFAF and PREPA;(ii) shall use the Confidential



Information only to perform OMM's obligations under this Agreement; and (iii) will reproduce the Confidential Information only as required to perform OMM's obligations under this Agreement. -----

11.3 "Confidential Information" shall not apply to any information which: (a) is generally known to the public at the time of disclosure to OMM or becomes generally known through no wrongful act on the part of OMM; (b) is in OMM's possession at the time of disclosure otherwise than as a result of OMM's breach of any legal obligation; (c) becomes known to OMM through disclosure by sources other than OMM having the legal right to disclose such information; or (d) is independently developed by OMM without reference to or reliance upon the confidential information. -----

In addition, these provisions shall not prohibit OMM from making any disclosure pursuant to any subpoena or order of a court or a Governmental or Administrative tribunal which may assert jurisdiction over OMM; provided that, to the extent legally permissible, OMM shall promptly notify PREPA of any such disclosure obligations and reasonably cooperate with PREPA's efforts to lawfully avoid and/or minimize the extent of such disclosure. -----

11.4 OMM will not disclose any Confidential Information relating to the work that OMM performs under this Agreement. OMM may divulge Confidential Information to its employees who need to know such information to fulfill the purposes of this engagement provided that such persons: (i) shall have been advised of the confidential nature of such information and OMM shall direct them, and they shall

Handwritten blue ink initials 'MM' and a signature.

agree, to treat such information as confidential and to return all materials to OMM upon request, but for one copy for record purposes only; and (ii) in each case, such person shall be bound by the terms of this Agreement. -----

11.5 In connection with the services rendered under this Agreement, OMM will furnish PREPA any necessary reports, analyses or other such materials that exist as of the date requested, as PREPA may reasonably request. OMM shall not invoice the time spent to gather and deliver such information. PREPA, however, acknowledges that OMM may develop for itself, or for others, problem solving approaches, frameworks or other tools and processes developed in performing the services and any additional services provided hereunder, and nothing contained herein precludes OMM from developing or disclosing such materials and information provided that the same do not contain or reflect Confidential Information. -----

11.6 OMM shall return or destroy all Confidential Information, as well as any other document that may relate to its work under this Agreement, to PREPA within thirty (30) days after date of the expiration or earlier termination of this Agreement, and shall certify that all the information has been returned to PREPA or destroyed, but for electronic information held in archive and/or backup files to the extent such files cannot be deleted without unreasonable effort or expense and created in the ordinary course pursuant to established data backup/archive procedures; provided, however, OMM may retain its own work product as long as it maintains the confidentiality of PREPA's Confidential Information as otherwise provided in this Agreement. During this thirty (30) day period, and except to the extent making such



documents available would result in the loss of legal privilege for PREPA, these documents shall be available for inspection by the Office of the Comptroller of Puerto Rico. Such inspection, if undertaken, shall not constitute a waiver of the attorney-client privilege or work product doctrine. -----

11.7 OMM's material negligent discharge or the breach of the confidentiality clause hereinabove continuing after receipt of written warning or abandonment of the duties assigned hereunder shall constitute a breach of this Agreement by OMM and PREPA will be entitled to terminate this Agreement forthwith, without having to comply with the requirements of notice set forth above, without limitations of any other rights and remedies under law, and will release and discharge PREPA from any further obligations and liabilities hereunder. -----

11.8 This Article shall survive the termination, expiration or completion of this Agreement.

Article 12. Rights and Titles

12.1 OMM will submit any reports required by PREPA regarding services performed under this Agreement. If required by PREPA, at the completion of the assigned tasks, OMM will submit a final written report describing the work it has performed. This requirement shall not be interpreted as a waiver by PREPA of OMM's ethical obligation and responsibility of keeping PREPA informed of the progress of the assigned matters. This obligation includes OMM's commitment to preparing and delivering to PREPA's external auditors, in a timely manner, the legal letters periodically requested in connection with pending or threatened litigation, claims and assessments or loss contingencies, as part of the financial statements audit



process for PREPA, its subsidiaries and affiliates. OMM shall not invoice the time spent in preparing customary letters to auditors, as it is understood that this is an administrative obligation complementary to the `services rendered hereunder. -----

12.2 All rights, titles and interest in any reports, documents, analyses, investigations and any other by-product conceived or developed by OMM exclusively for PREPA as a result of performing its obligations under this Agreement shall be the exclusive property of PREPA. OMM 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 Agreement. With the exception of items marked as "CONFIDENTIAL" by OMM, 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 OMM under this Agreement. -----



Article 13. Warranty

13.1 OMM 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 OMM not fulfill the above established Standard, OMM 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 OMM shall not be understood as a waiver by PREPA to any other remedy it may have

under this Agreement or under the law or equity for any damages that OMM's may have caused to it by rendering such deficient Services. -----

13.2 No other warranty, express or implied, is made or intended by this Agreement, by furnishing oral or written reports of findings made, or by any other act of OMM. -----

Article 14. Responsibility for Damages

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

Article 15. Independent Contractor

15.1 OMM shall be considered as an independent contractor, for all material purposes under this Agreement, and all persons engaged or contracted by OMM for the performance of its obligations herein, shall be considered as its employees or agents, and not as employees or agents of PREPA. -----

15.2 As an independent contractor, OMM 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. -----

15.3 OMM is fully and solely responsible for all taxes, assessments, penalties, fines, and interest relating to wages and benefits paid to OMM's employees under this Agreement, pursuant to all federal, state and local laws, including required withholding from wages of employees, regardless of the characterization of those employees by the Parties, administrative agencies, or the courts. -----

Article 16. 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 Agreement or to any benefit that may arise therefrom. -----

Article 17. Conflict of Interest

OMM acknowledges that in executing its services pursuant to this Agreement, it has an obligation of complete loyalty towards PREPA, including having no adverse interests. "Adverse interests" means representing clients who have or may have interests that are contrary to PREPA but does not include rendering services that are unrelated to this engagement. This duty includes the continued obligation to disclose to PREPA all circumstances of its relations with clients and third parties, including AAFAF, which would result in an adverse interest, and any adverse interest which would influence OMM when executing the Agreement or while it is in effect. PREPA acknowledges OMM is a large global law firm having multiple financial institutions and investors as clients, and with or without OMM's knowledge, any of such clients may from time to time acquire, hold or trade interests adverse to PREPA or its affiliates. OMM's representations of those clients in unrelated matters shall not be deemed conflicts or influences on OMM within the meaning of this Agreement. -----

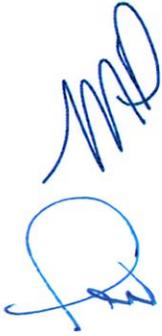
This conduct by one of OMM's partners, members, directors, executives, officers, associates, clerks or employees shall be attributed to OMM for purposes of this prohibition.



OMM shall endeavor to avoid even the appearance of the existence of a conflict of interest that has not otherwise been waived. -----

OMM acknowledges the power of the Chief Executive 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 adverse interest with OMM, he shall inform such findings in writing and his intentions to terminate the Agreement within a fifteen (15) day term. Within such term, OMM can request a meeting with the Chief Executive Officer of PREPA to present its arguments 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 Agreement shall be terminated at the end of said fifteen (15) day period. -----

OMM certifies that at the time of the execution of this Agreement, it does not have nor does it represent anyone who has adverse interests that are in conflict with PREPA. If such conflicting interests arise after the execution of this Agreement, OMM shall, to the extent consistent with its obligations to other clients, notify PREPA immediately. Notwithstanding the foregoing, PREPA acknowledges that OMM has been engaged by AAFAF to represent it in connection with the PREPA restructuring and certain other matters related to AAFAF's restructuring mandate for Puerto Rico and its public corporations. PREPA further acknowledges that OMM represents the Commonwealth of Puerto Rico ("Puerto Rico"), the Puerto Rico Aqueduct and Sewer Authority ("PRASA") and the Puerto Rico Sales Tax Financing Corp. ("COFINA"). OMM recognizes that any and all obligations prescribed in



this Article shall apply in regard to its representation of AAFAF, Puerto Rico, PRASA and COFINA. Also, OMM certifies that, at the time of the execution of this Agreement, it does not have nor does it represents anyone who has Conflict of Interests with PREPA on the matters for which OMM represents PREPA. If such Conflict of Interest arises after the execution of the Agreement, OMM shall notify PREPA immediately. -----

Article 18. 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: Josué A. Colón Ortiz
Executive Director

To OMM: Maria DiConza
Partner
Times Square Tower
7 Times Square
New York, NY 10036

Article 19. Applicable Law and Venue

This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico. The court and authorities of the Commonwealth of Puerto Rico and the federal courts of the United States shall have jurisdiction over all controversies that may arise with respect to this Agreement. The Parties hereby waive any other venue to which they might be entitled by the virtue of domicile or otherwise. Should either party initiate or bring suit or action before any other court, it is agreed that upon application, any such suit or action shall be dismissed, without prejudice, and may be filed in accordance with this provision. The Party bringing the suit or action before a court not agreed to herein shall pay to the other party all the Professional Services costs of seeking dismissal including reasonable attorney's fees. Should any clause or conditions of hits Agreement be declared null and void by a competent court of law, the remaining parts of this Agreement shall remain in full force and effect.-----



The Parties hereto will attempt in good faith to promptly resolve any controversy or claim arising out of or relating to this Agreement through negotiations between them in the normal course of business, before resorting to other remedies available to them pursuant to this Agreement. For any dispute whatsoever, which has not been resolved through negotiation as set forth above, the parties may seek resolution of the matter utilizing any remedies available at law or in equity. -----

Article 20. Change in Law

During the term of this Agreement, any change in law, including, but not limited to changes in applicable tax law, which cause an increase in OMM's costs when providing the services, shall be OMM's responsibility and PREPA shall not be obligated to increase the Agreement Amount. -----

Article 21. Force Majeure

21.1 The Parties shall be excused from performing their respective responsibilities and obligations under this Agreement 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. -----

21.2 For purposes of this Agreement, 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. -----

21.3 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 22. Novation

22.1 The Parties expressly agree that no amendment or change order, which could be made to the Agreement during its term, shall be understood as a contractual novation, unless both Parties agree to the contrary, specifically and in writing. -----

22.2 The previous provision shall be equally applicable in such other cases where PREPA gives OMM a time extension for the compliance of any of its obligations under this Agreement, or where PREPA dispenses the claim or demand of any of its credits or rights under the Agreement. -----

Article 23. Severability

If a court of competent jurisdiction declares any of the Agreement provisions as null and void or invalid, such holding will not affect the validity and effectiveness of the remaining provisions of this Agreement and the Parties agree to comply with their respective obligations under such provisions not included in the judicial declaration. -----

Article 24. Insurance

OMM certifies that it maintains sufficient professional liability insurance to adequately provide for any liability that may arise from the services provided under this Agreement, except to the extent that the customary ceilings on and deductibles for such insurance for law firms similar to the OMM limit such coverage. Accordingly, OMM shall provide to

PREPA a certificate of insurance for its professional liability insurance with limits of One Million Dollars (\$1,000,000) per claim and One Million Dollars (\$1,000,000) aggregate. ----

Article 25. Compliance with the Commonwealth of Puerto Rico Contracting Requirements



OMM will comply with all applicable laws, regulations and executive orders that regulate the contracting process and requirements of the Government of Puerto Rico, including Act 73-2019, as amended, known as the "2019 General Services Administration Act for the Centralization of Purchases of the Government of Puerto Rico" (Act 73-2019). In compliance with the provisions of Act 73-2019, OMM has provided PREPA the Certification of Eligibility of the Unique Registry of Professional Services Providers (known in Spanish as "*Certificado de Elegibilidad del Registro Único de Proveedores de Servicios Profesionales*", and hereinafter referred to as the "RUP Certification"), issued by the General Services Administration. It is hereby acknowledged that pursuant to the provisions of Article 42 of Act 73-2019, a valid RUP Certification serves as evidence of compliance with the documentation requirements necessary for contracting professional services with the Government of Puerto Rico, particularly those applicable under Act 237-2004, as amended, which establishes uniform contracting requirements for professional and consultant services for the agencies and governmental entities of the Commonwealth of Puerto Rico (3 L.P.R.A. § 8611 et seq.), the Puerto Rico Department of Treasury Circular Letter Number 1300-16-16 issued on January 22, 2016, as amended, and the sworn statement before notary public required pursuant to Article 3.3 of Act 2-2018.-----

Further, OMM hereby certifies, guarantees, acknowledges and agrees to the following:----

A. OMM hereby certifies that as of the execution of this Contract, it has filed income, sales and use ("IVU" for its Spanish acronym), and property taxes returns, in Puerto Rico for the past five (5) years. OMM also certifies that it does not have any outstanding debt or other debts with the Government of Puerto Rico for income, IVU taxes (collected by the Department of the Treasury), real or chattel property taxes (collected by the "*Centro de Recaudación de Ingresos Municipales*" ("CRIM")), unemployment insurance premiums, workers' compensation payments, Social Security for chauffeurs from the Department of Labor and Human Resources, nor have debts with the Puerto Rico Child Support Administration (known in Spanish as the *Administración Para El Sustento de Menores* (ASUME)). In the event that OMM owes taxes or premiums to said government agencies, it agrees that PREPA may withhold any monies due to OMM under this Contract to be applied to the payment and cancellation of said debt. OMM also certifies that it is in corporate "Good Standing" at the Department of State of Puerto Rico. OMM hereby represents and certifies that it is duly authorized to do business under the laws of Puerto Rico by the Department of State and the execution, delivery and performance of all the services under this Contract are within OMM authorized powers and are not in contravention of law. OMM also certifies that it is in compliance with the Merchant's Registration. Accordingly, OMM has submitted to PREPA its RUP Certification from the General Services Administration. OMM shall maintain its certificate valid for the duration of this Contract.-----



- B. 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 Agreement. -----
- C. Social Security and Income Tax Retentions: In compliance with Executive Order 1991 OE- 24; and C.F.R. Part 404 et. Seq., OMM 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 Agreement. -----
- D. 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, PREPA will retain twenty percent (20%) and twenty-nine percent (29%) respectively. PREPA will remit such withholdings to the Government of Puerto Rico's Treasury. OMM will request PREPA not to make such withholdings if, to the satisfaction of PREPA, OMM timely provides a release from such obligation by the Government of Puerto Rico's Treasury Department.
- E. Compliance with Act No. 1 of Governmental Ethics: OMM 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 Agreement, except as may be expressly authorized by the



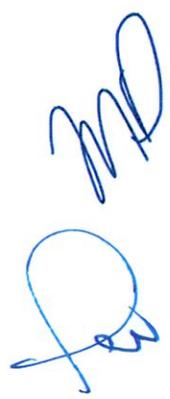
Governor of Puerto Rico in consultation with the Secretary of Treasury and the Secretary of Justice of the Government. 3 L.P.R.A. § 8611 et seq.;-----

F. Law 168-2000: Law for the Strengthening of the Family Support and Livelihood of Elderly People: OMM 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*". -----

G. Law 127-2004: Agreement Registration in the Comptroller's Office of Puerto Rico Act: Payment for services object of this Agreement will not be made until this Agreement is properly registered in the Office of the Comptroller of the Government of Puerto Rico pursuant to Law 18 of October 30, 1975, as amended.-----

H. 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. -----

I. 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. -----

J. 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. -----

K. 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. -----

L. 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. -----

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

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

O. Provisions Required under Act 14-2004: OMM 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. -----

P. OMM certifies that at the time of execution of this Agreement it has no other contracts with other agencies, public corporations, municipalities, and/or instrumentalities of the Government of Puerto Rico, except for:

1. Puerto Rico Public-Private Partnerships Authority
2. Puerto Rico Fiscal Agency and Financial Advisory Authority
3. Puerto Rico Aqueduct and Sewer Authority.

OMM acknowledges and accepts that the failure to list any current contractual relationship with any governmental entity may result in the termination of this Agreement if required by PREPA.-----

Q. The Parties hereby acknowledge the requirements and procedures set forth in Administrative Bulletin No. OE-2021-029 issued by the Governor of Puerto Rico, Hon. Pedro R. Pierluisi, on April 27, 2021 ("OE-2021-29") and Circular Letter No. 013-2021 issued on June 7, 2021, by the Office of Management and Budget ("CC 013-2021"), applicable to professional services agreements with a maximum amount of \$250,000 or more per fiscal year. However, in accordance with the exceptions



authorized in the Contracting Measures, PREPA filed a petition with the Office of Management and Budget seeking to be exempted from the Contracting Measures which was thereafter approved. Consequently, in accordance with the exceptions authorized in OE-2021-29 and CC 013-2021, the execution of this Agreement is exempt from the requirements and procedures established in the abovementioned provisions.-

R. OMM certifies that at the time of the execution of this Agreement, it is not a public company with shares that are traded on a regulated stock exchange.

OMM certifies that prior to the execution of this Agreement, it has submitted to PREPA a Certification of Legal Entity (known in Spanish as "*Certificación sobre Personas Jurídicas*").-----

If any of the previously required Certifications shows a debt, and OMM has requested a review or adjustment of this debt, OMM will certify that it has made such request at the time of the Agreement execution. If the requested review or adjustment is denied and such determination is final, OMM will provide, immediately, to PREPA a proof of payment of this debt; otherwise, OMM accepts that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments. -----

Article 26. Anti-Corruption Code for a New Puerto Rico

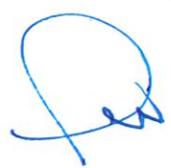
26.1 OMM agrees to comply with the provisions of Act 2-2018, as the same may be amended from time to time, which establishes the Anti-Corruption Code for a New Puerto Rico. OMM hereby certifies that it does not represent particular interests in cases or matters that imply a conflicts of interest, or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



26.2 OMM shall furnish a sworn statement to the effect that neither OMM 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 OMM 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.-----



26.3 OMM 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. -----



26.4 PREPA shall have the right to terminate the Agreement in the event OMM 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: OMM expressly agrees that the conditions outlined throughout this Article are essential requirements of this Agreement. 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 Agreement null and void, and OMM shall reimburse the PREPA all moneys received under this Agreement. -----



Article 27. Non-Discrimination

OMM agrees that it will not discriminate against any employee or applicant for employment on account of race, color, gender, age, 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 immigration status for physical or mental disability, for veteran status or genetic information. Further, OMM certifies that, in compliance with Act 61 of August 1, 2017, it has an equal pay policy in place and it has completed, or at least has started, self-audit if its compensation practices, and has achieved reasonable progress to eradicate any sex based salary disparities for comparable jobs.-----

Article 28. Representations

Each of the Parties represents to the other that:-----

(a) it has the legal power and authority to enter into this Agreement and to perform its obligations hereunder, and neither the execution of this Agreement nor the performance of its obligations hereunder will violate any agreement or obligation from that party to others; and-----

(b) the officer or representative who has executed and delivered this Agreement on its behalf is authorized to do so.-----

Article 29. Contractor Certification Requirement

The Parties acknowledge that OMM has submitted the certification titled "Contractor Certification Requirement" required in accordance with the Contract Review Policy of the Financial Oversight and Management Board for Puerto Rico, effective as of November 6, 2017, as amended, signed by OMM's Executive Director (or another official with an equivalent position or authority to issue such certifications). A signed copy of the "Contractor Certification Requirement" is included as an annex to this Agreement.-----

OMM represents and warrants that the information included in the Contractor Certification Requirement is complete, accurate and correct, and that any misrepresentation, inaccuracy or falseness in such Certification will render the Agreement null and void and OMM will have the obligation to reimburse immediately to the Commonwealth any amounts, payments or benefits received from the Commonwealth under the Agreement.—

Article 30. Transfer of skills and technical knowledge

For this Agreement, the transfer of skills and technical knowledge required by the Certified Fiscal Plan is inapplicable given the non-recurring or specialized nature of the contracted services.-----

Article 31. Entire Agreement

The terms and conditions contained herein constitute the entire agreement between PREPA and OMM with respect to the subject matter of this Agreement, and supersede all communications, negotiations, and agreements of the Parties, whether written or oral, other than these, made prior to the signing of this Agreement.-----

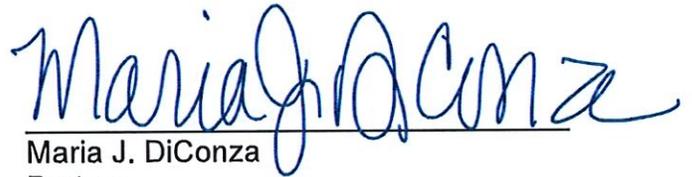
IN WITNESS WHEREOF, the Parties hereto sign this Agreement in San Juan, Puerto Rico this 30 day of June, 2023. -----

Puerto Rico Electric Power Authority

O'Melveny & Myers, LLP



Josue A. Colón Ortiz
Executive Director
Tax Id Number: 660-43-3747



Maria J. DiConza
Partner
Tax Id. Number: 95-1066597
Email: mdiconza@omm.com

APPENDIX A

**Puerto Rico Fiscal Agency Financial Advisory Authority
Puerto Rico Electric Power Authority
FY24 Blended Hourly Rates**

Timekeeper	Title	Office	Rate
Dreeben, Michael	Partner	Washington, DC	\$945
Rapisardi, John	Partner	New York	\$945
Friedman, Peter	Partner	Washington, DC	\$945
Blalack, K. Lee	Partner	Washington, DC	\$945
Plesnarski, Robert	Partner	Washington, DC	\$945
Johnson, David	Partner	Century City	\$945
Geist, Andrew	Partner	New York	\$945
Hacker, Jonathan	Partner	Washington, DC	\$945
Strubeck, Lou	Partner	Dallas	\$945
Diconza, Maria	Partner	New York	\$945
Walbridge, Jeff	Partner	Newport Beach	\$945
Laco, John	Partner	Los Angeles	\$945
Jones, Evan	Partner	Los Angeles	\$945
Cantor, Daniel	Partner	New York	\$945
Sushon, Bill	Partner	New York	\$945
Hawrylewicz, Jaroslaw	Partner	New York	\$945
Richards, Eric	Partner	Los Angeles	\$945
Oldham, Phillip	Partner	Austin	\$945
Taylor, Jennifer	Partner	San Francisco	\$945
Rudzin, Abby	Partner	New York	\$945
Mermelstein, Rebecca	Partner	New York	\$945
Moritz, Luc	Partner	Los Angeles	\$945
Fisher, Robert	Partner	Silicon Valley	\$945
Mckeen, Elizabeth	Partner	Newport Beach	\$945
Shamah, Daniel	Partner	New York	\$945
Anderson, Alexander	Partner	New York	\$945
Bednark, B. Andrew	Partner	New York	\$945
Raytis, Denise	Partner	Los Angeles	\$945
Hwang, Monica	Partner	Houston	\$945
Fowler, Jeffrey	Partner	Los Angeles	\$945
Barrett, Shannon	Partner	Washington, DC	\$945
Metlitsky, Anton	Partner	New York	\$945
Jacob, Greg	Partner	Washington, DC	\$945
Teleanu, Natasha	Partner	New York	\$945
Rice, Deanna	Partner	Washington, DC	\$945
Morris, Danielle	Partner	Newport Beach	\$945
Zujkowski, Joseph	Partner	New York	\$945
Hoffner, Jeff	Partner	Los Angeles	\$945
Drake, Scott	Partner	Dallas	\$945
Coleman, Katie	Partner	Austin	\$945
Vergow, Meaghan	Partner	Washington, DC	\$945
Lee, Jeeho	Partner	New York	\$945
Chanoine, Hannah	Partner	New York	\$945
Hinker, Matthew	Partner	New York	\$945
Pocha, Madhu	Partner	Century City	\$945
Daniels, Justine	Partner	Los Angeles	\$945
Wilkes, Greg	Partner	Dallas	\$945
Roberts, Alexander	Partner	New York	\$945
Rousakis, John	Partner	New York	\$945
Deneve, Jorge	Partner	Los Angeles	\$945

MD

**Puerto Rico Fiscal Agency Financial Advisory Authority
Puerto Rico Electric Power Authority
FY24 Blended Hourly Rates**

Timekeeper	Title	Office	Rate
Young, Andrew	Partner	Washington, DC	\$945
Von Schack, Maria	Partner	New York	\$945
Kremer, Matthew	Partner	New York	\$945
Abbott, Billy	Partner	Silicon Valley	\$945
Additional Partners	Partner	Any	\$945
Kohn, Jeffrey	Of Counsel	New York	\$945
Heiss, Howard	Of Counsel	Washington, DC	\$945
Rothenberg, Eric	Of Counsel	New York	\$945
Jacobsen, Wayne	Of Counsel	Newport Beach	\$945
Blashek, Robert	Of Counsel	Century City	\$945
Thorpe, Gregory	Of Counsel	Los Angeles	\$945
Chang, Winston	Of Counsel	Newport Beach	\$945
Additional Of Counsel	Of Counsel	Any	\$945
Renneisen, John	Counsel	Washington, DC	\$945
Pink, Scott	Counsel	Silicon Valley	\$945
Widen, Scott	Counsel	New York	\$945
Perez, Diana M.	Counsel	New York	\$945
Shariff, Viq	Counsel	New York	\$945
Yassin, Mohammad	Counsel	New York	\$945
Mcglathlin, Russell	Counsel	Century City	\$945
Gleason, Scott	Counsel	New York	\$945
Martin, Bill	Counsel	New York	\$945
Geevarghese, Nidhi M.	Counsel	New York	\$945
Ferrito, Vince	Counsel	New York	\$945
Covucci, Amber L.	Counsel	New York	\$945
Aronsson, Laura	Counsel	New York	\$945
Vivatvaraphol, Tai	Counsel	New York	\$945
Dermody, John	Counsel	Washington, DC	\$945
Hammack, Scott	Counsel	Washington, DC	\$945
Pavel, Ashley	Counsel	Newport Beach	\$945
Westin, Cameron	Counsel	Newport Beach	\$945
Hoffner, Sarah	Counsel	Los Angeles	\$945
Smith, Valerie	Counsel	Los Angeles	\$945
Harrigan, James	Counsel	Washington, DC	\$945
Beiswenger, Jake	Counsel	Los Angeles	\$945
Ramirez, Ramon	Counsel	Silicon Valley	\$945
Dimijian, Harout	Counsel	Los Angeles	\$945
Hendrix, Nick	Counsel	Dallas	\$945
Stoica, Teo	Counsel	Los Angeles	\$945
Haberkorn, Adam	Counsel	New York	\$945
Olivera, Gabriel	Counsel	New York	\$945
Wagner, Lauren M.	Counsel	New York	\$945
Torres-Cervantes, Luis	Counsel	New York	\$945
Berg, Brad	Counsel	Newport Beach	\$945
Snyder, Scott	Counsel	Los Angeles	\$945
McNally, Patrick S.	Counsel	Century City	\$945
Welles, Heather	Counsel	Los Angeles	\$945
Gorin, Brittany	Counsel	Los Angeles	\$945
Wu, Jane	Counsel	San Francisco	\$945
Smith, Laura	Counsel	Dallas	\$945

MB

**Puerto Rico Fiscal Agency Financial Advisory Authority
Puerto Rico Electric Power Authority
FY24 Blended Hourly Rates**

Timekeeper	Title	Office	Rate
Atwater, Emily	Counsel	New York	\$945
Miller, Samantha	Counsel	New York	\$945
Lim, Dawn	Counsel	New York	\$945
Hargis, Victoria	Counsel	San Francisco	\$945
Indelicato, Samantha	Counsel	New York	\$945
Powers, Colleen	Counsel	New York	\$945
Dunham, Hannah	Counsel	Los Angeles	\$945
Turner, Kathryn	Counsel	Los Angeles	\$945
Zaragoza, Elena	Counsel	Washington, DC	\$945
Additional Counsel	Counsel	Any	\$945
Holtzman, Alison	Associate	New York	\$945
Donahue, Kelly	Associate	New York	\$945
Cassel, Melissa	Associate	San Francisco	\$945
Witschey, Alexander	Associate	Houston	\$945
Alger, Brooke	Associate	Houston	\$945
Jones, Emma	Associate	Dallas	\$945
Mcallister, Craig	Associate	New York	\$945
Yunus, Javed	Associate	New York	\$945
Ruescher-Enkeboll, Kelsey	Associate	New York	\$945
Murray, Aisling	Associate	New York	\$945
Hedlin, Simon	Associate	New York	\$945
Gatto-Bradshaw, Chani	Associate	New York	\$945
Allan, L. Nicole	Associate	San Francisco	\$945
Fasig, Alexis	Associate	Newport Beach	\$945
Amankwa, Aaron	Associate	Los Angeles	\$945
Bowman, Chris	Associate	Newport Beach	\$945
Yang, Jonathan	Associate	Los Angeles	\$945
Midkiff, James	Associate	San Francisco	\$945
Mills, Emily	Associate	New York	\$945
Montalbano, Andrew	Associate	New York	\$945
May, Bryce	Associate	New York	\$945
Hubbard, John	Associate	Austin	\$945
Molner, Nicole	Associate	New York	\$945
Ascher, Jordan	Associate	New York	\$945
Krogstad, Katie	Associate	Newport Beach	\$945
Togami, Kevin	Associate	San Francisco	\$945
Bennett, Stevan	Associate	New York	\$945
Dumas, Etienne	Associate	New York	\$945
Byrd, Emma	Associate	New York	\$945
Wolf, Hayley	Associate	New York	\$945
Malette, Vy	Associate	Newport Beach	\$945
Chen, Bo	Associate	London	\$945
Castillo Laughton, Gabe	Associate	Newport Beach	\$945
Benites Gutierrez, Maria	Associate	New York	\$945
Riemer, Naomi	Associate	New York	\$945
Yurkovsky, Kate	Associate	New York	\$945
Xie, Anna	Associate	New York	\$945
Jabouin, Sheya	Associate	New York	\$945
Monnat, Jackie	Associate	New York	\$945
Buff, Julian	Associate	New York	\$945

MO

**Puerto Rico Fiscal Agency Financial Advisory Authority
Puerto Rico Electric Power Authority
FY24 Blended Hourly Rates**

Timekeeper	Title	Office	Rate
Tyler, Emme	Associate	New York	\$945
Nordstrom, Britta	Associate	New York	\$945
Russo, Makenzie	Associate	New York	\$945
Marley, Elizabeth	Associate	New York	\$945
Holuta, Caitlyn	Associate	New York	\$945
Miller, Alexander	Associate	New York	\$945
Day, Kevin	Associate	New York	\$945
Manning, Cari	Associate	New York	\$945
Kim, Celia Daeun	Associate	New York	\$945
Gandler, Lana	Associate	New York	\$945
Randall, Victoria	Associate	New York	\$945
Meyer, Harrison	Associate	New York	\$945
Djemil, Sabrina	Associate	New York	\$945
Goldstein, Matthew	Associate	New York	\$945
Leal, Daniel	Associate	Los Angeles	\$945
Additional Associates	Associate	Any	\$945
Hickey, Edward	Staff Attorney	Firmwide	\$460
Ortega, Lorena	Staff Attorney	Los Angeles	\$460
Reyna, Tracey	Staff Attorney	Austin	\$460
Nguyen Nazarian, Nuviet	Staff Attorney	Los Angeles	\$460
Watts, Dasse	Staff Attorney	Los Angeles	\$460
Stewart, Maria	Staff Attorney	Washington, DC	\$460
Bautista, Brett	Staff Attorney	Los Angeles	\$460
Loeppert, Melisande	Staff Attorney	Los Angeles	\$460
Kneip, Tiffany	Staff Attorney	Los Angeles	\$460
Manaila, Alis	Staff Attorney	Los Angeles	\$460
Ndukwe, Joshua	Staff Attorney	Los Angeles	\$460
Additional Staff Attorneys	Staff Attorney	Any	\$460
Nadler, Andrew	Paralegal	New York	\$325
Grottenrath, Kimberly	Paralegal	Washington, DC	\$325
Burke, Maureen	Paralegal	San Francisco	\$325
Becerra, Tanya	Paralegal	Los Angeles	\$325
Braman, Regina	Paralegal	Newport Beach	\$325
Charpié, Timothée	Paralegal	Washington, DC	\$325
Dalog, John	Paralegal	Newport Beach	\$325
Fregil, Belinda	Paralegal	Los Angeles	\$325
Vroman, Robert	Paralegal	New York	\$325
Charpié, Ciara	Paralegal	Washington, DC	\$325
Additional Paralegals	Paralegal	Any	\$325
Donovan, Hollis	Project Assistant	Washington, DC	\$325
Kouveras, Chantz	Project Assistant	New York	\$325
Musinski, Thomas	Project Assistant	Washington, DC	\$325
Additional Project Assistants	Project Assistant	Any	\$325
Bliss, Heide-Marie	Librarian	Firmwide	\$325
Stultz, Priscilla	Librarian	Firmwide	\$325
Johnson, Cara Henley	Librarian	Firmwide	\$325
Cocker, Martha	Librarian	Firmwide	\$325
Emery, Paige	Librarian	Firmwide	\$325
Dhanraj, Judy	Librarian	Firmwide	\$325
Mcgrath, Anthony	Librarian	Firmwide	\$325

Puerto Rico Fiscal Agency Financial Advisory Authority
 Puerto Rico Electric Power Authority
 FY24 Blended Hourly Rates

Timekeeper	Title	Office	Rate
Fogel, Christopher	Librarian	Firmwide	\$325
Kasprak, Emily	Librarian	Firmwide	\$325
Chan, Sarah	Librarian	Firmwide	\$325
Additional Librarians	Librarian	Any	\$325
Koren, Rufus	Legal Consultant	Firmwide	\$325
Additional Consultant	Legal Consultant	Any	\$325
Vialet, Jose	Litigation Tech	Firmwide	\$325
Thomas, Kevin	Litigation Tech	Firmwide	\$325
Montalvo, Jason M.	Litigation Tech	Firmwide	\$325
Wong, Philip	Litigation Tech	Firmwide	\$325
Lu, Jackie	Litigation Tech	Firmwide	\$325
Tam, Jonathan	Litigation Tech	Firmwide	\$325
Alejandro, Genesis	Litigation Tech	Firmwide	\$325
Franco Pérez, Estefanía	Litigation Tech	Firmwide	\$325
Navarro, Victor	Litigation Tech	Firmwide	\$325
Garnette, Liz	Litigation Tech	Firmwide	\$325
Long, Wesley	Litigation Tech	Firmwide	\$325
Additional Litigation Techs	Litigation Tech	Any	\$325
Padilla, Monica	Temp Attorney	Firmwide	\$85
Bencomo, Gabriel	Temp Attorney	Firmwide	\$85
Valdes, Freddie	Temp Attorney	Firmwide	\$85
Blanco, Matt	Temp Attorney	Firmwide	\$85
Brown, Jack	Temp Attorney	Firmwide	\$85
Marquez, Ruben	Temp Attorney	Firmwide	\$85
Garcia, Adalila	Temp Attorney	Firmwide	\$85
Ryu, Wendy	Temp Attorney	Firmwide	\$85
Clemens, Stephanie	Temp Attorney	Firmwide	\$85
Lee, Donna	Temp Attorney	Los Angeles	\$85
Nguyen, Khanh	Temp Attorney	Firmwide	\$85
Samovitz, Todd	Temp Attorney	Firmwide	\$85
Seo, Marcy	Temp Attorney	Firmwide	\$85
Slack, Brian	Temp Attorney	Firmwide	\$85
Miller, Ann	Temp Attorney	Firmwide	\$85
Additional Temp Attorneys	Temp Attorney	Any	\$85

MD

Contractor Certification Requirement

The following certification shall be provided to the Oversight Board and the Commonwealth's Contracting Government Entity by the Chief Executive Officer (or equivalent highest rank officer) of each proposed contractor under contracts submitted for review:

1. The expected contractor's subcontractor(s) in connection with the proposed contract¹ is (are) the following:

None

2. Neither the contractor nor any of its owners², partners, directors, officials or employees, has agreed to share or give a percentage of the contractor's compensation under the contract to, or otherwise compensate, any third party, whether directly or indirectly, in connection with the procurement, negotiation, execution or performance of the contract, except as follows:

None

3. To the best knowledge of the signatory (after due investigation), no person has unduly intervened in the procurement, negotiation or execution of the contract, for its own benefit or that of a third person, in contravention of applicable law.
4. To the best knowledge of the signatory (after due investigation), no person has: (i) offered, paid, or promised to pay money to; (ii) offered, given, or promised to give anything of value to; or (iii) otherwise influenced any public official or employee with the purpose of securing any advantages, privileges or favors for the benefit of such person in connection with the contract (such as the execution of a subcontract with contractor, beneficial treatment under the contract, or the written or unwritten promise of a gift, favor, or other monetary or non-monetary benefit).
5. Neither the contractor, nor any of its owners, partners, directors, officials or employees or, to the best of its knowledge (after due investigation), its representatives or subcontractors, has required, directly or indirectly, from third persons to take any action with the purpose of influencing any public official or employee in connection with the procurement, negotiation or execution of the contract, in contravention of applicable law.
6. Any incorrect, incomplete or false statement made by the contractor's representative as part of this certification shall cause the nullity of the proposed contract and the

¹ As used herein, the term "contract" is inclusive of any amendments, modifications or extensions.

² For purposes of this certification, a contractor's "owner" shall mean any person or entity with more than a ten percent (10%) ownership interest in the contractor.

contractor must reimburse immediately to the Commonwealth any amounts, payments or benefits received from the Commonwealth under the proposed contract.

The above certifications shall be signed under penalty of perjury by the Chief Executive Officer (or equivalent highest rank officer) in the following form:

"I hereby certify under penalty of perjury that the foregoing is complete, true and correct."

By: O'Melveny & Myers LLP

By: Maria J. DiConza, Partner

Date: June 7, 2023

Signature: A handwritten signature in black ink that reads "Maria J. DiConza". The signature is written in a cursive, flowing style. The word "Signature:" is printed in a standard font to the left of the handwritten text.

CERTIFICATION OF LEGAL ENTITY

I, Maria J. DiConza, who hold the position of Partner in the legal entity named O'Melveny & Myers LLP, certify the following:

1. That the entity mentioned in this certification is interested in providing professional services to The Puerto Rico Puerto Rico Electric Power Authority (name of the entity of the Executive Branch);
2. That the contracting entity is a legal entity which is not a public undertaking whose shares are exchanged on the stock exchange;
3. That the following persons are all its owners, shareholders or partners whose participation in the legal entity is 25% or more:

Number	% Participation
1. NONE	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	

4. That the following persons are all corporate officials with significant responsibility for controlling, administering or directing in the decision-making of the ordinary business of the legal entity:

Number	Title/Role
1. Bradley Butwin	Chair
2. George Demos	
3. Maria J. DiConza	Engagement Partner
4. Peter Friedman	Engagement Litigation Partner
5.	

5. That all information contained in this Certification is correct;
6. That the veracity of all the information included in this document and certified by my signature is an essential condition to be able to provide services to the aforementioned entity of the Branch Executive and that, if it is not correct, in whole or in part, such circumstance will be sufficient for the termination of the professional services contract signed between both parties.
7. That I fully understand and acknowledge the legal, criminal or administrative consequences of this Certification in the event that its content is false.

And for the record I sign today 26th of June of 2023


Signature of the Representative Person of the Legal Entity

Annex D

Ankura Proposed Contract for Financial Services

GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY
PROFESSIONAL SERVICES CONTRACT

-----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 Executive Director, Josué A. Colón Ortiz, of legal age, married, and resident of Caguas, Puerto Rico.-----

AS SECOND PARTY: Ankura Consulting Group, LLC, (Consultant), a corporation organized and existing under the laws of the state of Delaware, and registered to do business in Puerto Rico, represented in this act by its Senior Managing Director, Paul Crisalli, Jr., of legal age, married, and resident of the State of New York, authorized by virtue of Secretary Certificate dated June 21, 2022.-----

Both PREPA and Consultant are herein individually referred to as a Party and collectively referred as the Parties.-----

-----WITNESSETH-----

WHEREAS, PREPA by virtue Act 83, has the authority to engage in those professional, technical and consulting services necessary and convenient to the activities, programs and operations of PREPA.-----

WHEREAS, Pursuant Section 205 (2) (d) of Act 83 competitive bidding shall not be necessary when professional or expert services or work are required and PREPA deems it in the best interests of good administration for such works or services to be contracted

without such announcements.-----

WHEREAS, PREPA has determined that the services to be provided by Consultant are 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

Transformation/Privatization: Support PREPA management in coordination, interagency support and work related to privatization initiatives between PREPA, Puerto Rico Fiscal Agency and Financial Advisory Authority (AAFAF), Puerto Rico Public-Private Partnership Authority (P3) and the Financial Oversight and Management Board for Puerto Rico (FOMB), principals and advisors; continue support and execution of PREPA management policy objectives, and financial model to achieve successful outcomes of Puerto Rico energy sector transformation, specifically PREPA generation assets. Provide support, as required, including ongoing strategic guidance, analytical support and data gathering. Continue coordinating transformation efforts among PREPA, P3 Authority, FOMB, and related advisors and private operators and reporting on progress to AAFAF, including support on ongoing and future transition related efforts.-----

Fiscal Plan: Lead negotiations on fiscal plan revisions, provide strategic guidance, reporting and support, of operational initiatives identified for new Fiscal Year 2023-24 (Fiscal Year 2024) fiscal plan, and continue supporting and facilitating the ongoing integration of Transmission and Distribution and Generation including transition services

planning, and negotiations and related coordination with FOMB and AAFAF on Title III Plan of Adjustment interplay with the P3 transactions. Lead and coordinate fiscal plan strategy and development with PREPA, AAFAF, FOMB and associated advisors to achieve objectives of the certified Fiscal Year 2024 fiscal plan, as required by PROMESA. Per FOMB's requirements to PREPA, continue leading development or updates of annual fiscal plan including for Fiscal Year 2024-25 at the end of Fiscal Year 2024. Consultant will also provide support for the implementation of the fiscal plan initiatives (such as pension and labor/medical reforms/transformation) in coordination with PREPA, AAFAF and FOMB and related advisors. Strategic guidance and support for specific operational initiatives identified for new Fiscal Year 2024 fiscal plan. Support PREPA on staffing, execution and implementation efforts under the Fiscal Year 2022-23 certified fiscal plan and new Fiscal Year 2024 fiscal plan.-----

Budget Development and Oversight: Support and monitor Fiscal Year 2024 budget -to - actual reporting to FOMB and internal tracking of operating trends and financial performance to ensure fiscal plan compliance. Support PREPA management and advisor teams with fiscal budget/forecast revisions, updates and sensitivities, including identifying key areas of risk and opportunity. Oversee coordination and support development of the Fiscal Year 2025 budget to comply with certified fiscal plan objectives, namely completion of transformation, and all FOMB, PREB directives and requirements, among others. Assist with Fiscal Year 2025 budget submission and related requirements per PROMESA, as well as ongoing reporting requirements imposed by the FOMB related to the FY24 budget. Assist and support PREPA CFO with efforts including review and consistency check of monthly and other periodic financial statements, and accounting

quality control/process improvement opportunity identification and implementation planning.-----

Power System Infrastructure Planning: Assist, as may be relevant, in coordination with PREPA, FOMB, and/or Luma and Genera PR, and associated advisors in charge of IRP development, with matters related to IRP proceedings before the PREB and intervenors, to seek and ensure alignment with certified fiscal plan objectives and requirements. Continue coordination with PREPA, FOMB, AAFAF, and associated advisors on PREPA and/or P3 Authority processes for new equipment, assets, and services to ensure compliance with fiscal plan and FOMB budget guidelines. Support may include services related to regulatory rate making proceedings in coordination with Luma, Genera and other key stakeholders. -----

Liquidity and Cash Management: Continue to provide daily and weekly cash flow budgeting, reporting, KPIs, supporting analytics and presentation materials to key stakeholders. Continue to coordinate cash flow and liquidity monitoring and reporting efforts between various PREPA functions including Finance, Planning, Operations (Hydroco, Holdco, Propertyco), DFMO, Luma, Genera PR and other advisors. Continue to generate reports and analyses for relevant stakeholders that include PREPA, AAFAF, FOMB, creditors, among others. Continue generating analyses to support PREPA decision making regarding operational and financial initiatives. Continue to assist PREPA management with cash flow/liquidity related certified budget reporting and analysis and post -certification fiscal plan reporting.-----

Title III: Participate and provide support in matters related to PREPA creditor groups, FOMB, and AAFAF, and related advisors among others, including ongoing Court

mandated mediation efforts. Continue to generate reports for relevant stakeholders as required by the Title III process, PROMESA, AAFAF and/or PREPA. Respond to numerous document and diligence requests from a variety of Title III parties or other restructuring stakeholders.-----

Emergency and Permanent Work/Federal Funds: Continue to support, assist and advise the CFO on cash flow and liquidity matters related to federal funding. -----

Audited Financial Statements: Assist PREPA CFO regarding certain matters related to audited financial statements including SWAP analysis, Support CFO on GASB compliance and related FAS matters as part of updated audited financial statements as may be requested by the client.-----

Operational Management Reform: Lead, support development and establish reporting for operational initiatives tracking to the applicable Certified Fiscal Plan. Provide support on key strategic areas pursuant to the Certified Fiscal Plan. Support PREPA management on compliance with fiscal plan initiatives including critical hiring, budget and overall Certified Fiscal Plan compliance.-----

General Business Operations and Other Matters: Provide strategic support on development for various work streams related to PREPA's modified operations. Some of these are related to work streams that impact the Fiscal Plan (e.g., Generation transition, PREPA ERS actuarial work for Title III purposes); or others that will assist and support in Ad -hoc matters requested by PREPA's Governing Board and/or management. Provide further strategic support on development of updated ERS actuarial matters for Title III purposes, negotiations with Title III counsel and reform/finance scenarios for PREPA/AAFAF. -----

Strategic Support – Executive Director and/or Governing Board: Support PREPA and its senior executives, as requested, as well as PREPA's Executive Director and the PREPA Governing Board.-----

At the direction of PREPA, the Consultant may be required to work with other consulting, legal, 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.-----

Article 2. Services Coordination

All the Services of Consultant in relation to the terms and conditions of this Contract will be coordinated through the Chief Financial Officer (CFO), or the person delegated by him. Consultant professionals shall be allowed reasonable access to PREPA's offices in order to facilitate the performance of the Services and work with PREPA's staff and other professional advisors.-----

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 subcontract shall be considered approved by PREPA, 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, 2024, (The Contract Term). 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 Either Party 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 Consultant. If notice is given, the Contract shall terminate upon the expiration of the thirty (30) days (the "Termination Date") and PREPA shall be obligated to pay all fees and expenses incurred up to the Termination Date, 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. In the event of termination, Consultant shall have no further right to compensation except for what has been accrued for services rendered and expenses incurred under the Contract until the Termination Date.-----

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 generation 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, and subject to Consultant's conflicts verification procedures.-----

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 six million six hundred thousand dollars (\$6,600,000), including reimbursable expenses (the "Contract Amount").

All payments to be made under this Contract will be charged to account 01-4019-92319-556-673. 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.-----

6.3 PREPA will pay for the Services rendered by Consultant according to the hourly rates established in Exhibit A.-----

6.4 Should Consultant assign another person to attend to PREPA's matters pursuant to this Contract, Consultant shall promptly send PREPA an amended schedule to include such person's name, position and rate, as well as request approval from PREPA's CFO.-----

6.5 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. Fees, Expenses and Disbursements

7.1 PREPA should not be billed for (a) time spent in processing conflict searches, preparing billing statements, or in responding to PREPA inquiries concerning Consultant's invoices (excluding invoices that are subject to the Title III Case); or (b) travel time during which Consultant is billing another client for work performed while

traveling. Moreover, PREPA requires that only professional services be billed. Accordingly, PREPA should not be billed for the administrative tasks of creating, organizing, reviewing and/or updating files; routine or periodic status reports; receiving, reviewing, and/or distributing mail; faxing or copying documents; checking electronic mail or converting information to disk.-----

7.2 PREPA will reimburse the Consultant for actual costs and expenses related to matters assigned to Consultant and for necessary and reasonable out-of-pocket disbursements, subject to the limitations and exceptions set forth below. The Consultant is expected to have a system in place that ensures those who bill time and disbursements to PREPA matters do so promptly and accurately.-----

7.3 PREPA will not reimburse Consultant for: (a) costs included in a 'miscellaneous' or 'other' category of charges; (b) overhead costs and expenses -such as those relating to fees for time or overtime expended by support staff (secretaries, administrative/clerical personnel, internal messengers, and other similar services), word processing and/or proofreading, cost of supplies or equipment, and/or other similar costs of doing business; (f) time spent attending education seminars or training programs; or (h) mark-ups or surcharges on any cost or expense. In addition, if communications are sent to PREPA using more than one medium, PREPA does not expect to pay for the cost of both communications. For instance, if a piece of correspondence is sent to PREPA by email, we do not expect to pay for the cost of that same correspondence if it is also sent via regular or expedited mail.-----

7.4 PREPA will reimburse Consultant for separately itemized expenses and disbursements in the following categories:-----

7.4.1 Messenger/courier service - PREPA will reimburse actual charges billed to Consultant for deliveries (including overnight deliveries) where this level of service is required because of time constraints imposed by PREPA or because of the need for reliability given the nature of the items being transported. Appropriate summaries of messenger/courier expenses must reflect the date and cost of the service and the identity of the sender and the recipient or the points of transportation.-----

7.4.2 Travel - PREPA will reimburse actual charges for transportation and hotels reasonable and necessary for effective services to PREPA. PREPA will pay for Air Travel in accordance with section 7.4.3. Summaries of transportation expenses should reflect the identity of the user, the date and amount of each specific cost, and the points of travel. Summaries of lodging and meals expenses should include the identity of the person making the expenditure, the date and amount, and the nature of the expenditure.-----

Travel expenses reimbursement applies for personnel providing the services to PREPA, travel expenses for family members or guests are not chargeable to PREPA or reimbursable.-----

7.4.3 Air Travel- The cost of air travel will be reimbursed up to an amount of \$500 per person per flight (including: seat assignment, applicable taxes, and other applicable fees). The Consultant shall submit a copy of the airline ticket and paid invoice. Airfare may only be invoiced following completion of travel.-----

Airfare necessary to attend PREPA's official business will be paid by PREPA according to these guidelines. The Consultant shall buy an economic class

ticket or equivalent, then if desired, he/she may upgrade, but PREPA will only pay the amount corresponding to the economy class or equivalent airfare.---

7.4.4 Maximum Per Diem Rates (no proof of payment will be required):-----

Meals: - \$57 per person for each traveling day for persons working "on -site" at PREPA. Under no circumstances PREPA will reimburse alcoholic beverages.-----

Lodging (standard not smoking room): - \$275 per person, per night not including government fees and taxes. For the avoidance of doubt, PREPA will reimburse up to \$275 per person, per night and the Authority will also reimburse the fee(s) and room tax applicable to that lodging - (Room charge \$275+Fee(s)+Room Tax) the Consultant will use the most economical alternative of lodging, including temporary rentals of apartments or rooms (Airbnb like rentals). For travel period longer than five days, temporary rentals shall be coordinated when this temporary rental is less expensive than hotel accommodation, and evidence of said temporary rental shall be provided.----

Ground Transportation: - \$20 per person, per working day (excluding transit to and from airports). If a car is rented for the services to be provided, a fixed amount of \$25 per day will be reimbursed for parking expenses, upon presentation of evidence of the car rental (no proof of payment will be required). Transit to and from airports, or parking at the airport, in the mainland US for persons traveling working on matters related hereto are to be reimbursed at cost.-----

7.4.5 Reimbursable expenses shall not exceed six percent (6%) of the Contract Price in one year and will be reimbursed by PREPA through the presentation of acceptable evidence for such expenses. This limitation does not apply to expenses related to third -party services necessary for Consultant to render its services under the Contract, given they are previously approved by PREPA. PREPA will not reimburse expenses that is disallowed by Order of the Title III Court.-----

7.4.6 Photocopying/printing - PREPA will reimburse actual charges for outside binding, and printing services and costs of outside photocopying services, which are not to exceed the actual five (5) cents per page for black and white copies, and twenty-five (25) cents per page for color copies. Summaries of expenditures for copying should reflect both the number of copies made and the cost per copy.-----

7.4.7 Third -Party Services - The approval of PREPA must be obtained in writing prior to retaining any third -party services. The Consultant shall be responsible for ensuring that there are no conflicts of interest between any third party and PREPA or between any third -party clients and PREPA. In addition, all arrangements with third -party vendors should include an appropriate undertaking of confidentiality and data privacy. Invoices from third -party vendors should be paid directly by Consultant, incorporated into its invoice to PREPA and should include appropriate detail. Copies of third -party invoices may be requested by PREPA and should be retained in accordance with PREPA's guidelines.-----

7.4.8 PREPA reserves the right to question the charges on any bill (even after payment) and to obtain a discount or refund of those charges that are disputed; however, invoices that are subject to the federal Title III Case shall be paid in accordance with the court approved Title III process. At PREPA's request, copies of bills and records reflecting reimbursable expenses must be provided to PREPA.-----

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 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 within sixty (60) days of receipt of the invoice for invoices that are not subject to the Title III Case. 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. Any such audits shall be conducted during business hours and upon reasonable notice and shall not occur more frequently than once per annum -----

8.3 All invoices that are subject to the Title III Case shall be paid in accordance with the Title III process. The Title III invoices shall be drafted, submitted and paid in accordance with the United States Trustee guidelines for reviewing applications for

compensation and, also, in accordance with such rules as established by the Fee Examiner in the Title III Case, both by memorandum, or by Court Order. Notwithstanding, Consultant shall submit the invoices to PREPA, concurrently with the other filing requirements in the Title III Case. PREPA will not honor invoices that have been submitted for services provided more than two (2) months before submittal of the invoice and received by PREPA, as it is nearly impossible for such an invoice to be accurately reviewed and approved after such time has passed. The aforementioned 2-month time limit does not apply to invoices or requests for payment of holdback amounts, retained by PREPA as part of the Title III process.--

8.4 Invoices that are not subject to the Title III Case must be prepared on corporate letterhead within the following framework. PREPA shall process invoices that do include the items below.-----

- a. Invoice number.
- b. A brief description of the project or task to which the services relate.
- c. A full chronological description of the services performed during the statement period, the name of the professional who performed such services and the hourly rates and the number of hours spent (by date) for each professional.
- d. Reasonable detail of the reimbursable expenses and disbursements made on behalf of PREPA during the statement period.
- e. Fees, disbursements and total charges during the statement period, fiscal year to- date and since the commencement of the matter.
- f. If reimbursement for third party services is to be made, a copy of the relevant third -party invoice must be attached

- g. The name of PREPA's official that requested your services.
- h. Please show clearly on the invoice the total current bill (without regard to prior balances). Prior balances or payment history should be shown separately, if at all, by invoice number, invoice date, and amount.

8.5 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 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 Consultant acknowledges the proprietary and confidential nature of all internal, nonpublic, information systems, financial, and business information relating to PREPA and its personnel, its subsidiary corporations and affiliates and their personnel, the Commonwealth of Puerto Rico, its agencies, corporations and/or municipalities and their personnel, now or hereafter provided to Consultant or otherwise obtained by Consultant in the course of rendering services for PREPA (collectively, "Confidential Information").-----

11.2 Consultant and its employees, affiliates and authorized sub -contractors shall keep in strict confidence all Confidential Information, and: (i) shall not make public or disclose any of said materials without the previous written consent of PREPA, provided that Consultant shall be permitted to share financial and other information prepared or provided for purposes of PREPA's financial restructuring with representatives of the Puerto Rico Fiscal Agency and Financial Authority ("AAFAF") and, with the consent of AAFAF and PREPA, with creditors of PREPA that have signed non -disclosure agreements in a form and substance acceptable to AAFAF and PREPA; (ii) shall use the Confidential Information only to perform Consultant's

obligations under this Contract; and (iii) will reproduce the Confidential Information only as required to perform Consultant's obligations under this Contract.-----

11.3 "Confidential Information" shall not apply to any information which: (a) is generally known to the public at the time of disclosure to Consultant or becomes generally known through no wrongful act on the part of Consultant; (b) is in Consultant's possession at the time of disclosure otherwise than as a result of Consultant's breach of any legal obligation; (c) becomes known to Consultant through disclosure by sources other than Consultant having the legal right to disclose such information; or (d) is independently developed by Consultant without reference to or reliance upon the confidential information.-----

In addition, these provisions shall not prohibit Consultant from making any disclosure pursuant to any subpoena or order of a court or a Governmental or Administrative tribunal which may assert jurisdiction over Consultant; provided that, to the extent legally permissible, Consultant shall promptly notify PREPA of any such disclosure obligations and reasonably cooperate with PREPA's efforts to lawfully avoid and/or minimize the extent of such disclosure.-----

11.4 Consultant will not disclose any Confidential Information relating to the work that Consultant performs under this Contract. Consultant may divulge Confidential Information to its employees who need to know such information to fulfill the purposes of this engagement provided that such persons: (i) shall have been advised of the confidential nature of such information and Consultant shall direct them, and they shall agree, to treat such information as confidential and to return all

materials to Consultant upon request, but for one copy for record purposes only; and
(ii) in each case, such person shall be bound by the terms of this Contract.-----

11.5 In connection with the services rendered under this Contract, Consultant will furnish PREPA any necessary reports, analyses or other such materials that exist as of the date requested, as PREPA may reasonably request. PREPA, however, acknowledges that Consultant may develop for itself, or for others, problem solving approaches, frameworks or other tools and processes developed in performing the services and any additional services provided hereunder, and nothing contained herein precludes Consultant from developing or disclosing such materials and information provided that the same do not contain or reflect Confidential Information.

11.6 Consultant shall return or destroy all Confidential Information, as well as any other document that may relate to its work under this Contract, to PREPA within thirty (30) days after date of the expiration or earlier termination of this Contract, and shall certify that all the information has been returned to PREPA or destroyed, but for electronic information held in archive and/or backup files to the extent such files cannot be deleted without unreasonable effort or expense and created in the ordinary course pursuant to established data backup/archive procedures or Confidential Information that Consultant is required to maintain pursuant to law, legal process or regulation; provided, however, Consultant may retain its own work product as long as it maintains the confidentiality of PREPA's Confidential Information as otherwise provided in this Contract. During this thirty (30) day period, and except to the extent making such documents available would result in the loss of legal privilege for PREPA, these documents shall be available for inspection by

the Office of the Comptroller of Puerto Rico. Such inspection, if undertaken, shall not constitute a waiver of the attorney -client privilege or work product doctrine.-----

11.7 Consultant's material negligent discharge of its performance of the services hereunder that is continuing after thirty (30) days following receipt of written warning from PREPA describing the alleged negligent discharge without curing the situation or otherwise evidencing its efforts to cure; abandonment of the duties assigned hereunder; or the breach of the confidentiality clause hereinabove shall constitute a breach of this Contract by Consultant and PREPA will be entitled to terminate this Contract forthwith, without having to comply with the requirements of notice set forth above, without limitations of any other rights and remedies under law, and will release and discharge PREPA from any further obligations and liabilities hereunder.-

11.8 This Article shall survive the termination, expiration or completion of 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 shall avoid even the appearance of the existence of conflicting interests.-----

18.6 Consultant acknowledges that PREPA's Executive Director 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, PREPA's Executive Director 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 Executive Director to present its arguments regarding the alleged conflict of interests which shall be reasonably reviewed and evaluated by the Executive Director before terminating this Contract. 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 terminated.-----

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: Josué A. Colón Ortiz
Executive Director

To Consultant: Ankura Consulting Group, LLC
485 Lexington Avenue, 10th Floor
New York, NY 10017

Attention: Lynn Poss, Esq.

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.-----

The Parties hereby waive any other venue to which they might be entitled by the virtue of domicile or otherwise. Should either Party initiate or bring suit or action before any other court, it is agreed that upon application, any such suit or action shall be dismissed, without prejudice, and may be filed in accordance with this provision. The Party bringing the suit or action before a court not agreed to herein shall pay to the other party all the Professional Services costs of seeking dismissal including reasonable attorney's fees.

Should any clause or conditions of this Contract be declared null and void by a competent court of law, the remaining parts of this Contract shall remain in full force and effect.-----

The Parties hereto will attempt in good faith to promptly resolve any controversy or claim arising out of or relating to this Contract through negotiations between them in the normal course of business, before resorting to other remedies available to them pursuant to this Contract. For any dispute whatsoever, which has not been resolved through negotiation as set forth above, the parties may seek resolution of the matter utilizing any remedies available at law or in equity.-----

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, pandemics, 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.-----

In no event shall Consultant be held liable under this Contract for (i) an aggregate amount (including interest and legal fees) in excess of the Contract Amount or the amount of fees incurred by Consultant under this Contract in the preceding twelve months, whichever is lower, (ii) for loss or corruption of data from PREPA's systems, (iii) loss of profit, goodwill, business opportunity, anticipated savings or benefits or (iv) special, consequential, exemplary, incidental, punitive or indirect damages.-----

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

The Consultant will comply with all applicable laws, regulations and executive orders that regulate the contracting process and requirements of the Government of Puerto Rico, including Act 73-2019, as amended, known as the "2019 General Services Administration Act for the Centralization of Purchases of the Government of Puerto Rico" (Act 73-2019). In compliance with the provisions of Act 73-2019, the Consultant has provided PREPA the Certification of Eligibility of the Unique Registry of Professional Services Providers (known in Spanish as "*Certificado de Elegibilidad del Registro Único de Proveedores de Servicios Profesionales*", and hereinafter referred to as the "RUP Certification"), issued by the General Services Administration. It is hereby acknowledged that pursuant to the provisions of Article 42 of Act 73-2019, a valid RUP Certification serves as evidence of compliance with the documentation requirements necessary for contracting professional services with the Government of Puerto Rico, particularly those applicable under Act 237-2004, as amended, which establishes uniform contracting requirements for professional and consultant services for the agencies and governmental entities of the Commonwealth of Puerto Rico (3 L.P.R.A. § 8611 et seq.), the Puerto Rico Department of Treasury Circular Letter Number 1300-16-16 issued on January 22, 2016, as amended, and the sworn statement before notary public required pursuant to Article 3.3 of Act 2-2018.-----

Further, the Consultant hereby certifies, guarantees, acknowledges and agrees to the following:-----

- A. The Consultant hereby certifies that as of the execution of this Contract, it has filed income, sales and use ("IVU" for its Spanish acronym), and property taxes returns,

in Puerto Rico for the past five (5) years. The Consultant also certifies that it does not have any outstanding debt or other debts with the Government of Puerto Rico for income, IVU taxes (collected by the Department of the Treasury), real or chattel property taxes (collected by the "*Centro de Recaudación de Ingresos Municipales*" ("CRIM")), unemployment insurance premiums, workers' compensation payments, Social Security for chauffeurs from the Department of Labor and Human Resources, nor have debts with the Puerto Rico Child Support Administration (known in Spanish as the *Administración Para El Sustento de Menores* (ASUME)). In the event that the Consultant owes taxes or premiums to said government agencies, it agrees that PREPA may withhold any monies due to the Consultant under this Contract to be applied to the payment and cancellation of said debt. The Consultant also certifies that it is in corporate "Good Standing" at the Department of State of Puerto Rico. The Consultant hereby represents and certifies that it is duly authorized to do business under the laws of Puerto Rico by the Department of State and the execution, delivery and performance of all the services under this Contract are within the Consultant authorized powers and are not in contravention of law. The Consultant also certifies that it is in compliance with the Merchant's Registration. Accordingly, the Consultant has submitted to PREPA its RUP Certification from the General Services Administration. The Consultant shall maintain its certificate valid for the duration of this Contract.- In accordance with the provisions of Article 42 of Act 73-2019, PREPA, as an Exempt Entity, recognizes the validity of the RUP Certification issued by the General Services Administration, who requires from professional service providers

all certifications and documents required for governmental contracting, in accordance with Act 237-2004, as amended, and other provisions approved thereunder.-----

- B. 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 for fees under this Contract.-----
- C. 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.-----
- D. 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, PREPA 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.-----
- E. 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.;-----

- F. Law 168-2000: Law 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.-----
- G. Law 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 Law 18 of October 30, 1975, as amended.-----
- H. 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.-----

- I. 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.-----
- J. 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.-----
- K. 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.-----
- L. 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.-----

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

N. 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.-----

O. 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.-----

P. The Consultant certifies that based on information available at the time of execution of this Contract it has no other contracts with other agencies, public corporations, municipalities, and/or instrumentalities of the Government of Puerto Rico, except for:

1. Puerto Rico Fiscal Agency and Financial Advisory Authority
2. Puerto Rico Aqueduct and Sewer Authority
3. Government Development Bank for Puerto Rico.

The Consultant acknowledges and accepts that the failure to list any current contractual relationship with any governmental entity may result in the termination of this Contract if required by PREPA.-----

Q. The Parties hereby acknowledge the requirements and procedures set forth in

Administrative Bulletin No. OE-2021-029 issued by the Governor of Puerto Rico, Hon. Pedro R. Pierluisi, on April 27, 2021 ("OE-2021-29") and Circular Letter No. 013-2021 issued on June 7, 2021, by the Office of Management and Budget ("CC 013-2021"), applicable to professional services agreements with a maximum amount of \$250,000 or more per fiscal year. However, in accordance with the exceptions authorized in the Contracting Measures, PREPA filed a petition with the Office of Management and Budget seeking to be exempted from the Contracting Measures which was thereafter approved. Consequently, in accordance with the exceptions authorized in OE-2021-29 and CC 013-2021, the execution of this Contract is exempt from the requirements and procedures established in the abovementioned provisions.-----

R. The Consultant certifies that at the time of the execution of this Contract, it is not a public company with shares that are traded on a regulated stock exchange. The Consultant certifies that prior to the execution of this Contract, it has submitted to PREPA a Certification of Legal Entity (known in Spanish as "*Certificación sobre Personas Jurídicas*").-----

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 (Act 2-2018). 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 (Act 8-2017) 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 (Act 1-2012), any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code (Act 146-2012), any of the crimes typified in Act 2-2018, 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.-----

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, any of the crimes listed in Articles 250 through 266 of Act 146-2012, any of

the crimes typified in Act 2-2018 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.-----

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 PREPA to terminate this Contract immediately.-----

Article 29. Non-Discrimination

The Consultant agrees 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 30. Representations

Each of the Parties represents to the other that:-----

(a) it has the legal power and authority to enter into this Contract and to perform its obligations hereunder, and neither the execution of this Contract nor the performance of its obligations hereunder will violate any agreement or obligation from that party to others; and-----

(b) the officer or representative who has executed and delivered this Contract on its behalf is authorized to do so.-----

Article 31. Contractor's Certification Requirement

The Parties acknowledge that the Consultant has submitted the certification titled "Contractor Certification Requirement" required in accordance with the Contract Review Policy of the Financial Oversight and Management Board for Puerto Rico, effective as of November 6, 2017, as amended, signed by the Contractor's Executive Director (or another official with an equivalent position or authority to issue such certifications). A signed copy of the "Contractor Certification Requirement" is included as an annex to this Contract.-----

The Consultant represents and warrants that the information included in the Contractor Certification Requirement is complete, accurate and correct, and that any misrepresentation, inaccuracy or falseness in such Certification will render the Contract null and void and the Consultant will have the obligation to reimburse immediately to the Commonwealth any amounts, payments or benefits received from the Commonwealth under the Contract. -----

Article 32. Transfer of skills and technical knowledge

For this Contract, the transfer of skills and technical knowledge required by the Certified Fiscal Plan is inapplicable given the non-recurring or specialized nature of the contracted services.-----

Article 33. 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 ____ day of _____, 2023.-----

Puerto Rico Electric Power Authority

Ankura Consulting Group, LLC

Josué A. Colón Ortiz
Executive Director
Tax ID: 660-43-3747

Paul Crisalli, Jr.
Senior Managing Director
Tax ID: 47-2435218
Email: Paul.Crisalli@ankura.com

Annex E

King & Spalding Proposed Contract for Legal Services

GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY
PROFESSIONAL SERVICES AGREEMENT

-----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 83 of May 2, 1941, as amended (Act 83), represented in this act by its Executive Director, Josué A. Colón Ortiz, of legal age, married, and resident of Caguas, Puerto Rico. -----

AS SECOND PARTY: King & Spalding, LLP (King & Spalding), a limited liability partnership formed and existing under the laws of the State of Georgia, United States of America, with a place of business at 1700 Pennsylvania Ave., NW, Washington, DC 20006, herein represented by Steven M. Kupka, of legal age, married, and resident of Washington D.C., who has authority to enter into this agreement by virtue of his position as a King & Spalding partner.-----

Both PREPA and King & Spalding 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;-----

WHEREAS: PREPA desires to enter into this Professional Services Agreement (Agreement) with King & Spalding for the performance of the Services.-----

WHEREAS: King & Spalding hereby certifies that it is ready, willing, and able to provide the Services pursuant to the terms and conditions set forth herein. -----

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement, hereinafter stated, the Parties agree themselves, their personal representatives, and successors to enter into this Agreement under the following:-----

-----**TERMS AND CONDITIONS**-----

Article 1. Scope of Services

1.1 King & Spalding shall provide legal services to the Program Management Office, the Legal Affairs Directorate and the office of the Executive Director with any Renewable and Energy Storage RFP and any other operational matters (including without limitation legal services in connection with PREB resolutions and orders, mediation and resolution of disputes, amendments and/or ancillary documents for contracts relating to operational or greenfield generation projects, negotiations related to fuel supply, support in the transition of services relating to P3A processes, the filing of fee applications and related issues with the Fee Examiner, and any other operational matter directed by PREPA, other than advice specifically concerning bankruptcy, Puerto Rico law or the Tranche 2 services, duplicative of the current responsibilities of other legal service providers or the PREB-Independent Coordinator).-----

1.2 At the direction of PREPA, King & Spalding 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. King & Spalding is not responsible for worked performed by others. -----

Article 2. Services Coordination

All the Services of King & Spalding in relation to the terms and conditions of this Agreement will be coordinated through Deputy Executive Director of Operations Office and through the Legal Affairs Office or the person delegated by either of them.-----

Article 3. Agreement Assignment or Subcontract

King & Spalding shall not assign nor subcontract its rights and obligations under this Agreement, 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) King & Spalding 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 King & Spalding's rights under the subcontract, in the event that PREPA declares King & Spalding in breach or default of any of the Agreement 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 King & Spalding’s obligations under the Agreement (*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. -----

Article 4. Agreement Term

This Agreement shall be in effect from the date of its execution until December 31, 2023, (The Agreement Term).-----

Article 5. Agreement Termination

5.1 Either Party shall have the right to terminate this Agreement, at any moment, by providing the other Party a thirty (30) days prior written notice by registered mail, return receipt requested, or overnight express mail to King & Spalding. If notice is given, the Agreement 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 Agreement. The rights, duties and responsibilities of the Parties shall continue in full force and effect during the thirty (30) day notice period. King & Spalding shall have no further right to compensation except for what has been accrued for services rendered and expenses incurred under the Agreement until said date of effective termination.-----

5.2 PREPA shall have the right to terminate this Agreement immediately in the event of negligence, dereliction of duties or noncompliance by King & Spalding, without prior written notice. -----

5.3 King & Spalding may terminate this Agreement as required or permitted by applicable Rules of Professional Conduct.-----

Article 6. Payment

6.1 In accordance with the terms and conditions contained herein, PREPA agrees, and King & Spalding accepts that the total amount to be paid under the Agreement shall not exceed a cumulative amount of one million dollars (\$1,000,000), including reimbursable expenses (the “Agreement Amount”). All payments to be made under this Agreement will be charged to account 01-4019-92320-556-673. 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 King & Spalding under the Agreement.-----

6.2 Nothing herein shall preclude the Parties from agreeing to increase said amount in writing and signed by both Parties. -----
PREPA will pay King & Spalding for the Services according to the hourly rates established in Appendix A. Appendix A attached hereto provides a schedule of the attorneys assigned to this matter. Should King & Spalding assign another person not included in Appendix A hereto to attend to PREPA’s matters pursuant to this Agreement, King & Spalding shall promptly send PREPA an amended schedule to include such person’s name and/or position, and request approval from PREPA for such amended schedule. Such approval from PREPA shall not be unreasonably withheld.-----

6.3 King & Spalding shall immediately notify PREPA when the billing under the Agreement amounts seventy-five percent (75%) of the Agreement Amount. Once this notification has been issued, King & Spalding, in coordination with PREPA, will ensure that no services will be rendered in excess of the Agreement Amount, except that a written amendment is agreed upon by both Parties. In addition, King & Spalding shall present an itemized list of the remaining billable Services under the Agreement.-----

Article 7. Fees, Expenses and Disbursements

7.1 PREPA should not be billed for (a) time spent in processing conflict searches, preparing billing statements, or in responding to PREPA inquiries concerning King & Spalding's invoices; or (b) travel time during which King & Spalding is billing another client for work performed while traveling. Moreover, PREPA requires that only professional services be billed. Accordingly, PREPA should not be billed for the administrative tasks of creating, organizing, reviewing and/or updating files; routine or periodic status reports; receiving, reviewing, and/or distributing mail; faxing or copying documents; checking electronic mail or converting information to disk. -----

7.2 PREPA will reimburse King & Spalding for actual costs and expenses related to matters assigned to King & Spalding and for necessary and reasonable out-of-pocket disbursements, subject to the limitations and exceptions set forth below. King & Spalding is expected to have a system in place that ensures those who bill time and disbursements to PREPA matters do so promptly and accurately. -----

7.3 PREPA will not reimburse King & Spalding for: (a) costs included in a ‘miscellaneous’ or ‘other’ category of charges; (b) overhead costs and expenses—such as those relating to fees for time or overtime expended by support staff (secretaries, administrative/clerical personnel, internal messengers, and other similar services), word processing and/or proofreading, cost of supplies or equipment, and/or other similar costs of doing business; (f) time spent attending education seminars or training programs; or (h) mark-ups or surcharges on any cost or expense. In addition, if communications are sent to PREPA using more than one medium, PREPA does not expect to pay for the cost of both communications. For instance, if a piece of correspondence is sent to PREPA by email, we do not expect to pay for the cost of that same correspondence if it is also sent via regular or expedited mail. -----

7.4 PREPA will reimburse King & Spalding for separately itemized expenses and disbursements in the following categories: -----

7.4.1 Messenger/courier service – PREPA will reimburse actual charges billed to King & Spalding for deliveries (including overnight deliveries) where this level of service is required because of time constraints imposed by PREPA or because of the need for reliability given the nature of the items being transported. Appropriate summaries of messenger/courier expenses must reflect the date and cost of the service and the identity of the sender and the recipient or the points of transportation. -----

7.4.2 Travel – PREPA will reimburse actual charges for transportation and hotels reasonable and necessary for effective services to PREPA. PREPA will not pay for any first-class or business-class travel. Summaries of transportation expenses should reflect the identity of the user, the date and amount of each specific cost, and the points of travel. Summaries of lodging and meals expenses should include the identity of the person making the expenditure, the date and amount, and the nature of the expenditure. -----

Travel expenses reimbursement applies for personnel providing the services to PREPA, travel expenses for family members or guests are not chargeable to PREPA or reimbursable. -----

7.4.3 Air Travel- The cost of air travel will be reimbursed up to an amount of \$500 per person per round trip (including: seat assignment, applicable taxes, and other applicable fees). King & Spalding shall submit a copy of the airline ticket and paid invoice. Airfare may only be invoiced following completion of travel. -----

Airfare necessary to attend PREPA’s official business will be paid by PREPA according to these guidelines. King & Spalding shall buy an economic class ticket or equivalent, then if desired, he/she may upgrade, but PREPA will only pay the amount corresponding to the economy class or equivalent airfare. Baggage fees will not be reimbursed. -----

Any travel and lodging expense for which a reimbursement is requested shall

be reasonable and necessary, and any extraordinary travel and lodging expenses shall be authorized in writing and in advance by PREPA.-----

7.4.4 Maximum Per Diem Rates (no proof of payment will be required): -----

Meals: - \$57 per person for each traveling day for persons working “on-site” at PREPA. Under no circumstances PREPA will reimburse alcoholic beverages.-----

Lodging (standard not smoking room): - \$200 per person, per night not including government fees and taxes King & Spalding will use the most economical alternative of lodging, including temporary rentals of apartments or rooms (Airbnb like rentals). For travel period longer than five days, temporary rentals shall be coordinated when this temporary rental is less expensive than hotel accommodation, and evidence of said temporary rental shall be provided. -----

Ground Transportation: - \$20 per person, per working day. If a car is rented for the services to be provided, a fixed amount of \$25 per day will be reimbursed for parking expenses, upon presentation of evidence of the car rental (no proof of payment will be required).-----

7.4.5 Reimbursable expenses shall not exceed six percent (6%) of the Agreement Price in one year and will be reimbursed by PREPA through the presentation of acceptable evidence for such expenses. This limitation does not apply to expenses related to third-party services necessary for King & Spalding to

render its Services under the Agreement, given they are previously approved by PREPA. -----

7.4.6 Photocopying/printing – PREPA will reimburse actual charges for outside binding, and printing services and costs of outside photocopying services, which are not to exceed the actual five (5) cents per page for black and white copies, and twenty-five (25) cents per page for color copies. Summaries of expenditures for copying should reflect both the number of copies made and the cost per copy. -----

7.4.7 Third-Party Services – The approval of PREPA must be obtained in writing prior to retaining any third-party services. King & Spalding shall be responsible for ensuring that there are no conflicts of interest between any third party and PREPA or between any third-party clients and PREPA. In addition, all arrangements with third-party vendors should include an appropriate undertaking of confidentiality and data privacy. Invoices from third-party vendors should be paid directly by King & Spalding, incorporated into its invoice to PREPA and should include appropriate detail. Copies of third-party invoices may be requested by PREPA and should be retained in accordance with PREPA's guidelines. -----

7.4.8 PREPA reserves the right to question the charges on any bill (even after payment) and to obtain a discount or refund of those charges that are disputed. At PREPA's request, copies of bills and records reflecting

reimbursable expenses must be provided to PREPA. -----

Article 8. Invoices

8.1 King & Spalding shall submit monthly invoices within the first thirty (30) days following the period invoiced. King & Spalding 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 King & Spalding. -----

8.2 PREPA will review the invoices within thirty (30) days upon receipt, and if they are in compliance with the requirements set forth in this Agreement, it will proceed with payment. Payment is due within thirty (30) days of receipt of the invoice. If any statement remains unpaid for more than sixty (60) days, PREPA agrees that King & Spalding may cease performing services or terminate the Agreement unless arrangements satisfactory to both parties are made in good faith for payment of outstanding statements. 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 King & Spalding 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 Agreement. 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”.

King & Spalding’s Representative 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, King & Spalding 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. Information and Material Facts

9.1 PREPA shall promptly provide to King & Spalding all information under the control of PREPA and necessary for King & Spalding to perform the Services under this Agreement and those material facts that King & Spalding 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 King & Spalding, which are under its control, are true and complete, and does not constitute misleading or inaccurate information and King & Spalding shall be entitled to rely on the accuracy and completeness of the documents, data, and other information and material facts.-----

9.2 PREPA will advise in writing King & Spalding 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 King & Spalding.----

Article 10. Information Disclosure and Confidentiality

10.1 King & Spalding acknowledges the proprietary and confidential nature of all internal, non-public, information systems, financial, and business information relating to PREPA and its personnel, its subsidiary corporations and affiliates and their personnel, the Commonwealth of Puerto Rico, its agencies, corporations and/or municipalities and their personnel, now or hereafter provided to King & Spalding or otherwise obtained by King & Spalding in the course of rendering services for PREPA (collectively, "Confidential Information"). -----

10.2 King & Spalding and its employees, affiliates and authorized sub-contractors shall keep in strict confidence all Confidential Information, and: (i) shall not make public or disclose any of said materials without the previous written consent of PREPA, provided that King & Spalding shall be permitted to share financial and other information prepared or provided for purposes of PREPA's SEC Investigation, SEC or other government regulators, as may be required in the course of King & Spalding's representation of PREPA under this Agreement; (ii) shall use the Confidential Information only to perform King & Spalding's obligations under this Agreement; and (iii) will reproduce the Confidential Information only as required to perform King & Spalding's obligations under this Agreement. -----

10.3 “Confidential Information” shall not apply to any information which: -----

- (a) is generally known to the public at the time of disclosure to King & Spalding or becomes generally known through no wrongful act on the part of King & Spalding;-----
- (b) is in King & Spalding ’s possession at the time of disclosure otherwise than as a result of King & Spalding ’s breach of any legal obligation; -----
- (c) becomes known to King & Spalding through disclosure by sources other than King & Spalding having the legal right to disclose such information; or
- (d) is independently developed by King & Spalding without reference to or reliance upon the confidential information. -----

10.4 In addition, these provisions shall not prohibit King & Spalding from making any disclosure pursuant to any subpoena or order of a court or a Governmental or Administrative tribunal which may assert jurisdiction over King & Spalding; provided that, to the extent legally permissible, King & Spalding shall promptly notify PREPA of any such disclosure obligations and reasonably cooperate with PREPA’s efforts to lawfully avoid and/or minimize the extent of such disclosure.---

10.5 King & Spalding will not disclose any Confidential Information relating to the work that King & Spalding performs under this Agreement except as provided herein or by applicable the Rules of Professional Conduct or law. -----

10.6 King & Spalding may divulge Confidential Information to its employees who need to know such information to fulfill the purposes of this engagement provided that

such persons: (i) shall have been advised of the confidential nature of such information and King & Spalding shall direct them, and they shall agree, to treat such information as confidential and to return all materials to King & Spalding upon request, but for one copy for record purposes only; and (ii) in each case, such person shall be bound by the terms of this Agreement. -----

10.7 King & Spalding shall return all Confidential Information, as well as any other document to which PREPA is entitled that may relate to its work under this Agreement, to PREPA within thirty (30) days after date of the expiration or earlier termination of this Agreement or destroy such information, certifying that all the information has been returned to PREPA or destroyed, but for electronic information held in archive and/or backup files to the extent such files cannot be deleted without unreasonable effort or expense and created in the ordinary course pursuant to established data backup/archive procedures; provided, however, King & Spalding may retain its own work product as long as it maintains the confidentiality of PREPA's Confidential Information as otherwise provided in this Agreement and other Confidential Information for regulatory, professional liability, and recordkeeping purposes (provided it continues to maintain its confidentiality in accordance with this Agreement). During this thirty (30) day period, and except to the extent making such documents available would result in the loss of legal privilege for PREPA, these documents shall be available upon request for inspection by the Office of the Comptroller of Puerto Rico. Such inspection, if

undertaken, shall not constitute a waiver of the attorney-client privilege or work product doctrine. -----

10.8 The Parties shall take all reasonable steps to keep confidential and use only for the purposes contemplated by the terms of the Agreement the information provided by PREPA and/or King & Spalding, 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 Agreement. -----

10.9 The Parties also agree that, except as agreed to in writing by both Parties, they will not, at any time after termination of this Agreement, disclose any confidential information to any person whatsoever, or permit any person whatsoever to examine and/or make copies of any reports prepared by King & Spalding or under its control by reason of its consulting services, and that upon termination of this Agreement 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. King & Spalding may retain one file copy for its records. -----

Article 11. Rights and Titles

11.1 King & Spalding will submit any reports reasonably required by PREPA regarding services performed under this Agreement. If required by PREPA, at the completion of the assigned tasks, King & Spalding will submit a final written report describing the work it has performed. This requirement shall not be interpreted as a waiver by PREPA of King & Spalding's ethical obligation and

responsibility of keeping PREPA informed of the progress of the assigned matters. This obligation includes King & Spalding's commitment to preparing and delivering to PREPA's external auditors, in a timely manner, the legal letters periodically requested in connection with pending or threatened litigation, claims and assessments or loss contingencies, as part of the financial statements audit process for PREPA, its subsidiaries and affiliates, prepared in accordance with King & Spalding's policy. King & Spalding shall not invoice the time spent in preparing a reasonable number of customary letters to auditors. -----

11.2 All rights, titles and interest in any reports, documents, analyses, investigations and any other by-product conceived or developed by King & Spalding exclusively for PREPA in performing its obligations under this Agreement shall be the exclusive property of PREPA. King & Spalding shall retain all right, title and interest in and to proprietary works of authorship, pre-existing or other have not been created specifically for PREPA under this Agreement. With the exception of items marked as "CONFIDENTIAL" by King & Spalding, 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 Contractor under this Agreement.-----

Article 12. Copyright

King & Spalding 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 King & Spalding or provided to PREPA by King & Spalding as part of its Services, or used in the performance of this Agreement, including their use by PREPA, constitutes an infringement of any patents or copyrights of the United States. The Party of this Agreement subject to the claim or that becomes aware of a potential claim shall promptly notify in writing the other Party of this Agreement, and give the authority, information, and assistance reasonable and necessary for the defense of such claim. ---

Article 13. Responsibility for Damages

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

Article 14. Independent Contractor

14.1 King & Spalding shall be considered as an independent contractor, for all material purposes under this Agreement, and all persons engaged or contracted by King & Spalding for the performance of its obligations herein, shall be considered as its employees or agents, and not as employees or agents of PREPA. -----

14.2 As an independent contractor, King & Spalding 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 15. 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 Agreement or to any benefit that may arise therefrom.-----

Article 16. Conflict of Interest

16.1 King & Spalding certifies that none of its representatives under this Agreement 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. King & Spalding 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 King & Spalding. -----

16.2 King & Spalding acknowledges that in executing its services pursuant to this Agreement 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 Agreement. Also, King & Spalding 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 King & Spalding when performing its responsibilities under this Agreement. -----

16.3 The Parties understand and agree that a conflict of interest exists when King & Spalding must advocate a position or outcome on behalf of any existing or future client contrary to PREPA's interests. Also, any conduct defined in the Rules of Professional Conduct regarding conflict of interests shall apply to King & Spalding and its personnel. -----

16.4 In the event that any of the partners, directors, agents or employees of King & Spalding engaged in providing services under this Agreement should participate in the conduct described herein, said conduct shall constitute a violation of the prohibitions provided herein.-----

16.5 King & Spalding's partners, directors, agents or employees and personnel shall avoid even the appearance of the existence of conflicting interests. -----

16.6 In the event that the existence of adverse interests is discovered, the PREPA's Executive Director shall inform King & Spalding in writing of PREPA's intention to terminate this Agreement within a thirty (30) day period. During said period, King & Spalding may request a hearing with the Executive Director to present its arguments regarding the alleged conflict of interests. In the event that King & Spalding does not request such hearing during the specified thirty (30) day

period or the controversy is not satisfactory settled before or during the hearing, this Agreement shall be terminated or canceled. -----

16.7 King & Spalding certifies that, at the time of the execution of this Agreement, 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 Agreement, King & Spalding shall notify PREPA immediately. -----

Article 17. 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

or for hand or overnight courier delivery:

Puerto Rico Electric Power Authority
1110 Ponce de León Avenue
San Juan, PR 00907-3802

Attention: Josué A. Colón Ortiz
Executive Director

To King & Spalding: Steven M. Kupka, Esq.
King & Spalding LLP
1700 Pennsylvania Avenue NW

Suite 200
Washington, D.C. 20006-4704

with a copy to

General Counsel
King & Spalding LLP
1180 Peachtree Street NE
Atlanta, GA 30309-3521

Article 18. Applicable Law and Venue

This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico. The court and authorities of the Commonwealth of Puerto Rico and the federal courts of the United States shall have jurisdiction over all controversies that may arise with respect to this Agreement. The Parties hereby waive any other venue to which they might be entitled by the virtue of domicile or otherwise. Should either party initiate or bring suit or action before any other court, it is agreed that upon application, any such suit or action shall be dismissed, without prejudice, and may be filed in accordance with this provision. -----

Article 19. Change in Law

During the term of this Agreement, any change in law, including, but not limited to changes in applicable tax law, which cause an increase in King & Spalding's costs when providing the services, shall be King & Spalding's responsibility and PREPA shall not be obligated to increase the Agreement Amount. -----

Article 20. Force Majeure

20.1 The Parties shall be excused from performing their respective responsibilities and obligations under this Agreement 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. -----

20.2 For purposes of this Agreement, 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.-----

20.3 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 21. Novation

21.1 The Parties expressly agree that no amendment or change order, which could be made to the Agreement during its term, shall be understood as a contractual novation, unless both Parties agree to the contrary, specifically and in writing.-----

21.2 The previous provision shall be equally applicable in such other cases where PREPA gives King & Spalding a time extension for the compliance of any of its obligations under this Agreement, or where PREPA dispenses the claim or demand of any of its credits or rights under the Agreement. -----

Article 22. Severability

If a court of competent jurisdiction declares any of the Agreement provisions as null and void or invalid, such holding will not affect the validity and effectiveness of the remaining provisions of this Agreement and the Parties agree to comply with their respective obligations under such provisions not included in the judicial declaration.-----

Article 23. Save and Hold Harmless

King & Spalding 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 King & Spalding by the negligent act or omission, in the performance or nonperformance of its obligations under the Agreement, but not to the point directly caused or contributed by

negligence or tort of PREPA or a third party, who is not an employee or subcontractor of King & Spalding.-----

With respect to any indemnity set forth in this Agreement, the Party which shall be entitled to receive indemnity shall give prompt notice to the other Party 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 24. Insurance

King & Spalding shall secure and maintain in full force and effect during the life of this Agreement as provided herein, policies of insurance covering all operations engaged in by the Agreement as follows:-----

1. Commonwealth of Puerto Rico Workmen’s Compensation Insurance:

King & Spalding shall provide Workmen’s Compensation Insurance as required by the Workmen’s Compensation Act 45-1935 of the Commonwealth of Puerto Rico. King & Spalding shall also be responsible for compliance with said Workmen’s Compensation Act by all its subcontractors, agents, and invitees, if any. -----

King & Spalding 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 Agreement. -----

2. Employer’s Liability Insurance:

King & Spalding 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 King & Spalding 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:

King & Spalding 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:

King & Spalding 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 autos.-----

5. Professional Liability Insurance:

King & Spalding shall provide a Professional Liability Insurance with limits of at least \$1,000,000 per claim and at least \$1,000,000 aggregate. -----

6. Requirements under the Policies:

The Commercial General Liability and Commercial Automobile Liability Insurance required under this Agreement 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 Agreement under contractual liability coverage and identifying it by number, date and Parties to the Agreement. -----
- 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. -----

King & Spalding shall furnish a certificate of insurance in original signed by an authorized representative of the insurer in Puerto Rico, describing the coverage afforded. -----

Article 25. Compliance with the Commonwealth of Puerto Rico Contracting Requirements

King & Spalding will comply with all applicable laws, regulations and executive orders that regulate the contracting process and requirements of the Government of Puerto Rico, including Act 73-2019, as amended, known as the "2019 General Services

Administration Act for the Centralization of Purchases of the Government of Puerto Rico" ("Act 73-2019"). In compliance with the provisions of Act 73-2019, King & Spalding has provided PREPA the Certification of Eligibility of the Unique Registry of Professional Services Providers (known in Spanish as "*Certificado de Elegibilidad del Registro Único de Proveedores de Servicios Profesionales*", and hereinafter referred to as the "RUP Certification"), issued by the General Services Administration. It is hereby acknowledged that pursuant to the provisions of Article 42 of Act 73-2019, a valid RUP Certification serves as evidence of compliance with the documentation requirements necessary for contracting professional services with the Government of Puerto Rico, particularly those applicable under Act 237-2004, as amended, which establishes uniform contracting requirements for professional and consultant services for the agencies and governmental entities of the Commonwealth of Puerto Rico (3 L.P.R.A. § 8611 et seq.), the Puerto Rico Department of Treasury Circular Letter Number 1300-16-16 issued on January 22, 2016, as amended, and the sworn statement before notary public required pursuant to Article 3.3 of Act 2-2018.-----

Further, King & Spalding hereby certifies, guarantees, acknowledges and agrees to the following:-----

- A. King & Spalding hereby certifies that as of the execution of this Agreement, it has filed income, sales and use ("IVU" for its Spanish acronym), and property taxes returns, in Puerto Rico for the past five (5) years. King & Spalding also certifies that it does not have any outstanding debt or other debts with the Government of

Puerto Rico for income, IVU taxes (collected by the Department of the Treasury), real or chattel property taxes (collected by the "*Centro de Recaudación de Ingresos Municipales*" ("CRIM")), unemployment insurance premiums, workers' compensation payments, Social Security for chauffeurs from the Department of Labor and Human Resources, nor have debts with the Puerto Rico Child Support Administration (known in Spanish as the *Administración Para El Sustento de Menores* (ASUME)). In the event that King & Spalding owes taxes or premiums to said government agencies, it agrees that PREPA may withhold any monies due to King & Spalding under this Agreement to be applied to the payment and cancellation of said debt. King & Spalding also certifies that it is in corporate "Good Standing" at the Department of State of Puerto Rico. King & Spalding hereby represents and certifies that it is duly authorized to do business under the laws of Puerto Rico by the Department of State and the execution, delivery and performance of all the services under this Agreement are within King & Spalding authorized powers and are not in contravention of law. King & Spalding also certifies that it is in compliance with the Merchant's Registration. Accordingly, King & Spalding has submitted to PREPA its RUP Certification from the General Services Administration. King & Spalding shall maintain its certificate valid for the duration of this Agreement.-----

- B. 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 Agreement.-----
- C. Social Security and Income Tax Retentions: In compliance with Executive Order 1991 OE- 24; and C.F.R. Part 404 et. Seq., King & Spalding 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 Agreement.-----
- D. 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 U.S. citizens and Non-U.S. citizens, which are nonresidents of the Commonwealth of Puerto Rico, PREPA 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*). King & Spalding will request PREPA not to make such withholdings if, to the satisfaction of PREPA, King & Spalding 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. As proof of the remittance of withholdings to the Treasury Department required by this Paragraph L (as well as Paragraph J above), PREPA agrees to provide King &

Spalding with a completed copy of the Puerto Rico Treasury Department Form 480.6C (entitled, "*Declaración Informativa - Ingresos Sujetos a Retención - No Residentes*"). -----

- E. Compliance with Act 1 of Governmental Ethics: King & Spalding will certify compliance with Act 1-2012, as amended, known as the Ethics Act of the Government of Puerto Rico (Act 1-2012), 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 Agreement, 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.; -----
- F. Act 168-2000: Law for the Strengthening of the Family Support and Livelihood of Elderly People: King & Spalding 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. -----

- G. Act 127-2004: Contract Registration in the Comptroller's Office of Puerto Rico
Act: Payment for Services object of this Agreement will not be made until this Agreement 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.
- H. 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. -----
- I. 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. --
- J. 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. -----

K. 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. -----

L. 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. -----

M. Dispensation: Any and all necessary dispensations have been obtained from any

government entity and that said dispensations shall become part of the contracting record, if applicable, and if mutually agreed upon in writing between the Parties. -----

N. Rules of Professional Ethics: King & Spalding acknowledges and accepts that it

is knowledgeable of the rules of ethics of his/her profession and assumes responsibility for his/her own actions. -----

O. Provisions Required under Act 14-2004: King & Spalding 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.-----

P. King & Spalding certifies that at the time of execution of this Agreement it has no other contracts with other agencies, public corporations, municipalities, and/or instrumentalities of the Government of Puerto Rico, except for:-----

1. Puerto Rico Fiscal Agency and Financial Advisory Authority
2. GDB Debt Recovery Authority.

King & Spalding acknowledges and accepts that the failure to list any current contractual relationship with any governmental entity may result in the termination of this Agreement if required by PREPA.-----

Q. The Parties hereby acknowledge the requirements and procedures set forth in Administrative Bulletin No. OE-2021-029 issued by the Governor of Puerto Rico, Han. Pedro R. Pierluisi, on April 27, 2021 (“OE-2021-29”) and Circular Letter No. 013-2021 issued on June 7, 2021, by the Office of Management and Budget (“CC 013-2021”), applicable to professional services agreements with a maximum amount of \$250,000 or more per fiscal year. However, in accordance with the exceptions authorized in the Contracting Measures, PREPA filed a petition with the Office of Management and Budget seeking to be exempted from

the Contracting Measures which was thereafter approved. Consequently, in accordance with the exceptions authorized in OE-2021-29 and CC 013-2021, the execution of this Agreement is exempt from the requirements and procedures established in the abovementioned provisions.-----

R. King & Spalding certifies that at the time of the execution of this Agreement, it is not a public company with shares that are traded on a regulated stock exchange. King & Spalding certifies that prior to the execution of this Agreement, it has submitted to PREPA a Certification of Legal Entity (known in Spanish as "*Certificación sobre Personas Jurídicas*").-----

If any of the previously required Certifications shows a debt, and King & Spalding has requested a review or adjustment of this debt, King & Spalding will certify that it has made such request at the time of the Agreement execution. If the requested review or adjustment is denied and such determination is final, King & Spalding will provide, immediately, to PREPA a proof of payment of this debt; otherwise, King & Spalding accepts that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments.-----

Article 27. Anti -Corruption Code for a New Puerto Rico

King & Spalding 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 (Act 2-2018). King & Spalding 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. King & Spalding shall furnish a sworn statement to the effect that neither King & Spalding 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 King & Spalding 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 (Act 8-2017) or any of the crimes included in Act 2-2018. -----

King & Spalding 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, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code (Act 146-2012), any of the crimes typified in Act 2-2018, 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. -----

PREPA shall have the right to terminate the Agreement in the event King & Spalding is convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, any of the crimes listed in Articles 250 through 266 of Act 146-2012, any of the crimes typified in Act 2-2018, 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. -----

Consequences of Non - Compliance: King & Spalding expressly agrees that the conditions outlined throughout this Article are essential requirements of this Agreement. 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 Agreement null and void, and King & Spalding shall reimburse the PREPA all moneys received under this Agreement. -----

Article 28. Non-Discrimination

King & Spalding certifies that it will not discriminate unlawfully 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 29. Representation

Each of the Parties represents to the other that: -----

- (1) it has the legal power and authority to enter into this Agreement and to perform its obligations hereunder, and neither the execution of this Agreement nor the performance of its obligations hereunder will violate any agreement or obligation from that party to others; and -----
- (2) the officer or representative who has executed and delivered this Agreement on its behalf is authorized to do so. -----

Article 30. Contractor Certification Requirement

The Parties acknowledge that King & Spalding has submitted the certification titled "Contractor Certification Requirement" required in accordance with the Contract Review Policy of the Financial Oversight and Management Board for Puerto Rico, effective as of November 6, 2017, as amended, signed by King & Spalding's Executive Director (or another official with an equivalent position or authority to issue such certifications). A signed copy of the "Contractor Certification Requirement" is included as an annex to this Agreement.-----

King & Spalding represents and warrants that the information included in the Contractor Certification Requirement is complete, accurate and correct, and that any misrepresentation, inaccuracy or falseness in such Certification will render the Agreement null and void and King & Spalding will have the obligation to reimburse immediately to the Commonwealth any amounts, payments or benefits received from the Commonwealth under the Agreement. -----

Article 31. Transfer of skills and technical knowledge

For this Agreement, the transfer of skills and technical knowledge required by the Certified Fiscal Plan is inapplicable given the non-recurring or specialized nature of the contracted services.-----

Article 32. Entire Agreement

The terms and conditions contained herein constitute the entire agreement between PREPA and King & Spalding with respect to the subject matter of this Agreement, and

supersede all communications, negotiations, and agreements of the Parties, whether written or oral, other than these, made prior to the signing of this Agreement.-----

IN WITNESS WHEREOF, the Parties hereto sign this Agreement in San Juan, Puerto Rico this ____ day of _____, 2023. -----

Puerto Rico Electric Power Authority

King & Spalding, LLP

Josué A. Colón Ortiz
Executive Director
Tax ID: 660-43-3747

Steve Kupka
Partner
Tax ID: 58-0520153
Email: skupka@kslaw.com

APPENDIX A
TIMEKEEPERS & HOUR RATES

Staff Level	Rate
Sr. Partner	1300
Partner	1200
Counsel	1145
Sr. Associate	975
Associate	865
Jr. Associate	585
Paralegal/Other	420

Timekeeper	Title
Bowe, Jim	Sr. Partner
Malone, Kelly	Sr. Partner
Steinberg, Arthur	Sr. Partner
Zisman, Stuart	Sr. Partner
Cagle, Kim	Partner
Bromage, Zoë	Partner
Clancy, Lachlan	Partner
Katz, Jonathan	Partner
Koch, Alec	Partner
Kupka, Steve	Partner
Lang, David	Partner
McWhirter, Jill	Partner
Brown, Tyler	Counsel
Davidson, Scott	Counsel
Ferkin, Zori	Counsel
Futch, Kevin	Counsel
Greenberg, Mark	Counsel
Hirsch, Eric	Counsel
Smith, Lisa	Counsel
Kazam, Alexander	Senior Associate
Langa, Fernando	Senior Associate
Primrose, Sarah	Senior Associate
Snyder, Jesse	Senior Associate
Cadavid, Miguel	Associate
Calcena, Rafaela	Associate
Garza, Amanda	Associate

Horan Mendez, Erin	Associate
Martin, Silvia	Associate
Sheehy, Sean	Associate
Ye, Connie	Associate
Moon, Sue (Suyoung)	Jr. Associate
Rizk, Philip	Jr. Associate
Schofield, Sarah	Jr. Associate
Crawford, Julie	Paralegal/Other
de Varennes, P. Annette	Paralegal/Other
Dukes, Bill	Paralegal/Other
Hosein, Saira	Paralegal/Other
Kinsinger, Jeffrey	Paralegal/Other
Lindley, Kathleen	Paralegal/Other
Massoni, Greg	Paralegal/Other
Scarmazzi, Carla	Paralegal/Other
Seufert, Jason	Paralegal/Other
Shirley, Tammy	Paralegal/Other
Ward, Jarrett	Paralegal/Other
Wheeler, Bob	Paralegal/Other

Annex F

PREPA's Certification

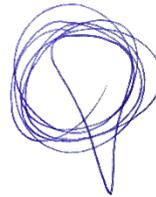
July 12, 2023

CERTIFICATION

With respect to, and for purposes of, Case No. NEPR-MI-2021-0004, and specifically *PREPA's Urgent Request for Approval of Three Contracts for Professional Services in Compliance with Portion of the June 25 and July 11 Orders* dated July 12, 2023.

I, Richard W. Cruz Franqui, as PREPA's General Counsel hereby confirm and expand as follows:

In response to the Energy Bureau's July 11 2023 *Resolution and Order* in case NEPR-MI-2021-0004, PREPA hereby certifies that there is no duplicity of scope of work between the efforts handled by Díaz and Vázquez Law Firm PSC, O'Melveny Myers LLP, King and Spalding LLP as PREPA's legal advisors, and Ankura Consulting Group LLC, as PREPA's financial advisor, and the works handled LUMA and Genera or PREPA.



Richard W. Cruz Franqui
General Counsel
Puerto Rico Electric Power Authority