

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

**NEPR**

**Received:**

**Jul 14, 2023**

**8:47 PM**

**IN RE:** REVIEW OF LUMA'S INITIAL  
BUDGETS

**CASE NO.:** NEPR-MI-2021-0004

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

**REQUEST FOR APPROVAL OF FIVE 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, LUMA<sup>1</sup> 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.
2. 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").
3. 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 Budgets for the electric utility system including the budgets for LUMA Energy, LLC and LUMA

---

<sup>1</sup> LUMA Energy, LLC and LUMA Energy ServCo, LLC (jointly referred to as, "LUMA").

ServCo, LLC (collectively, “LUMA”), Genera-PR, LLC (“Genera”) and PREPA (“June 25 Order”).

4. 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.

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

6. 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. Further, the Energy Bureau directed PREPA to 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 that the referenced amounts are within the budgeted amounts for FY24 considering the totality of the contracts to be executed during

---

<sup>2</sup> *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”).

FY24.”<sup>3</sup>

7. In furtherance of the July 11 Order, PREPA hereby submits the following three contracts as Annex A. These proposed contracts correspond to legal services line item in the HoldCo Non-Labor Expenses category, for the HoldCo Operating and Capital Expenditures portion of the approved FY 2024 Budget.

CONTRACTOR	SERVICES TO PROVIDE	PROPOSED AMOUNT
Global Consultas Asociados	The Consultant will assist PREPA, among other matters, providing legal representation in eminent domain cases, appraisals and surveying of properties, and acquisition of land rights.	\$ 20,000.00
Victor Manuel Ruiz Perez	The Consultant will assist PREPA, among other matters, providing technical advice in the field of electrical engineering and appearances before the Courts.	\$ 20,000.00
González and Martínez Law Offices P.S.C	The Consultant will assist PREPA, among other matters, providing legal representation matters related to labor disputes and disciplinary, preventive and corrective actions. As well as, drafting and review of all types of contracts, notary services.	\$ 350,000.00

8. Furthermore, PREPA submits a professional services contract for Baker Donelson Caribe LLC (“Baker Donelson Contract”) for the Energy Bureau’s review and approval. *See* Annex B. The Baker Donelson Contract is proposed for the amount of \$200,000 which corresponds to the budget allocation included in the Bankruptcy Advisor Title III Costs as approved by the Energy Bureau in the June 25 Order.

9. The scope of services provided by Baker Donelson to PREPA can be found in Article 1 of the Baker Donelson Contract, the services include, among others, the following: The

---

<sup>3</sup> 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.” 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.

primary scope of work of Baker Donelson is providing legal advice and advocacy for PREPA relating to disaster assistance grants from the Federal Emergency Management Agency (“FEMA”), including administrative appeal and arbitration of FEMA decisions disallowing costs invoiced to PREPA by its contractors, and pursuing arbitration against FEMA. The work performed by Baker Donelson for PREPA since the start of its engagement in 2018 has related to PREPA’s efforts to obtain or keep FEMA grant funding for Hurricanes Irma and Maria, the 2020 Earthquake, and COVID.

**10.** Lastly, PREPA submits the professional services contract for Regulatory Compliance Services (“Recoms”) (“Recoms Contract”) for the Energy Bureau’s review and approval. *See* Annex C. The Recomms Contract is proposed for the amount of \$250,000. Of these amounts, \$200,000 corresponds to the budget allocation approved in the Bankruptcy Advisor Title III Costs in the June 25 Order, and the other \$50,000 corresponds to the legal services in the HoldCo Non-Labor Expenses category, for the HoldCo Operating and Capital Expenditures portion of the FY 2024 approved budget.

**11.** The scope of services provided by Recomms to PREPA can be found in Article 1 of the Recomms Contract, the services include, among others, the following: auditing invoices, auditing the board of directors, and verifying work performed by companies like COBRA that provided services to PREPA, which is directly relevant to the ongoing Title III proceedings in which PREPA is currently involved. Recomms performs the validation of invoices submitted by COBRA to ensure that PREPA receives proper reimbursement for the services rendered. This validation process is crucial in mitigating the risk associated with potential liabilities.

**12.** PREPA affirms that the referenced amounts for the contracts described in items 7,8 and 10 are within the budgeted amounts for FY24 considering the totality of the contracts to be

executed during FY24.

13. Finally, PREPA hereby submits, as Annex D, a certification affirming that the works to be executed by Eng. Victor Ruiz, Global Consultas Asociados and the González & Martínez, Baker Donelson and Recoms 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 contracts as submitted herein for review and approval.

**RESPECTFULLY SUBMITTED.**

In San Juan, Puerto Rico, this 14<sup>th</sup> day of July 2023.

/s Maralíz Vázquez-Marrero  
Maralíz Vázquez-Marrero  
TSPR 16,187  
[mvazquez@diazvaz.law](mailto:mvazquez@diazvaz.law)

/s Joannely Marrero-Cruz  
Joannely Marrero Cruz  
TSPR 20,014  
[jmarrero@diazvaz.law](mailto: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](mailto:margarita.mercado@us.dlapiper.com) and [ana.rodriguezrivera@us.dlapiper.com](mailto:ana.rodriguezrivera@us.dlapiper.com) and to Genera-PR, LLC through its legal representatives [jfr@sbgblaw.com](mailto:jfr@sbgblaw.com); [alopez@sbgblaw.com](mailto:alopez@sbgblaw.com); [legal@genera-pr.com](mailto:legal@genera-pr.com); [regulatory@genera-pr.com](mailto:regulatory@genera-pr.com).

In San Juan, Puerto Rico, this 14<sup>th</sup> day of July 2023.

/s Joannely Marrero-Cruz  
Joannely Marrero Cruz

## **Annex A**

**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, who, as approved by PREPA's Governing Board in Resolution 4951 has inhibited himself due to ethical reasons, from any matter related to the Contractor and delegated such matters to Anthony Vega Plúñez, Administrative Services Director, of legal age, married and resident of Bayamón, Puerto Rico.-----

**AS SECOND PARTY:** Global Consultas Asociados, LLC, (Contractor), a Limited Liability Corporation organized and existing under the laws of Puerto Rico, represented in this act by its President, Iván R. Romero Peña, of legal age, single, and resident in San Juan, authorized by virtue of Resolution dated August 7, 2020. -----

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

-----WITNESSETH-----

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



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

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

**Article 1. Scope of Services**

1.1 In accordance with the terms and conditions set forth herein, the Contractor will provide at PREPA's request, the following services: legal representation in eminent domain cases, appraisals and surveying of properties, acquisition of land rights, studies of demarcation for each of PREPA's lots, plot plans of lots, with description of boundaries. The Contractor shall carry out title studies, legal investigations, and render those reports that PREPA may require from time to time and shall draft the documents that are necessary and pertinent for the proper performance of the functions entrusted to it under the provisions of this Contract. The Contractor shall perform highly complex and extensive appraisals. The Contractor shall also send to PREPA a copy of any written document prepared by it in relations to the services provided in this Contract. These documents and reports will be delivered to the Legal Affairs Directorate. The Services provided by the Contractor will be performed by licensed professionals in the different disciplines contemplated in this Contract. -----

1.2 At the direction of PREPA, the Contractor may be required to work with other consulting, legal, investment, environmental 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. -----

1.3 Any other service that is necessary or convenient to fulfill the purpose of this Contract. -----

1.4 All services described in this Article 1 shall be defined in this Contract as the “Services”. The Services will be provided on and subject to the terms and conditions set forth in this Contract and in accordance with the RFP 103583 Proposal, copy of which is incorporated and made part hereof as an appendix to this Contract. If any part of the RFP 103583 Proposal is found to be inconsistent with the terms and conditions set forth herein, the terms and conditions set forth herein shall take precedence over the RFP 103583 Proposal and govern the matter in question. -----

## **Article 2. Services Coordination**

All the Services of Contractor in relation to the terms and conditions of this Contract will be coordinated through PREPA’s Legal Affairs Director or the person delegated by him.

## **Article 3. Contract Assignment or Subcontract**

The Contractor 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 Contractor 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 Contractors' rights under the subcontract, in the event that PREPA declares the Contractor in breach or default of any of the Contract terms and conditions; and (3) the subcontract includes, as a condition for its validity and enforceability, a provision establishing for the subcontractor the obligation to comply with all Contractors' 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 and the Contractor's performance, 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 Contractor. 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 Contractor shall have no further right to compensation except for what has been accrued for services rendered and 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 Contractor, without prior written notice. -----

5.3 The Parties acknowledge that PREPA is undergoing a transformation process, and therefore, both Parties agree that after the front-end transition period 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, without Contractor’s consent, and without cost, expense, or incremental liability to PREPA, to any future operator of Puerto Rico’s electric power transmission and distribution system or any of its affiliates, or to any governmental agency, body, public corporation or municipality of Puerto Rico; provided, that PREPA shall notify Contractor no later than thirty (30) days before the effective date of any such Transfer.-----

The Contractor acknowledges that all his responsibilities and obligations under the Contract, such as work to be performed and services to be provided, etc., will continue in full force and effect until the expiration of the thirty (30) day period. -----

## **Article 6. Payment**

- 6.1 In accordance with the terms and conditions contained herein, PREPA agrees, and Contractor accepts that the total amount to be paid under the Contract shall not exceed a cumulative amount of twenty thousand dollars (\$20,000), including reimbursable expenses, if any (the “Contract Amount”). All payments to be made under this Contract will be charged to account 1-4019-92311-556-615. 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 Contractor 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 Contractor according to the following rates:

ITEM		Global Consultas
Labor Resources	Unit	Unit Price
Manager	Hour	\$ 100.00
Lawyer	Hour	\$ 125.00
Investigator	Hour	\$ 100.00
Surveyor	Hour	\$ 125.00
Appraiser	Hour	\$ 125.00
Task		
Rental cost study	Ea.	\$ 1,750.00
Property Appraisal Study - Traditional	Ea.	---
3 Thousand (or 3 K) Square Feet (SF) or	Ea.	\$ 1,000.00
Over 3 K up to 5 K SF	Ea.	\$ 1,100.00
Over 5 K up to 10 K SF	Ea.	\$ 1,400.00

Over 10 K up to 20 K SF	Ea.	\$ 2,600.00
Over 20 K to 40 K SF	Ea.	\$ 4,800.00
<b>Property Appraisal Study - Complex</b>		---
3 Thousand (or 3 K) Square Feet (SF) or	Ea.	\$ 2,000.00
Over 3 K up to 5 K SF	Ea.	\$ 2,500.00
Over 5 K up to 10 K SF	Ea.	\$ 2,750.00
Over 10 K up to 20 K SF	Ea.	\$ 3,500.00
Over 20 K to 40 K SF	Ea.	\$ 4,250.00
Over 40 K to 80 K SF	Ea.	\$ 5,000.00
Over 80 K to 120 K SF	Ea.	\$ 7,500.00
<b>Property Appraisal Study - Empty Lots</b>	Ea.	---
3 thousand (or 3 K) Square Feet (SF) or	Ea.	\$ 800.00
Over 3 K up to 10 K SF	Ea.	\$ 2,000.00
Over 10K up to 40 K SF	Ea.	\$ 2,250.00
Appraisal reviews	Ea.	\$ 500.00
Offer letters	Ea.	\$ 125.00
Plot plans	Per Property type	\$ 950.00
Prepare public notices	Ea.	\$ 850.00
Property docket ("legajo", in spanish)	Ea.	\$ 1,300.00
Summons to court	Ea.	\$ 125.00
Suplements to appraisal reports	Ea.	\$ 375.00
<b>Survey plans</b>		
Residential lots	Ea.	\$ 2,000.00
Large lots up to 5 acres	Ea.	\$ 3,500.00
Title certifications	Ea.	\$ 150.00
Title Study	Ea.	\$ 150.00

The Contract shall perform highly complex and extensive appraisals, exceeding the rates included in the Contractor's proposal. The Parties agree that such

appraisals may be carried out by the Contractor up to a maximum of thirty-thousand dollars (\$30,000).-----

6.4 Should the Contractor assign another person or professional category to attend to PREPA's matters pursuant to this Contract, the Contractor shall promptly send PREPA an amended to include such person's name/professional category, position and rate, as well as request approval from PREPA. Any person engage by the Contractor after the execution of the Contract must complies with the professional requirements, credentials and qualifications establishes in the RFP 103583. The Contractor shall provide evidence of those requirements and credentials (Ex: professional license, experience, etc.) before the execution of the contract. -----

6.5 The Contractor 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 Contractor, 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 Contractor shall present an itemized list of the remaining billable Services under the Contract. -----

#### **Article 7. Invoices**

7.1 Contractor shall submit its invoices on a monthly basis for the work already performed during the preceding month. Contractor will provide to PREPA an invoice for each billing period which will include a description of the services rendered and the number of hours spent by each person. The invoice for

professional services shall be itemized and must be duly certified by an authorized representative of the Contractor. -----

7.2 PREPA will review the invoices upon receipt, and if they are in compliance with the requirements set forth in this Contract, it will proceed with payment. Payment is due sixty (60) days of receipt of the invoice with all the supporting documents required. 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. -----

7.3 All invoices submitted by Contractor 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".*

\_\_\_\_\_  
*Contractor'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, Contractor 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 8. Transfer of Funds**

- 8.1 If Contractor 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 Contract, Contractor shall notify PREPA of such transfer of funds, in accordance to the provisions of Act 21-2012. Said notice shall clearly indicate the rights granted, including a copy of the contract under which the assignment or transfer of funds is made, the exact amount of funds to be assigned or transferred, and specific identification information regarding the assignee (full name of the person or company), address and any other contact information. -----
- 8.2 Contractor acknowledges and agrees that PREPA may deduct any amount, due or payable under this Contract, that Contractor owes; PREPA may retain any said amount if Contractor fails to fulfill its obligations and responsibilities under this Contract, or a claim arises for warranty or defects regarding the services rendered or goods provided under this Contract. Contractor also acknowledges and agrees that PREPA's payment obligation under any assignment of funds will cease upon payment of the outstanding amounts under this Contract. PREPA shall not be required to make payments or transfer any funds for an amount that exceeds the payment to which Contractor is entitled to under this Contract. -----
- 8.3 Contractor 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 9. Information and Material Facts**

- 9.1 PREPA shall promptly provide to Contractor all information (includes previous environmental assessments performed) under the control of PREPA and necessary for Contractor to perform the Services under this Contract and those material facts that Contractor 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 Contractor, which are under its control, are true and complete, and does not constitute misleading or inaccurate information and Contractor shall be entitled to rely on the accuracy and completeness of the documents, data, and other information and material facts. -----
- 9.2 PREPA will notify Contractor 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 Contractor. -----
- 9.3 PREPA shall promptly provide to Contractor all information to determine which among them will implement and maintain the various parts of the safety and health program, to ensure protection of all on-site workers before work begins. Include information to assess hazards and to avoid creating hazards that affect workers on the site. -----
- 9.4 The Contractor shall comply with all applicable laws, ordinances, rules, regulations and Occupational Safety and Hazard Act (OSHA) standards for the safety of personnel, equipment, property and to protect them from damage, injury

or loss, and any other PREPA Safety additional requirements. The Contractor is responsible to provide to its personnel all the required safety equipment to comply with OSHA regulation. -----

**Article 10. Information Disclosure and Confidentiality**

10.1 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 Contractor, 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. -----

10.2 The Parties also agree that, except as agreed to in writing by both Parties, they will not, at any time after termination of this Contract, disclose any confidential information to any person whatsoever, or permit any person whatsoever to examine and/or make copies of any reports prepared by Contractor 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. Contractor may retain one file copy for its records. -----

10.3 The term “confidential information” shall include, but not be limited to, all information provided to Contractor by PREPA or at PREPA’s direction regarding its facilities or operations and any and all information gathered or developed by Contractor regarding the same. The Parties further agree that proprietary records and documents related to Contractor’s business operations are

confidential to Contractor 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 Contractor'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.

10.4 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. ----

10.5 If this Contract terminates for any reason, Contractor 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 Contractor 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 Contractor 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 Contractor. -----

- 10.6 The above provisions do not apply with respect to information, which Contractor is requested to disclose under applicable law and regulations, court order, subpoena or governmental directives, in which case Contractor shall provide PREPA prompt notice of such request in order to procure for PREPA a reasonable opportunity to oppose such disclosure. Contractor 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. -----
- 10.7 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 11. Rights and Titles**

11.1 The Contractor 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 Contractor will submit a final written report describing the work it has performed. This requirement shall not be interpreted as a waiver by PREPA of Contractor's ethical obligation and responsibility of keeping PREPA informed of the progress of the assigned matters. -----

11.2 All rights, titles and interest in any reports, documents, analyses, investigations and any other by-product conceived or developed by the Contractor exclusively for PREPA as a result of performing its obligations under this Contract shall be the exclusive property of PREPA. The Contractor 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 Contractor, 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 Contract.

**Article 12. Copyright**

Contractor 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 Contractor or provided to PREPA by Contractor 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 13. Warranty**

13.1 Contractor 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 Contractor not fulfill the above established Standard, Contractor 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 Contractor 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 Contractor’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 Contract, by furnishing oral or written reports of findings made, or by any other act of Contractor. -----

**Article 14. 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 15. Independent Contractor**

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

15.2 As an independent contractor, Contractor shall not be entitled to any fringe benefits, such as, but not limited to vacation, sick leave, and to which PREPA's employees are entitled. -----

**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 Contract or to any benefit that may arise therefrom. -----

**Article 17. Conflict of Interest**

17.1 Contractor 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. Contractor 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 Contractor.-----

17.2 Contractor 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, Contractor 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 Contractor when performing its responsibilities under this Contract. -----

17.3 The Parties understand and agree that a conflict of interest exists when Contractor 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 Contractor and its personnel.-----

17.4 In the event that any of the partners, directors, agents or employees of Contractor 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.-----

17.5 Contractor's partners, directors, agents or employees and personnel shall avoid even the appearance of the existence of conflicting interests.-----

- 17.6 Contractor acknowledges that PREPA's Executive Director shall have the power to intervene with the acts of Contractor 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 Contractor in writing of PREPA's intention to terminate this Contract within a thirty (30) day period. During said period, Contractor may request a hearing with the Executive Director to present its arguments regarding the alleged conflict of interests. In the event that Contractor 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. -----
- 17.7 The Contractor 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 Contractor 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: Anthony Vega Plúñez  
Administrative Services Director

To Contractor: Global Consultas Asociados, LLC  
P O Box 270129  
San Juan, PR 00928-2929

Attention: Iván R. Romero Peña  
President

**Article 19. Applicable Law and Venue**

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

**Article 20. 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 Contractor's costs when providing the services, shall be Contractor's responsibility and PREPA shall not be obligated to increase the Contract Amount. -----

**Article 21. Force Majeure**

21.1 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. -----

21.2 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. -----

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 Contract 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 Contractor a time extension for the compliance of any of its obligations under this Contract, or where PREPA dispenses the claim or demand of any of its credits or rights under the Contract. -----

**Article 23. 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 24. Save and Hold Harmless**

The Contractor 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 Contractor 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 Contractor.-

With respect to any indemnity set forth in this Contract, each indemnity shall give prompt notice of its receipt of any threat, indication or other notice of any claim, investigation or demand that might give rise to any losses required to be indemnified hereunder and shall reasonably cooperate in the defense of such claim. The

indemnifying party shall have the right to conduct defense of such action at its sole expense. -----

**Article 25. Insurance**

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

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

The Contractor shall provide Workmen's Compensation Insurance as required by the Workmen's Compensation Act 45-1935 of the Commonwealth of Puerto Rico.

The Contractor shall also be responsible for compliance with said Workmen's Compensation Act by all its sub-contractors, agents, and invitees, if any. -----

The Contractor shall furnish a certificate from the Puerto Rico's State Insurance Fund showing that all personnel employed in the work are covered by the Workmen's Compensation Insurance, in accordance with this Contract. -----

2. Employer's Liability Insurance:

The Contractor 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 Contractor as result of bodily injury, by accident or disease, including death arising out of and in the course of employment, and outside of and distinct from any claim under the Workmen's Compensation Act of the Commonwealth of Puerto Rico. -----

3. Commercial General Liability Insurance:

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

4. Commercial Automobile Liability Insurance:

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

5. Professional Liability Insurance:

The Contractor 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, PR 00936-4267

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

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

d. Waiver of subrogation in favor of 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 Contractor shall furnish a certificate of insurance in original signed by an authorized representative of the insurer in Puerto Rico, describing the coverage afforded. -----

**Article 26. Compliance with the Commonwealth of Puerto Rico Contracting Requirements**

The Contractor 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 Contractor 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 Contractor hereby certifies, guarantees, acknowledges and agrees to the following:-----

- A. The Contractor 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 Contractor 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 Contractor owes taxes or premiums to said government agencies, it agrees that PREPA may withhold any monies due to the Contractor under this Contract to be applied to the payment and

cancellation of said debt. The Contractor also certifies that it is in corporate "Good Standing" at the Department of State of Puerto Rico. The Contractor 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 Contractor authorized powers and are not in contravention of law. The Contractor also certifies that it is in compliance with the Merchant's Registration. Accordingly, the Contractor has submitted to PREPA its RUP Certification from the General Services Administration. The Contractor 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 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 Contractor will be responsible for rendering and paying the Federal Social Security and Income Tax Contributions for any amount owed as a result of the income, from this Contract.-----
- 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 Contractor will request PREPA not to make such withholdings if, to the satisfaction of PREPA, the Contractor timely provides a release from such obligation by the Government of Puerto Rico's Treasury Department. 3 L.P.R.A. § 8611 et seq., 2011 L.P.R. 232; 232-2011.-----

E. Compliance with Act No. 1 of Governmental Ethics: The Contractor 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 Contractor will certify that if there is any Judicial or Administrative Order demanding payment or any economic support regarding Act 168-2000, as amended, the same is current and in all aspects in compliance. Act 168-2000 "Law for the Strengthening of the Family Support and Livelihood of

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

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 Contractor acknowledges and accepts that it is

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

O. Provisions Required under Act 14-2004: Contractor agrees that articles

extracted, produced, assembled, packaged or distributed in Puerto Rico by enterprises with operations in Puerto Rico, or distributed by agents established in

Puerto Rico shall be used when the service is rendered, provided that they are available.-----

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

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

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

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

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

PREPA shall have the right to terminate the Contract in the event Contractor is convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, 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.-----

**Article 28. Dispute Resolution**

Executive Negotiation: Any unresolved disputes shall be referred to the PMO's Administrator or designee by PREPA and Contractor for resolution. During the first thirty (30) days following the delivery of a notice of dispute (and during any extension

agreed to by the Parties in writing, the “Negotiation Period”) the Parties shall attempt in good faith to resolve the dispute through negotiations. If such negotiations result in an agreement in principle to settle the dispute, they shall cause a written settlement agreement to be prepared, signed and dated (an “Executive Settlement”), and the dispute shall be deemed settled, and not subject to further dispute resolution. If a dispute is not resolved through the Executive negotiation, the Parties agree to resolve the dispute according to the jurisdiction established in the Choice of Law and Venue Article of the Contract. -----

**Article 29. Non-Discrimination**

The Contractor 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. Safety**

All work performed must be in compliance to 29 CFR 1910 and 29 CFR 1926, and any additional safety PREPA requires. -----

**Article 31. Contractor’s Certification Requirement**

The Parties acknowledge that the Contractor 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. A signed copy of the “Contractor Certification Requirement” is included as an annex to this Contract. Contractor 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 Contractor 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 Contractor 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

Global Consultas Asociados, LLC

---

Anthony Vegas Plúñez  
Administrative Services Director  
Tax ID: 660-43-3747

---

Iván R. Romero Peña  
President  
Tax ID: 660-73-6894  
iromero@globalconsultaspr.com

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:** Víctor Manuel Ruiz Pérez (Contractor), of legal age, married, professional engineer and resident of San Sebastián, Puerto Rico. -----

----Both PREPA and Contractor 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 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 Contractor will provide PREPA with technical advice in the field of electrical engineering and shall appear before the Courts of Justice of the Commonwealth of Puerto Rico and before any other forum in which his appearance is necessary to issue his expert testimony when PREPA requests it. The Contractor will carry out those studies, investigations and inspections that are entrusted to him, will render the reports and will write the documents that are necessary and pertinent for the good performance of his services under the provision of this Contract (Services). -----

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

Any and all changes and/or modifications to the scope of the Services shall be in writing and must be signed by both Parties. -----

**Article 2. Services Coordination**

All the Services of the Contractor in relation to the terms and conditions of this Contract will be coordinated through PREPA's Legal Affairs Director or the person delegated by him.-----

**Article 3. Contract Assignment or Subcontract**

The Contractor 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 Contractor 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 Contractors' rights under the subcontract, in the event that PREPA declares the Contractor in breach or default of any of the Contract terms and conditions; and (3) the subcontract includes, as a condition for its validity and enforceability, a provision establishing for the subcontractor the obligation to comply with all Contractors' 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, Compensation and 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, at the exclusive option of PREPA, for one additional annual fiscal period subject to the availability of funds.-----

**Article 5. Contract Termination**

5.1 Either party shall have the right to terminate this Contract for convenience, at any moment, by providing the other party a thirty (30) days written notice by registered mail, return receipt requested, or overnight express mail. If notice is given, this Contract shall terminate upon the expiration of thirty (30) days and PREPA shall be obligated to pay all fees and expenses incurred up to the day of effective termination, in accordance with the terms of this Contract. The rights, duties and responsibilities of the Parties shall continue in full force and effect during the thirty (30) day notice period. Contractor shall have no further right to compensation except for what has been accrued for services rendered under this Contract until said date of effective termination. -----

5.2 PREPA shall have the right to terminate this Contract immediately in the event of negligence, dereliction of duty, noncompliance, or material breach by the Contractor, as determined in the sole discretion of PREPA, or for any other reason described elsewhere in this Contract as a basis for termination. In the event the Contract is terminated by PREPA for cause, 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. Contractor shall have no further right to compensation except for what has been accrued for services rendered under this Contract until said date of effective termination. 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 Contractor. 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 Contractor 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. -----

- 5.3 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 Contractor'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 Contractor no later than thirty (30) days before the effective date of any such Transfer.-----

The Contractor acknowledges that all his responsibilities and obligations under the Contract, such as work to be performed and services to be provided, etc., will continue in full force and effect until the expiration of the thirty (30) day period. -----

**Article 6. Compensation and Payment**

6.1 As compensation for services rendered under this Contract, PREPA agrees and Contractor accepts that the total amount to be paid under this Contract shall not exceed twenty thousand dollars (\$20,000) including reimbursable expenses (the "Contract Amount"). However, nothing herein shall preclude the Parties from agreeing to increase the Contract Amount. Any increase to the Contract Amount shall be evidenced in writing and signed by both Parties. -----

6.2 PREPA will pay the Contractor for its services, at a rate of one hundred fifty dollars (\$150) per hour.-----

6.3 PREPA will only pay for services that are evidenced by properly submitted invoice for services rendered. PREPA will not be required to make advance payments for any service to be rendered by Contractor under this Contract. Contractor shall promptly notify PREPA when the billing under the present Contract amounts to seventy-five percent (75%) of the Contract Amount. Once this notification has



been issued, Contractor, in coordination with PREPA, will ensure that no services will be rendered in excess of the Contract Amount, except when a written amendment is agreed upon by both Parties. -----

In addition, Contractor shall present with each invoice a reasonably itemized list of the remaining billable work that is in progress under the Contract. -----

6.4 All payments performed under this Contract will be charged to PREPA's budget account number 1-4019-92311-556-615. -----

6.5 Contractor shall submit monthly invoices within the first thirty (30) days following the period invoiced that will include a description of the services rendered. Each invoice for services shall be itemized with a reasonably detailed description of the work performed, and the purpose of the task. Invoices must be duly certified by the Contractor. -----

6.6 PREPA will review the invoices within thirty (30) days of 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 the invoice receipt. 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. -----

6.7 Invoices must also include a written and signed certification stating that no officer or employee of PREPA, and their respective subsidiaries or affiliates, will personally derive or obtain any benefit or profit of any kind from this Contract, with

the acknowledgment that invoices that do not include this certification will not be paid. This certification must read as follows:

*I certify under penalty of absolute nullity that no public servant of PREPA is a party or has any interest in the benefit or profit product of the Contract which is the basis of this invoice. If such benefit or profit exists, the required waiver has been obtained prior to entering into the Contract. The only consideration to be received in exchange for the delivery of Services provided is the agreed-upon price that has been negotiated with an authorized representative of PREPA. The total amount shown on this invoice is true and correct. The Services have been rendered, and no payment has been received.*

---

*Contractor's Signature*

- 6.8 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. -----
- 6.9 In compliance with Executive Order 1991 OE- 24; and C.F.R. Part 404 et. seq., the Contractor will be responsible for rendering and paying the Federal Social Security and Income Tax Contributions for any amount owed as a result of the income, from this Contract. -----
- 6.10 Contractor is an independent contractor and as such shall be responsible for the payment of all its income taxes, its individual withholdings under the applicable tax laws of Puerto Rico or the U.S. Internal Revenue Code. -----
- 6.11 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 (*Departamento de Hacienda de Puerto Rico*). The Contractor will request PREPA not to make such withholdings if, to the satisfaction of PREPA, the Contractor timely provides a release from such obligation by the Government of Puerto Rico's Treasury Department. 3 L.P.R.A. § 8611 et seq., 2011 L.P.R.A. 232; 232-2011. -----

**Article 7. Fees, Expenses and Disbursements**

PREPA should not be billed for (a) time spent in processing conflict searches, preparing billing statements, or in responding to PREPA inquiries concerning Contractor's invoices; or (b) travel time during which Contractor 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. -----

PREPA will reimburse the Contractor for actual costs and expenses related to matters assigned to Contractor and for necessary and reasonable out-of-pocket disbursements, subject to the limitations and exceptions set forth below. The Contractor is expected to

have a system in place that ensures those who bill time and disbursements to PREPA matters do so promptly and accurately. -----

PREPA will not reimburse Contractor 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. -----

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

- Messenger/courier service – PREPA will reimburse actual charges billed to Contractor 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. -----

- 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. Meals will be reimbursed only upon presentation of restaurant detailed bill and under no circumstances PREPA will reimburse alcoholic beverages. -----
- 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. -----
- 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 Contractor 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 Contractor 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. -----

- 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. Lodging (standard not smoking room): - \$200 per person, per night not including government fees and taxes. The Contractor 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). -----
  - 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. -----
  - 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. -----

- Third-Party Services – The approval of PREPA must be obtained in writing prior to retaining any third-party services. The Contractor 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 Contractor, 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. -----

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. Information and Material Facts**

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

- 8.2 PREPA will advise in writing Contractor 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 Contractor. -----

**Article 9. Information Disclosure and Confidentiality**

- 9.1 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 Contractor, 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. -----
- 9.2 The Parties also agree that, except as agreed to in writing by both Parties, they will not, at any time after termination of this Contract, disclose any confidential information to any person whatsoever, or permit any person whatsoever to examine and/or make copies of any reports prepared by Contractor 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.

Contractor may retain one file copy for its records. -----

9.3 The term “confidential information” shall include, but not be limited to, all information provided to Contractor by PREPA or at PREPA’s direction regarding its facilities or operations and any and all information gathered or developed by Contractor regarding the same. The Parties further agree that proprietary records and documents related to Contractor’s business operations are confidential to Contractor 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 Contractor’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. -----

9.4 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. -----

9.5 If this Contract terminates for any reason, Contractor 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 Contractor 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 Contractor 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 Contractor. -----

9.6 The above provisions do not apply with respect to information, which Contractor is requested to disclose under applicable law and regulations, court order, subpoena or governmental directives, in which case Contractor shall provide PREPA prompt notice of such request in order to procure for PREPA a reasonable opportunity to oppose such disclosure. Contractor 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. -----

9.7 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 10. Rights and Titles**

10.1 The Contractor 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 Contractor will submit a final written report describing the work it has performed. This requirement shall not be interpreted as a waiver by PREPA of Contractor's ethical obligation and responsibility of keeping PREPA informed of the progress of the assigned matters. -----

10.2 All rights, titles and interest in any reports, documents, analyses, investigations and any other by-product conceived or developed by the Contractor exclusively for PREPA as a result of performing its obligations under this Contract shall be the exclusive property of PREPA. The Contractor 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 Contractor, 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 Contract. -

**Article 11. Copyright**

Contractor 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 Contractor or provided to PREPA by Contractor 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 12. Warranty**

12.1 Contractor 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 Contractor not fulfill the above established Standard, Contractor 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 Contractor 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 Contractor's may have caused to it by rendering such deficient Services. -----

12.2 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 Contractor. -----

**Article 13. 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 14. Non-Discrimination**

The Contractor 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 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 Contract or to any benefit that may arise therefrom. -----

**Article 16. Conflict of Interest**

16.1 Contractor 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. Contractor 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 Contractor. -----

16.2 Contractor 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, Contractor 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 Contractor when performing its responsibilities under this Contract. If the Contractor is required to provide services to another entity of the Executive Branch and such services

could result in a conflict of interests, the Contractor will notify PREPA in writing as provided in this article. -----

16.3 The Parties understand and agree that a conflict of interest exists when Contractor 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 Contractor and its personnel. -----

16.4 Contractor acknowledges that PREPA's Executive Director shall have the power to intervene with the acts of Contractor 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 Contractor in writing of PREPA's intention to terminate this Contract within a thirty (30) day period. During said period, Contractor may request a hearing with the Executive Director to present its arguments regarding the alleged conflict of interests. In the event that Contractor 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. -----

16.5 The Contractor 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 Contractor 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

Attention:                      Josué A. Colón Ortiz  
   Executive Director

Attention:                      Víctor Manuel Ruiz Pérez

To Contractor:                Urb. La Estancia  
   Calle La Amistad #29  
   San Sebastián, Puerto Rico 00685

**Article 18. Applicable Law and Venue**

This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico. Also, the Parties expressly agree that only the state courts of Puerto Rico will be the courts of competent and exclusive jurisdiction to decide



over the judicial controversies that the appearing Parties may have among them regarding the terms and conditions of this Contract. -----

**Article 19. 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 Contractor's costs when providing the services, shall be Contractor's responsibility and PREPA shall not be obligated to increase the Contract Amount. -----

**Article 20. Force Majeure**

20.1 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. -----

20.2 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. -----

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 Contract 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 Contractor a time extension for the compliance of any of its obligations under this Contract, or where PREPA dispenses the claim or demand of any of its credits or rights under the Contract. -----

**Article 22. 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 23. Save and Hold Harmless**

The Contractor 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 Contractor 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 Contractor.- 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 24. Insurance**

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

1. Commercial Automobile Liability Insurance:

The Contractor shall provide a Commercial Automobile Liability Insurance with limits of \$100,000 in bodily injury per person, \$300,000 in bodily injury per accident and \$100,000 in property damage per accident. -----

2. Professional Liability Insurance:

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

3. Requirements under the Policies:

The 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. -----

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

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

The Contractor 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 Contractor 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 Contractor hereby certifies, guarantees, acknowledges and agrees to the following:-----

A. The Contractor 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 Contractor 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 Contractor owes taxes or premiums to said government agencies, it agrees that PREPA may withhold any monies due to the Contractor under this Contract to be applied to the payment and cancellation of said debt. The Contractor also certifies that it is in compliance with the Merchant’s Registration. Accordingly, the Contractor has submitted to PREPA its RUP Certification from the General Services Administration. The Contractor 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. Compliance with Act 1 of Governmental Ethics

The Contractor will certify compliance with Act 1-2012, as amended, known as the Ethics Act of the Government of Puerto Rico, which stipulates that no employee or

executive of PREPA nor any member of his or her immediate family (spouse, dependent children, or other members of his or her household or any individual whose financial affairs are under the control of the employee) shall have any direct or indirect pecuniary interest in the services to be rendered under this Contract, except as may be expressly authorized by the Governor of Puerto Rico in consultation with the Secretary of Treasury and the Secretary of Justice of the Government. 3 L.P.R.A. § 8611 et seq. -----

C. Law 168-2000: Law for the Strengthening of the Family Support and Livelihood of Elderly People

The Contractor will certify that if there is any Judicial or Administrative Order demanding payment or any economic support regarding Act 168-2000, as amended, the same is current and in all aspects in compliance. Act 168-2000 “Law for the Strengthening of the Family Support and Livelihood of Elderly People” in Spanish: *“Ley para el Fortalecimiento del Apoyo Familiar y Sustento de Personas de Edad Avanzada”*, 3 L.P.R.A. §8611 et seq. -----

D. Law 127-2004: Contract Registration in the Comptroller’s Office of Puerto Rico Act

Payment for Services under this Contract will not be made until this Contract is properly registered in the Office of the Comptroller of the Government of Puerto Rico pursuant to Law Number 18 of October 30, 1975, as amended. -----

E. 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. -----

F. 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. -----

G. 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. ---



H. 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. -----

I. Prohibition with respect to execution by public officer's 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. -----

J. No Compensation for Appointments: (3 L.P.R.A. 8615 (o))

The Contractor acknowledges and accepts that he or she receives no payment or compensation for regular services rendered under a designation from any other public entity, except those authorized by law. -----

K. Dispensation

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

L. Rules of Professional Ethics

The Contractor acknowledges and accepts that it is knowledgeable of the rules of ethics of his or her profession and assumes responsibility for his or her own actions.-

M. Anti-Corruption Code for a New Puerto Rico

Contractor agrees to comply with the provisions of Act 2-2018, as the same may be amended from time to time, which establishes the Anti-Corruption Code for a New Puerto Rico. -----

The Contractor hereby certifies that it does not represent particular interests in cases or matters that imply a conflict of interest, or of public policy, between the executive agency and the particular interests it represents. -----

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

Contractor hereby certifies that it has not been convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3, or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known

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

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

N. Provisions Required under Act 14-2004

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

O. Consequences of Non-Compliance

The Contractor expressly agrees that the conditions outlined throughout this Article are essential requirements of this Contract. Consequently, should any one of these representations, warranties or certifications be incorrect, inaccurate or misleading, in whole or in part, there shall be sufficient cause for PREPA to render this Contract null and void. If any of the certifications listed in this Article shows a debt, and Contractor has requested a review or adjustment of this debt, Contractor hereby certifies that it has made such request at the time of the Contract execution. If the requested review or adjustment is denied and such determination is final, Contractor will provide, immediately, to PREPA a proof of payment of this debt; otherwise, Contractor accepts that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments. The Contractor accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every contractor and subcontractor, if any, whose service the Contractor has secured in connection with the services to be rendered under this Contract and shall forward evidence to PREPA as to its compliance with this requirement. -----

**Article 29. Contractor's Certification Requirement**

The Parties acknowledge that the Contractor 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. A signed copy of the “Contractor Certification Requirement” is included as an annex to this Contract. Contractor 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 Contractor will have the obligation to reimburse immediately to the Commonwealth any amounts, payments or benefits received from the Commonwealth under the Contract.-----

**Article 30. 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 31. Entire Contract**

The terms and conditions contained herein constitute the entire agreement between PREPA and Contractor 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

Contractor

---

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

---

Víctor Manuel Ruiz Pérez  
Contractor  
Social Security 583-92-1172  
ing.vruiz@gmail.com

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

**AS SECOND PARTY:** González & Martínez Law Office, P.S.C., (G&M), a professional services corporation organized and registered (5013) to do business in Puerto Rico, represented in this act by its President, attorney Juan R. González Galarza, of legal age, married, lawyer, and resident in Carolina, Puerto Rico, duly authorized to appear in representation of the Consultant by Resolution dated \_\_\_\_\_. -----

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

-----**WITNESSETH**-----

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

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Contract, hereinafter stated, the Parties agree themselves, their

personal representatives, and successors to enter into this Contract under the following:

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

**Article 1. Scope of Services**

1.1 In accordance with the terms and conditions set forth herein G&M shall provide legal representative to PREPA or any of its subsidiaries before judicial, administrative, legislative and municipal forums. The services under the contract include, but are not limited to:

- A. Legal representation in civil litigation before the state, federal or administrative forums, as well as in civil actions before the Federal and State Courts classified as complex litigation, under the rules approved by the Supreme Court of Puerto Rico.
- B. Specific Legal advice and representation in all matters related to labor disputes and disciplinary, preventive and corrective actions, procedure manuals, disciplinary manuals and collective bargaining in the private sector.-----
- C. Corporate work including the preparation, drafting and review of all types of contracts, notary services and creation of any subsidiaries or affiliated corporate structures necessary for the delivery of seminars or participation in new markets, reorganization/restructuring of public agendas and corporations in compliance with current public policy and to improve operational efficiencies and financial performance.-----
- D. Contract administration (both with private clients and government) and management in all contract phases: development, proposal, award and closing.---



- E. Legal representation in administrative proceedings for the acquisition of goods and services or approval of regulations, including: (a) representing PREPA in administrative proceedings to ensure compliance with the law when noncompliance affects PREPA's operations; (b) representing PREPA in proceedings to obtain permits or licenses necessary for its operations; (c) compliance with regulatory provisions, public policies and handling administrative investigations; (d) designing and implementing strategies in anticipation of future regulatory activity. -----
- F. Identification of strategic projects in aligned with PREPA's public policy that could have a positive impact on the Island's socioeconomic development. -----
- G. To seek the creation of strategic alliances which result in beneficial for PREPA.---
- H. Organize and offer seminars regarding legal matters pertinent to PREPA's functions. Organize and offer seminars to the Board of Directors on their duties and obligations as directors of a public corporation and regarding recent legislation promoting the socioeconomic development of the Island. -----
- I. Prompt and effective attention to all of PREPA's legal needs before other government agencies, the Legislative Assembly, the Executive Branch, municipalities and the private sector.-----
- J. Any other legal/strategic work upon request of PREPA, including fiscal and liquidity plans.-----

K. Guidance on the advantages and benefits offered by the Public-Private Partnerships Authority Enabling Law and how to classify an ESA project for the use of said mechanism.-----

L. Legal representation of PREPA before regulatory agencies, including negotiations of fines and modifications of agreements before the EPA.-----

1.2 G&M shall provide necessary legal assistance in any other matters referred by PREPA for the defense of its interest. -----

1.3 At the direction of PREPA, G&M 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. G&M is not responsible for worked performed by others. -----

1.4 PREPA will provide G&M all necessary information to perform the Services and will ensure that the required information is made available to G&M in a timely manner.-

## **Article 2. Services Coordination**

All the Services of G&M in relation to the terms and conditions of this Contract will be coordinated through PREPA's Legal Affairs Director or its authorized representative. ----

## **Article 3. Contract Assignment or Subcontract**

G&M 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) G&M 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 G&Ms' rights under the subcontract, in the event that PREPA declares G&M 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 G&Ms' 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 Period). The Contract may be extended, for an additional annual fiscal period, at the exclusive option of PREPA and subject to the availability of funds, only by written amendment agreed upon by both Parties. -----

#### **Article 5. Contract Termination**

5.1 PREPA shall have the right to terminate this Contract, at any time, with thirty (30) days prior written notice by registered mail, return receipt requested, or overnight express mail to G&M. 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) days' notice period. G&M 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 G&M, without prior written notice. -----

5.3 The Parties acknowledge that PREPA is undergoing a transformation process, and therefore, both Parties agree that after the front-end transition period 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, without G&M's consent, and without cost, expense, or incremental liability to PREPA, to any future operator of Puerto Rico's electric power transmission and distribution system or any of its affiliates, or to any governmental agency, body, public corporation or municipality of Puerto Rico; provided, that PREPA shall notify G&M no later than thirty (30) days before the effective date of any such Transfer.-----

G&M 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) days period. -----

**Article 6. Payment**

- 6.1 In accordance with the terms and conditions contained herein, PREPA agree, and G&M accepts that the total amount to be paid under the Contract shall not exceed a cumulative amount of three hundred fifty thousand dollars (\$350,000) ("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 G&M 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 G&M PREPA will pay for the Services rendered by G&M according to the following hourly rates: three hundred dollars (\$300) per hour for attorneys having ten (10) or more years of experience, two hundred and fifty dollars (\$250) for attorneys having five (5) or more years of experience but with less than ten (10) years of experience, one hundred and seventy five dollars (\$175) for attorneys having five (5) years or less of experience. A list of G&M's professionals and their hourly rates, in accordance with their years of experience, is included as Annex A of the Contract. -----
- 6.4 Should the G&M assign another person to attend to PREPA's matters pursuant to this Contract, the G&M 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 G&M 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, G&M, 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, G&M shall present an itemized list of the remaining billable Services under the Contract. -----

**Article 7. Invoices**

7.1 G&M shall submit its invoices on a monthly basis for the work already performed during the preceding month. G&M will provide to PREPA an invoice for each billing period that will include a description of the services rendered and the number of hours spent. The invoice for professional services shall be itemized and must be duly certified by G&M. -----

7.2 PREPA will review the invoices within thirty (30) days of receipt, and if they comply with the requirements set forth in this Contract, it will proceed with payment. Payment is due within sixty (60) days of the receipt of the invoice. PREPA reserves the right to conduct the audits it deems necessary, and it will not be subject to finance charges regarding invoice payments subject to an audit. -----

7.3 PREPA shall not process invoices that do not include the items below: -----

- 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 and the hourly rates and the number of hours spent (by date) for each professional. -----

- Fees, disbursements and total charges during the statement period, fiscal year to- date and since the commencement of the matter. -----
- The name of PREPA's official that requested your services. -----

7.4 All invoices submitted by G&M 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".*

\_\_\_\_\_  
G&M'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, G&M 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 8. Transfer of Funds**

8.1 If G&M 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,

G&M 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. -----

8.2 G&M acknowledges and agrees that PREPA may deduct any amount, due or payable under this Contract that G&M owes; PREPA may retain any said amount if G&M 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. G&M 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 G&M is entitled to under this Contract. -----

8.3 G&M 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 9. Information and Material Facts**

9.1 PREPA shall promptly provide to G&M all information under the control of PREPA and necessary for G&M to perform the Services under this Contract and those material facts that G&M 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 G&M, which are under its control, are true and complete, and does not constitute misleading or inaccurate information and G&M 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 G&M 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 G&M. -----

**Article 10. Information Disclosure and Confidentiality**

10.1 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 G&M 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. -----

10.2 The Parties also agree that, except as agreed to in writing by both Parties, they will not, at any time after termination of this Contract, disclose any confidential information to any person whatsoever, or permit any person whatsoever to examine and/or make copies of any reports prepared by G&M 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. G&M may retain one file copy for its records. -----

10.3 The term “confidential information” shall include, but not be limited to, all information provided to G&M by PREPA or at PREPA’s direction regarding its facilities or operations and all information gathered or developed by G&M regarding the same. The Parties further agree that proprietary records and documents related to G&M’s business operations are confidential to G&M 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 G&M’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. -----

10.4 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. ---

10.5 If this Contract terminates for any reason, G&M 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 G&M 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 G&M 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 G&M. -----

10.6 The above provisions do not apply with respect to information, which G&M is requested to disclose under applicable law and regulations, court order, subpoena or governmental directives, in which case G&M shall provide PREPA prompt notice of such request in order to procure for PREPA a reasonable opportunity to oppose such disclosure. G&M 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. -----

10.7 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 11. Rights and Titles**

11.1 G&M 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, G&M will submit a final written report describing the work it has performed. This requirement shall not be interpreted as a waiver by PREPA of G&M's ethical obligation and responsibility of keeping PREPA informed of the progress of the assigned matters. -----

11.2 All rights, titles and interest in any reports, documents, analyses, investigations and any other by-product conceived or developed by G&M exclusively for PREPA as a result of performing its obligations under this Contract shall be the exclusive property of PREPA. G&M 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 G&M, 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 G&M under this Contract. -----

**Article 12. Copyright**

G&M 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 G&M or provided to PREPA by G&M 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 13. Warranty**

13.1 G&M 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 G&M not fulfill the above established Standard, G&M 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 G&M 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 G&M’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 Contract, by furnishing oral or written reports of findings made, or by any other act of G&M. --

**Article 14. 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 15. Independent Contractor**

15.1 G&M shall be considered as an independent contractor, for all material purposes under this Contract, and all persons engaged or contracted by G&M 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, G&M 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 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 Contract or to any benefit that may arise therefrom. -----

**Article 17. Conflict of Interest**

17.1 G&M 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. G&M 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 G&M. -----

17.2 G&M 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, G&M 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 G&M when performing its responsibilities under this Contract. If G&M is required to provide services to another entity of the Executive Branch under the provisions of Article 30 and such services could result in a conflict of interests, G&M will notify PREPA in writing as provided in this article. -----

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

17.4 G&M acknowledges that PREPA's Executive Director shall have the power to intervene with the acts of G&M and/or its agents, employees, and subcontractors regarding the enforcement of the prohibitions contained herein. In the event that the existence of adverse interests is discovered, the PREPA's Executive Director shall inform G&M in writing of PREPA's intention to terminate this Contract within a thirty (30) day period. During said period, G&M may request a hearing with the Executive Director





**Article 19. Applicable Law and Venue**

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

**Article 20. 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 G&M's costs when providing the services, shall be G&M's responsibility and PREPA shall not be obligated to increase the Contract Amount. -----

**Article 21. Force Majeure**

21.1 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. -----

21.2 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. -----

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 Contract 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 G&M 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 23. 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 24. Save and Hold Harmless**

G&M 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 G&M 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 G&M. 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 at its sole expense.-----

**Article 25. Insurance**

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

**A. Automobile Liability Insurance**

1. G&M shall provide an Automobile Liability Insurance with limits of at least \$100,000 in bodily injury per person, at least \$300,000 in bodily injury per accident and at least \$100,000 in property damage per accident. -----

2. The Automobile Liability Insurance required under this Contract, shall be endorsed to include:

a. As Additional Insured:

Puerto Rico Electric Power Authority (PREPA)  
P O Box 364267  
San Juan, PR 00936-4267

b. A 30-day cancelation or nonrenewable notice to be sent to the above

address. -----

B. Professional Liability Insurance:

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

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

**Article 26. Compliance with the Commonwealth of Puerto Rico Contracting Requirements**

G&M 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, G&M 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, G&M hereby certifies, guarantees, acknowledges and agrees to the following:---

- A. G&M 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. G&M 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 G&M owes taxes or premiums to said government agencies, it agrees that PREPA may withhold any monies due to G&M under this Contract to be applied to the payment and cancellation of said debt. G&M also certifies that it is in corporate "Good Standing" at the Department of State of Puerto Rico. G&M 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 G&M authorized powers and are not in contravention of law. G&M also certifies that it is in compliance with the Merchant's Registration. Accordingly, G&M has submitted to PREPA its RUP Certification from the General Services Administration. G&M 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 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 G&M 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*). G&M will request PREPA not to make such withholdings if, to the satisfaction of PREPA, G&M 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: G&M 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: G&M 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: G&M 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: G&M 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. G&M certifies that 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.-----

The G&M 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 G&M 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 G&M 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 G&M has requested a review or adjustment of this debt, G&M 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, G&M will provide, immediately, to PREPA a proof of payment of this debt; otherwise, G&M 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**

G&M 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). G&M 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. -----

G&M shall furnish a sworn statement to the effect that neither G&M 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 G&M has been convicted of or has pled guilty to any of the crimes listed in Article 6.8 of Act 8-2017, as amended (Act 8-2017), 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.-----

G&M 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, any of the crimes typified in Act 2-2018, as amended, known as the Anticorruption

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

PREPA shall have the right to terminate the Contract in the event G&M 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, as amended, known as the Puerto Rico Penal Code, 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.-----

**Article 28. Non-Discrimination**

G&M 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 29. Contractor's Certification Requirement**

The Parties acknowledge that G&M 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 G&M. A signed copy of the "Contractor Certification Requirement" is included as an annex to this Contract.--- G&M

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

**Article 30. 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 31. Entire Contract**

The terms and conditions contained herein constitute the entire agreement between PREPA and G&M 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

González & Martínez Law Office P.S.C.

---

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

---

Juan R. González Galarza  
President  
Tax ID: 66-0708813  
jgonzalez@gmlex.net

## **Annex B**

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

**AS SECOND PARTY:** Baker Donelson Caribe, LLC (Consultant), a corporation organized under the laws of Tennessee and registered to do business in Puerto Rico, with offices at Suite 900, 901K Street NW, Washington, D.C., herein represented by its Vice President, Wendy Huff Ellard , of legal age, married and a resident of the State of Mississippi, duly authorized to appear in representation of Consultant by Resolution dated \_\_\_\_\_.-----

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

-----**WITNESSETH**-----

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

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

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

**Article 1. Scope of Services**

- 1.1 Consultant will provide legal analysis, advocacy, advice, and opinions, as requested by PREPA, in relation to investigations and audits by the Office of Inspector General, and on all matters related to federal funding, including by the Federal Emergency Management Agency and the U.S. Department of Housing and Urban Development.
- 1.2 Consultant shall provide necessary legal assistance in any other matters referred by PREPA for the defense of its interest. -----
- 1.3 At the direction of PREPA, 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. Consultant is not responsible for worked performed by others.-----
- 1.4 PREPA will provide Consultant all necessary information to perform the Services and will ensure that the required information is made available to Consultant in a timely manner. -----



**Article 2. Services Coordination**

All the Services of Consultant in relation to the terms and conditions of this Contract will be coordinated through PREPA's Legal Affairs Director or its authorized representative. -----

**Article 3. Contract Assignment or Subcontract**

Consultant shall not assign nor subcontract its rights and obligations under this Contract, except in the event PREPA give written authorization for such actions. Provided, that no subcontract shall be considered for PREPA's approval, except when the following requirements are met: (1) 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 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 Period). The Contract may be extended, for an additional annual fiscal period, at the exclusive option of PREPA and subject to the availability of funds, only by written amendment agreed upon by both Parties. -----

**Article 5. Contract Termination**

5.1 PREPA shall have the right to terminate this Contract, at any time, with thirty (30) days prior written notice by registered mail, return receipt requested, or overnight express mail to 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) days' notice period. Consultant shall have no further right to compensation except for what has been accrued for services rendered and expenses incurred under the Contract until said date of effective termination. -----

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

5.3 The Parties acknowledge that PREPA is undergoing a transformation process, and therefore, both Parties agree that after the front-end transition period 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, without Consultant's consent, and without cost, expense, or incremental liability to PREPA, to any future operator of Puerto Rico's electric power transmission and distribution system or any of its affiliates, or to any governmental agency, body, public corporation or municipality of Puerto Rico; provided, that PREPA shall notify Consultant no later than thirty (30) days before the effective date of any such Transfer. -----

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) days period. -----

## **Article 6. Payment**

6.1 In accordance with the terms and conditions contained herein, PREPA agree, and Consultant accepts that the total amount to be paid under the Contract shall not exceed a cumulative amount of two hundred thousand dollars (\$200,000) ("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 PREPA will pay for the

Services rendered by Consultant according to the following hourly rates:

A list of Consultant's professionals and their hourly rates, in accordance with their years of experience, is included as Annex A of the Contract.

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. -----

6.4 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, 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, 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. Consultant will provide to PREPA an invoice for each billing period that will include a description of the services rendered and the number of hours spent. The invoice for professional services shall be itemized and must be duly certified by Consultant. -----

8.2 PREPA will review the invoices within thirty (30) days of receipt, and if they comply with the requirements set forth in this Contract, it will proceed with payment. Payment is due within sixty (60) days of the receipt of the invoice. PREPA reserves the right to conduct the audits it deems necessary, and it will not be subject to finance charges regarding invoice payments subject to an audit. -----

8.3 PREPA shall not process invoices that do not include the items below: -----

- 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 and the hourly rates and the number of hours spent (by date) for each professional. -----
- Fees, disbursements and total charges during the statement period, fiscal year to- date and since the commencement of the matter. -----
- The name of PREPA's official that requested your services. -----

8.4 All invoices submitted by Consultant shall include the following Certification in order to proceed with its payment: -----

No Interest Certification:

*"We certify under penalty of nullity that no public servant of PREPA will derive or obtain any benefit or profit of any kind from the contractual relationship which is the basis of this invoice. If such benefit or profit exists, the required waiver has been obtained prior to entering into the Contract. The only consideration to be received in exchange for the performance of the Services provided is the agreed-upon price that has been negotiated with an authorized representative of the PREPA. The total amount shown on this invoice is true and correct. The Services have been rendered, and no payment has been received".*

---

*Consultant's Signature*

This is an essential requirement and those invoices without this Certification will not be processed for payment. In order to comply with the certification requirements, set forth above, Consultant shall require that subcontractors, if any approved by PREPA, providing Services also make the certification set forth above in any invoices submitted in connection with the Services. -----

#### **Article 9. Transfer of Funds**

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

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

9.3 Consultant shall include with its notice of assignment of funds a cashier's check or money order for two hundred dollars (\$200), payable to "Puerto Rico Electric Power Authority", to cover administrative costs in processing such assignment. ---

**Article 10. Information and Material Facts**

10.1 PREPA shall promptly provide to Consultant all information under the control of PREPA and necessary for Consultant to perform the Services under this Contract and those material facts that CONSULTANT may reasonably require in order to provide its Services to PREPA. PREPA will ensure, to the best of its knowledge and belief, that the documents, data, and other information and material facts provided to CONSULTANT, which are under its control, are true and complete, and does not constitute misleading or inaccurate information and Consultant shall be entitled to rely on the accuracy and completeness of the documents, data, and other information and material facts. -----

10.2 PREPA will advise in writing Consultant of any developments of which PREPA becomes aware, and which PREPA considers may have a material effect with respect to the information and/or facts provided to Consultant. -----

**Article 11. Information Disclosure and Confidentiality**

11.1 The Parties shall take all reasonable steps to keep confidential and use only for the purposes contemplated by the terms of the Contract the information provided by PREPA and/or Consultant and take all reasonable steps to ensure that such information is not disclosed or distributed by its employees or agents in violation of the terms of this Contract. -----

11.2 The Parties also agree that, except as agreed to in writing by both Parties, they will not, at any time after termination of this Contract, disclose any confidential information to any person whatsoever, or permit any person whatsoever to examine and/or make copies of any reports prepared by Consultant or under its control by reason of its consulting services, and that upon termination of this Contract each Party will turn over to the other all documents, papers, and other matters in its possession or under its control that relate to the other Party. Consultant may retain one file copy for its records. -----

11.3 The term "confidential information" shall include, but not be limited to, all information provided to Consultant by PREPA or at PREPA's direction regarding its facilities or operations and all information gathered or developed by Consultant regarding the same. The Parties further agree that proprietary records and documents related to Consultant's business operations are confidential to Consultant and will

not be disclosed to PREPA or other Parties, except as ordered by the court. The Parties agree that PREPA will resist any attempt by opposing counsel or other Parties to obtain Consultant's proprietary information. The term "confidential information", however, will not include information that: -----

- (i) is or becomes public other than through a breach of this Contract;
- (ii) is known to the receiving Party prior to the date of this Contract and with respect to which the receiving Party does not have any obligation of confidentiality; or-----
- (iii) is independently developed by the receiving Party without use of, or reference to, confidential information. -----

11.4 The Parties acknowledge that disclosure of any confidential information by either Party will give rise to irreparable harm to the injured Party inadequately compensable in damages. Accordingly, either Party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies, which may be available.

11.5 If this Contract terminates for any reason, Consultant shall maintain in strictest confidence both, during the term of this Contract and subsequent to termination of this Contract, and shall not during the term of this Contract or thereafter disclose or divulge to any person, firm, or corporation, or use directly or indirectly, for its own benefit or the benefit of others, any information which in good faith and good conscience ought to be treated as confidential information including, without limitation, information relating to PREPA's operations or trade secrets relating to

the business or affairs of PREPA which Consultant may acquire or develop in connection with or as a result of the performance of the Services hereunder. In the event of an actual or threatened breach by Consultant of the provisions of this paragraph, PREPA shall be entitled to injunctive relief for such breach. Nothing herein shall be construed as prohibiting PREPA from pursuing any other legal remedies available, including the recovery of damages from Consultant. -----

.11.6 The above provisions do not apply with respect to information, which Consultant is requested to disclose under applicable law and regulations, court order, subpoena or governmental directives, in which case Consultant shall provide PREPA prompt notice of such request in order to procure for PREPA a reasonable opportunity to oppose such disclosure. Consultant agrees to expeditiously notify and submit to PREPA a copy of any court order or subpoena and to the extent possible provide any assistance to PREPA (in the form of documents) regarding the submission of such information. -----

11.7 With respect to this Contract and any information supplied in 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 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, 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 Consultant exclusively for PREPA as a result of performing its obligations under this Contract shall be the exclusive property of PREPA. 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 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 Consultant when performing its responsibilities under this Contract. If Consultant is required to provide services to another entity of the Executive Branch under the provisions of Article 30 and such services could result in a conflict of interests, Consultant will notify PREPA in writing as provided in this article. -----

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 interest. Also, any conduct defined in the Rules of Professional Conduct regarding conflict of interest shall apply to Consultant and its personnel. -----

18.4 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, the PREPA's

18.5 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, Consultant shall notify PREPA immediately. \_\_\_\_\_

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: Eng. Josué A. Colón Ortiz  
Executive Director  
To Baker Donelson Caribe, LLC  
Consultant:  
Attention: Wendy Huff Ellard  
Vice President

**Article 20. Applicable Law and Venue**

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

**Article 21. Change in Law**

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

**Article 22. Force Majeure**

22.1 The Parties shall be excused from performing their respective responsibilities and obligations under this Contract and shall not be liable in damages or otherwise, if

and only to the extent that they are unable to perform or are prevented from performing by a force majeure event. -----

22.2 For purposes of this Contract, force majeure means any cause without the fault or negligence, and beyond the reasonable control of, the Party claiming the occurrence of a force majeure event. -----

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

**Article 23. Novation**

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

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

**Article 24. Severability**

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

**Article 25. Save and Hold Harmless**

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 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 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 at its sole expense. -----

**Article 26. Insurance**

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:

**A. Automobile Liability Insurance**

1. Consultant shall provide an Automobile Liability Insurance with limits of at least \$100,000 in bodily injury per person, at least \$300,000 in bodily injury per accident and at least \$100,000 in property damage per accident.
2. The Automobile Liability Insurance required under this Contract, shall be endorsed to include:

**a. As Additional Insured:**

Puerto Rico Electric Power Authority (PREPA)  
P O Box 364267  
San Juan, PR 00936-4267

- b. A 30-day cancelation or nonrenewable notice to be sent to the above

address. -----

**B. Professional Liability Insurance:**

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

**D. 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. 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.-

- 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 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.-----

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). Consultant 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. -----

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 (Act 8-2017), known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico or any of the crimes included in Act 2-2018. -----

Consultant hereby certifies that it has not been convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, 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 Anticorruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.-----

PREPA shall have the right to terminate the Contract in the event CONSULTANT is convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, 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, 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.-----

**Article 29. Non-Discrimination**

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. Federal Contracting Provisions**

Since the work under this Contract will be funded in whole or in part by grants through the Federal Emergency Management Agency (FEMA) Public Assistance program and the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant Disaster Recovery program (CDBG-DR), the following provisions shall apply:-----

30.1 Remedies: Any violation or breach of terms of this Contract on the part of Consultant or a subcontractor may result in the suspension or termination of this Contract or such other action, including the recovery of damages, as may be necessary to enforce the rights of PREPA. The duties and obligations imposed by this Contract

and the rights and remedies available hereunder shall be in addition to, and not a limitation of, any duties, obligations, rights, and remedies otherwise imposed or available by law. Upon a material breach by Consultant, PREPA may utilize any remedy available by law, including precluding Consultant from further work with PREPA in the future and recommending suspension and debarment. -----

30.2 Equal Employment Opportunity: For all services under the Contract consisting of "federally assisted construction work," as defined at 41 C.F.R. § 60-1.3, Consultant agrees as follows:-----

1. Consultant shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. Consultant shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.-
2. Consultant shall, in all solicitations or advertisements for employees placed by or on behalf of Consultant, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.-----



3. Consultant shall not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with Consultant's legal duty to furnish information.-----
4. Consultant shall send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of Consultant's commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment. ---
5. Consultant shall comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor. -----
6. Consultant shall furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books,

records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders. -----

7. In the event of Consultant's noncompliance with the nondiscrimination clauses of this Contract or with any of the said rules, regulations, or orders, this Contract may be canceled, terminated, or suspended in whole or in part and Consultant may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.-----

8. Consultant shall include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. Consultant shall take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: -----

9. Provided, however, that in the event Consultant becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, Consultant may request the United States to enter into such litigation to protect the interests of the United States. -----

Applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if Applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.-----

Applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.-----

Applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the

Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, Applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to Applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from Applicant; and refer the case to the Department of Justice for appropriate legal proceedings.-----

30.3 Employment Practices: PREPA further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work, provided, that if PREPA is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under this Contract.-----

30.4 Cooperation: PREPA agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.-

30.5 Contracting Prohibition: PREPA further agrees that it will refrain from entering into

any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, PREPA agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to PREPA under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from PREPA; and refer the case to the Department of Justice for appropriate legal proceedings.-----

30.6 Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 3701–3708) To the extent this Contract involves the employment of mechanics or laborers, the following provisions apply:

1. In accordance with 40 U.S. 3701 et. seq., no contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic

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

2. In the event of any violation of the clause set forth in paragraph (1) of this Section 30.6 Consultant and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, Consultant and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this Section 30.6, in the sum of \$27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this Section 30.6. -----
3. PREPA shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Consultant or subcontractor under any such contract or any other Federal contract with the same Consultant, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same Consultant, such sums as may be determined to be necessary to satisfy any liabilities of such Consultant or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this Section 30.6. Consultant or subcontractor shall insert in any subcontracts the clauses set forth in this Section 30.6 and also

a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. Consultant shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in set forth in this Section 30.6.-----

### 30.7 Clean Air and the Federal Water Pollution Control Act

#### 1. Clean Air Act Clause:

- Consultant agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.-----
- Consultant agrees to report each violation to PREPA and understands and agrees that PREPA will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
- Consultant agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA. -----

#### 2. Federal Water Pollution Control Act Clause:

- Consultant agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 et seq.-----
- Consultant agrees to report each violation to PREPA and understands and agrees that PREPA will, in turn, report each violation as required to

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

- Consultant agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA. -----

### 30.8 Suspension and Debarment Clause

1. This Contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such, Consultant is required to verify that none of the Consultant's principals (defined at 2 C.F.R. § 180.995) or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935). -----
2. Consultant shall comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into. -----
3. Consultant shall execute the certification attached hereto as an Annex (Certification Regarding Debarment, Suspension and Other Responsibility Matters). This certification is a material representation of fact relied upon by PREPA. If it is later determined that Consultant did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to PREPA, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. -----



4. Consultant shall, and shall cause all subcontractors of every tier to, comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C.-

-----

30.9 Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended)

1. Contractors that apply or bid for an award exceeding \$100,000 shall file the required certification. Consultant shall cause every subcontractor of every tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Consultant shall cause every subcontractor of every tier to disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient (PREPA). Consultant shall also submit to PREPA the required certification regarding lobbying at Appendix B, 44 C.F.R. Part 18 attached to this Contract as an Annex (Certification Regarding Lobbying for Contracts, Grants, Loans, and Cooperative Agreements).

30.10 Procurement of Recovered Materials

1. In the performance of this Contract, Consultant shall make maximum use of products containing recovered materials that are Environmental Protection Agency (EPA) designated items unless the product cannot be acquired:
  - Competitively within a timeframe providing for compliance with the Contract performance schedule; -----

- Meeting Contract performance requirements; or-----
- At a reasonable price. -----

2. Information about this requirement, along with the list of EPA-designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideine-cpg-program>.----  
Consultant also agrees to comply with all other applicable requirements of Section 6002 of Solid Waste Disposal Act.-----

30.11 Changes: At any time, and only through a written change order instruction, PREPA may make changes in the Services or work to be performed within the general scope of this Contract. To the extent Consultant can demonstrate such changes cause an increase or decrease in Consultant's cost of, or time required for, performance of any services under this Contract, an equitable adjustment shall be made and this Contract shall be modified in writing accordingly, provided, however, that no changes shall be made to the scope of the Services that would render the costs incurred in the performance of this Contract ineligible for, unallowable or not allocable under, outside the scope of, or not reasonable for the completion of, Federal grant awards from FEMA or any other U.S. federal agency. -----

30.12 Sufficiency of Funds: Consultant recognizes and agrees that all or a portion of the funding for this Contract shall be derived from assistance awarded by Federal agencies of the United States of America to PREPA or the Government of Puerto Rico. As part of its obligations under this Contract, Consultant shall ensure that the work performed hereunder is eligible for funding by complying with all applicable Federal law,

regulations, executive orders, Federal agency policy, procedures, directives and guidelines. If during the term of this Contract, Federal or local funding is reduced, deobligated, or withdrawn, PREPA may reduce the scope of or terminate the Contract, without penalty, by providing written notice to Consultant of the changes in scope or termination. PREPA shall not be obligated to pay nor shall be held financially liable if any work performed by Consultant under this Contract is deemed ineligible by any Federal agency. If this occurs, Consultant shall have the right to terminate this Contract, by providing PREPA an immediate notice by registered mail. The rights, duties and responsibilities of the Parties shall continue in full force and effect until the date of notification of the termination of the Contract. Consultant shall have the right to compensation for what has been accrued for services rendered under this Contract until said date of termination. The Federal Government is not a party to this Contract and is not subject to any obligations or liabilities to PREPA, Consultant, or any other party pertaining to any matter resulting from this Contract.-----

30.13 FEMA Disaster Assistance Survivor/Registrant Data:

1. If Consultant has access to Disaster Assistance Survivor/Registrant data or any other personally identifiable information, Consultant shall comply with the provisions of the Terms and Conditions for Sharing FEMA Disaster Assistance Survivor/Registrant Data with State Governments set forth in the FEMA-Government of Puerto Rico Contract for FEMA-4339-DR-PR.-----
2. Consultant shall indemnify, defend, and hold harmless PREPA and the Government of Puerto Rico for any and all costs associated with the defense of

that litigation, including costs and attorneys' fees, settlements, or adverse judgments arising from Consultant's failure to comply with the requirements under this Contract.-----

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

30.15 Financial Management System: Consultant's financial management system shall provide for the following:

- Accurate, current and complete disclosure of the financial results of this Contract and any other contract, grant, program, or other activity administered by Consultant;-----
- Records adequately identifying the source and application of all Consultant funds and all funds administered by Consultant which shall contain information pertaining to all contract and grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays and income, and shall be segregated by contract or on a contract-by-contract basis;-----
- Effective internal control structure over all funds, property and other assets, sufficient to allow Consultant to adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes; -----
- Comparison of actual outlays with budgeted amounts for this Contract and for any other contract, grant, program or other activity administered by Consultant; -

- Accounting records supported by source documentation; -----
- Procedures to minimize elapsed time between any advance payment issued and the disbursement of such advance funds by Consultant; and -----
- Procedures consistent with the provisions of any applicable policies of the Federal Government and the Government of Puerto Rico and procedures for determining the reasonableness, eligibility, allowability and allocability of costs under this Contract.-----

30.16 Penalties, Fines and Disallowed Costs: In the event that any U.S. Federal agency or the Government of Puerto Rico disallows or demands repayment for costs incurred in the performance of this Contract, or if any penalty is imposed due to an act or omission by Consultant, Consultant shall be solely responsible for such penalty, disallowed costs, or repayment demand, and shall reimburse PREPA in full within ten (10) days of receiving notice from PREPA of such penalty, disallowance, or repayment demand. Any monies paid by Consultant pursuant to this provision shall not relieve Consultant of liability to PREPA for damages sustained by PREPA by virtue of any other provision of this Contract.-----

30.17 Reporting Requirements: Consultant shall complete and submit all reports, in such form and according to such schedule, as may be required by PREPA.-----

30.18 Review of Laws: Consultant certifies that it will access online and read each law that is cited in the aforementioned clauses and that, in the event it cannot access the online version, it will notify PREPA in order to obtain printed copies of the laws. Not

requiring a printed copy of the laws to PREPA will be evidence that Consultant was able to find it online and read it as required. -----

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

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

2. Applicable regulations, FEMA policy, and other sources setting forth these reporting requirements include, but are not limited to: -----
  - 2 C.F.R § 200.327 (Financial Reporting); -----
  - 2 C.F.R. § 200.328 (Monitoring and Reporting Program Performance); and---
  - Performance and financial reporting requirements set forth in 2 C.F.R. Part 206.-----

30.20 Access to Records

1. Consultant agrees to provide PREPA, the Government of Puerto Rico, the FEMA Administrator, the Secretary of HUD, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of Consultant which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts, and transcriptions.-----
2. Consultant agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
3. Consultant agrees to provide the FEMA Administrator, the Secretary of HUD, or their authorized representatives access to construction or other work sites pertaining to the work being completed under the Contract. -----
4. In compliance with the Disaster Recovery Act of 2018, PREPA and Consultant acknowledge and agree that no language in this Contract is intended to prohibit audits or internal review by the FEMA Administrator, the Secretary of HUD, or the Comptroller General of the United States.-----

30.21 Record Retention Requirements: Consultant agrees to maintain all books, records, accounts, and reports and all other records produced or collected in connection with this Contract for a period of not less than three (3) years after the date of final payment and closeout of all pending matters related to this Contract. If any litigation, claim, or audit is reasonably anticipated to arise or is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken. -----

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

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

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

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

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

30.27 Section 504 of the Rehabilitation Act of 1973, as amended: Consultant agrees that no otherwise qualified individual with disabilities shall, solely by reason of his



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

30.28 Drug-Free Workplace: Consultant shall maintain a drug-free work environment in accordance with the Drug-Free Workplace Act of 1988 (41 U.S.C. § 8101 et seq.) and implementing regulations at 2 C.F.R Part 3001. -----

30.29 Compliance with Laws, Regulations, and Executive Orders: Consultant acknowledges that FEMA and HUD financial assistance will be used to fund this Contract. Consultant shall, as and when applicable shall comply will all applicable Federal and Government of Puerto Rico law, regulations, executive orders, policies, procedures, and directives, including but not limited to all Federal Cost Principles set forth in 2 C.F.R. Part 200, and all applicable FEMA regulations in 44 C.F.R. Chapter I, and 2 C.F.R. Part 200. -----

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

30.31 Agreement to Execute Other Required Documents: Consultant and all subcontractors, by entering into the Contract, understand and agree that funding for the Services is provided under Federal programs with specific contracting requirements. --

To the extent any such requirement is not otherwise set forth herein, Consultant agrees to execute such amendments or further agreements as may be necessary to ensure that PREPA receive Federal funding for this Contract. -----

30.32 U.S. Department of Homeland Security Seal, Logo, and Flags DHS Seal, Logo and Flags: Consultant shall not use the U.S. Department of Homeland Security seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval. Consultant shall include this provision in any subcontracts.

30.33 Davis-Bacon Act

1. All transactions regarding this Contract shall be done in compliance with the Davis-Bacon Act (40 U.S.C. 3141- 3144, and 3146-3148) and the requirements of 29 C.F.R. pt. 5 as may be applicable. Consultant shall comply with 40 U.S.C. 3141-3144, and 3146-3148 and the requirements of 29 C.F.R. pt. 5 as applicable. -----
2. Consultant shall pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor.-----
3. Additionally, Consultant shall pay wages not less than once a week. -----

30.34 Copeland Anti-Kickback Act

1. Consultant shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this Contract. -----
2. Consultant or subcontractor shall insert in any subcontracts the clause above and such other clauses as FEMA may by appropriate instructions require, and also a

clause requiring the subcontractors to include these clauses in any lower tier subcontracts. Consultant shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these Contract clauses. -----

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

30.35 HUD Section 3 Clause

1. The work to be performed under this Contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low and very low-income persons, particularly persons who are recipients of HUD assistance for housing.-----
2. The parties to this Contract agree to comply with HUD's regulations in 24 C.F.R. part 135, which implement section 3. As evidenced by their execution of this Contract, the parties to this Contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.-----
3. Consultant agrees to send to each labor organization or representative of workers with which the Consultant has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers'

representative of the Consultant's commitments under the section 3 clause and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.-----

4. Consultant agrees to include the section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in the section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. part 135. Consultant will not subcontract with any subcontractor where Consultant has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. part 135. -----
5. Consultant will certify that any vacant employment positions, including training positions, that are filled (1) after Consultant is selected but before the Contract is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. part 135 require employment opportunities to be directed, were not filled to circumvent Consultant's obligations under 24 C.F.R. part 135.-----

6. Noncompliance with HUD's regulations in 24 C.F.R. part 135 may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD assisted contracts. -----
7. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this Contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).-----

30.36 Additional Fair Labor Standards Provisions (HUD Form 4010)

1. The project or program to which the construction work covered by this Contract pertains is being assisted by the United States of America and the following Federal Labor Standards Provisions are included in this Contract pursuant to the provisions applicable to such Federal assistance. -----
2. All laborers and mechanics employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act

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

3. Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate and fringe benefits therefor only when the following criteria have been met: -----
- The work to be performed by the classification requested is not performed by a classification in the wage determination; and-----
  - The classification is utilized in the area by the construction industry; and-----
  - The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.
4. If Consultant and the laborers and mechanics to be employed in the classification (if known), or their representatives, and HUD or its designee agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by HUD or its designee to the Administrator of the Wage and Hour Division, Employment Standards Administration, U. S. Department of Labor, Washington, D.C. 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB control number 1215- 0140.). -----

5. In the event Consultant, the laborers or mechanics to be employed in the classification or their representatives, and HUD or its designee do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), HUD or its designee shall refer the questions, including the views of all interested parties and the recommendation of HUD or its designee, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.). -----
6. The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (B)(1)(b) or (c) of this paragraph, shall be paid to all workers performing work in the classification under this Contract from the first day on which work is performed in the classification.-----
7. Whenever the minimum wage rate prescribed in this Contract for a class of laborer or mechanics includes a fringe benefit which is not expressed as an hourly rate, Consultant shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof. -----
8. If Consultant does not make payments to a trustee or other third person, Consultant may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, provided that the Secretary of Labor has found, upon the



written request of the Consultant, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require Consultant to set aside in a separate account asset for the meeting of obligations under the plan or program. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.). -----

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

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

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

its own records, without weekly submission to HUD or its designee. (Approved by the Office of Management and Budget under OMB Control Number 1215-0149.).

12. Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by Consultant or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

- That the payroll for the payroll period contains the information required to be provided under 29 C.F.R. 5.5(a)(3)(ii), the appropriate information is being maintained under 29 C.F.R. 5.5(a)(3)(i), and that such information is correct and complete;-----
- That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 C.F.R. Part 3; ---
- The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by subparagraph A.3.(ii)(b);-----

- The falsification of any of the above certifications may subject Consultant or any subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code; -----
- Consultant or subcontractor shall make the records required under subparagraph A.3.(i) available for inspection, copying, or transcription by authorized representatives of HUD or its designee or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If Consultant or subcontractor fails to submit the required records or to make them available, HUD or its designee may, after written notice to the Consultant, sponsor, applicant or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 C.F.R. 5.12.-----

30.37 Apprentices and Trainees:

1. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an

apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to contractors to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the Consultant's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that

a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, Consultant will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved. -----

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

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

3. The utilization of apprentices, trainees and journeymen under 29 C.F.R. Part 5 shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 C.F.R. Part 30. -----

30.38 Compliance with Copeland Act: Consultant shall comply with the requirements of 29 C.F.R. Part 3 which are incorporated by reference in this Contract. -----

30.39 Subcontracts: Consultant or subcontractor will insert in any subcontracts the clauses contained in Section 30.36 (Additional Fair Labor Standards Provisions (HUD Form 4010)) to Section 30.44 (Complaints, Proceedings, or Testimony by Employees) and such other clauses as HUD or its designee may by appropriate instructions require, and a copy of the applicable prevailing wage decision, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. Consultant shall



be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in this Section. -----

30.40 Contract Termination; Debarment: A breach of the contract clauses in 29 C.F.R. 5.5 may be grounds for termination of this Contract and for debarment as a consultant, contractor and a subcontractor as provided in 29 C.F.R. 5.12.-----

30.41 Compliance with Davis-Bacon and Related Act Requirements: All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 C.F.R. Parts 1, 3, and 5 are herein incorporated by reference in this Contract. -----

30.42 Disputes Concerning Labor Standards: Disputes arising out of the labor standards provisions of this Contract shall not be subject to the general dispute's clause of this Contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 C.F.R. Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between Consultant (or any of its subcontractors) and HUD or its designee, the U.S. Department of Labor, or the employees or their representatives. -----

30.43 Certification of Eligibility:

1. By entering into this Contract, Consultant certifies that neither it (nor he or she) nor any Person or firm who has an interest in the Consultant's firm is a person or firm ineligible to be awarded Government contracts by virtue of Section 3(a) of the Davis-Bacon Act or 29 C.F.R. 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 C.F.R. Part 24.-----
2. No part of this Contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of Section 3(a) of the Davis-Bacon Act

or 29 C.F.R. 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 C.F.R. Part 24.-----

3. The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001. Additionally, U.S. Criminal Code, Section 1 01 0, Title 18, U.S.C., "Federal Housing Administration transactions", provides in part: "Whoever, for the purpose of . . . influencing in any way the action of such Administration....makes, utters or publishes any statement knowing the same to be false....shall be fined not more than \$5,000 or imprisoned not more than two years, or both."-----

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

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

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

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

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

4. Consultant shall include all of the above-detailed provisions in any and all subcontract agreements and shall be responsible to PREPA for its compliance. -

30.46 No obligation by the Federal Government: The Federal Government is not a party to this Contract and is not subject to any obligation or liabilities to the non-Federal entity, Consultant, or any other party pertaining to any matter resulting from the Contract.-----

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

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

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

30.50 Prohibition on Contracting for Covered Telecommunications Equipment or Services

(a) Definitions. As used in this clause, the terms backhaul; covered foreign country; covered telecommunications equipment or services; interconnection arrangements; roaming; substantial or essential component; and telecommunications equipment or services have the meaning as defined in FEMA Policy 405-143-1, Prohibitions on Expending FEMA Award Funds for Covered Telecommunications Equipment or Services (Interim), as used in this clause. ----

(b) Prohibitions.

(1) Section 889(b) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. No. 115-232, and 2 C.F.R. § 200.216 prohibit the head of an executive agency on or after Aug.13, 2020, from obligating or expending grant, cooperative agreement, loan, or loan guarantee funds on certain telecommunications products or from certain entities for national security reasons.-----

(2) Unless an exception in paragraph (c) of this clause applies, Consultant and its subcontractors may not use grant, cooperative agreement, loan, or loan guarantee funds from the Federal Emergency Management Agency to:

- (i) Procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system; -----
- (ii) Enter into, extend, or renew a contract to procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system;-----
- (iii) Enter into, extend, or renew contracts with entities that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system; or-----
- (iv) Provide, as part of its performance of this contract, subcontract, or other contractual instrument, any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.-----

(c) Exceptions.

(1) This clause does not prohibit contractors from providing—

- (i) A service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements; or-----

(ii) Telecommunications equipment that cannot route or redirect user data traffic or permit visibility into any user data or packets that such equipment transmits or otherwise handles. -----

(2) By necessary implication and regulation, the prohibitions also do not apply to:

(i) Covered telecommunications equipment or services that:

i. Are not used as a substantial or essential component of any system; and-----

ii. Are not used as critical technology of any system. -----

(ii) Other telecommunications equipment or services that are not considered covered telecommunications equipment or services. -----

(d) Reporting requirement.

(1) In the event Consultant identifies covered telecommunications equipment or services used as a substantial or essential component of any system, or as critical technology as part of any system, during contract performance, or Consultant is notified of such by a subcontractor at any tier or by any other source, Consultant shall report the information in paragraph (d)(2) of this clause to the recipient or subrecipient, unless elsewhere in this contract are established procedures for reporting the information.-----

(2) Consultant report the following information pursuant to paragraph (d)(1) of this

clause:

(i) Within one business day from the date of such identification or notification:

The contract number; the order number(s), if applicable; supplier name; supplier unique entity identifier (if known); supplier Commercial and Government Entity (CAGE) code (if known); brand; model number (original equipment manufacturer number, manufacturer part number, or wholesaler number); item description; and any readily available information about mitigation actions undertaken or recommended.-----

(ii) Within 10 business days of submitting the information in paragraph (d)(2)(i)

of this clause: Any further available information about mitigation actions undertaken or recommended. In addition, Consultant shall describe the efforts it undertook to prevent use or submission of covered telecommunications equipment or services, and any additional efforts that will be incorporated to prevent future use or submission of covered telecommunications equipment or services. -----

(e) Subcontracts. Consultant shall insert the substance of this clause, including this paragraph (e), in all subcontracts and other contractual instruments. -----

### 30.51 Domestic Preferences for Procurements

(i) As appropriate, and to the extent consistent with law, Consultant should, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States.

This includes, but is not limited to iron, aluminum, steel, cement, and other manufactured products. -----

(ii) For purposes of this clause:

- a. Produced in the United States means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States. -----
- b. Manufactured products mean items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber. -----

30.52 Contracting with Small and Minority Businesses, Women's Business Enterprises, and Labor Surplus Area Firms

If Consultant intends to subcontract any portion of the work covered by this Contract, Consultant must take all necessary affirmative steps to assure that small and minority businesses, women's business enterprises and labor surplus area firms are solicited and used when possible. Affirmative steps must include:

- (1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;-----
- (2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;-----
- (3) Dividing total requirements, when economically feasible, into smaller tasks



or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;-----

(4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; and-----

(5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce. -----

### 30.53 Copyright and Data Rights

#### License and Delivery of Works Subject to Copyright and Data Rights

Consultant grants to the Applicant, a paid-up, royalty-free, nonexclusive, irrevocable, worldwide license in data first produced in the performance of this contract to reproduce, publish, or otherwise use, including prepare derivative works, distribute copies to the public, and perform publicly and display publicly such data. For data required by the contract but not first produced in the performance of this contract, Consultant will identify such data and grant to the Applicant or acquires on its behalf a license of the same scope as for data first produced in the performance of this contract. Data, as used herein, shall include any work subject to copyright under 17 U.S.C. § 102, for example, any written reports or literary works, software and/or source code, music, choreography, pictures or images, graphics, sculptures, videos, motion pictures or other audiovisual works, sound and/or video recordings, and architectural works. Upon

or before the completion of this contract, Consultant will deliver to the Applicant data first produced in the performance of this contract and data required by the contract but not first produced in the performance of this contract in formats acceptable by the Applicant.-----

**Article 31. Contractor's Certification Requirement**

The Parties acknowledge that 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 Consultant. A signed copy of the "Contractor Certification Requirement" is included as an annex to this Contract. -----

Consultant represents and warrants that the information included in Consultant 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 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. 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 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

Baker Donelson Caribe, LLC.

---

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

---

Wendy Huff Ellard  
Vice President  
Tax ID: 87-1372158  
wellard@bakerdonelson.com

## **Annex C**

**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, engineer and resident of Caguas, Puerto Rico.-----

**AS SECOND PARTY:** Regulatory Compliance Services, Corp. (Contractor), a corporation organized and existing under the laws of Puerto Rico, represented in this act by its President, Osvaldo Carlo Linares, of legal age, married, and resident of San Juan, Puerto Rico, authorized by virtue of Resolution dated September 2, 2022.-----

-----**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 5046, approved the execution of this Contract.-----

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

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

**Article 1. Scope of Services**

1.1 The Contractor will provide PREPA's Governing Board and its Executive Director with oversight of the use of the federal funds allocated for disaster relief or any other federal allocation, exclusively in connection with PREPA's generation and hydro plants, assets and projects.-----

In addition, the Contractor can perform audits of existing contracts in order to ensure that the same comply with federal and local law, are being executed as agreed and are in the best interests of PREPA. For the purposes of this Contract, the term existing contracts shall mean any and all contracts executed by and on behalf of PREPA in relation to its generation and/or hydro plants, assets, projects, and processes and any and all contracts executed by and on behalf of PREPA in connection with PREPA's transmission and distribution system before June 1, 2021. For the avoidance of doubt, PREPA and the Contractor hereby acknowledge that the services contemplated hereunder (including, without limitation, Contractor's oversight and audit functions) do not cover any contracts executed by LUMA Energy, LLC, LUMA Energy ServCo, LLC (collectively known as "LUMA Energy") as agent of PREPA under that certain Puerto Rico Transmission and Distribution System, Operation and Maintenance Agreement dated as of June 22, 2020 (the "OMA") or any of the processes carried out by Luma Energy as operator of PREPA's Transmission and Distribution System as defined in the OMA.-----

- 1.2 In the event that any irregularities are found, the Contractor can prepare referral packages to federal and local administrative or law enforcement agencies.-----
- 1.3 The Contractor would provide PREPA with the service of top professionals nationally recognized in the field of federal regulatory law. Services include, but are not limited to, the following:-----
- a) Comprehensive financial oversight as per the limitations set forth in Section 1.1 of this Contract (titled Scope of Services).
  - b) Document review and management, as per the limitations set forth in Section 1.1 of this Contract (titled Scope of Services).
  - c) Compliance counsel
  - d) Policy and federal government relation services
  - e) Forensic audits, as per the limitations set forth in Section 1.1 of this Contract (titled Scope of Services).
  - f) Response to federal audits and investigations
  - g) Regulatory interactions
- 1.4 The services will be compensated by PREPA for the Contractor's services based on hourly rates, as established on Article 6, Payment. -----
- 1.5 At the direction of PREPA's Executive Director, the Contractor 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.-----

1.6 All services described in this Article 1 shall be defined in this Contract as the  
“Services”.-----

**Article 2. Services Coordination**

All the Services of Contractor in relation to the terms and conditions of this Contract will  
be coordinated through PREPA’s Executive Director or the person delegated by him.----

**Article 3. Contract Assignment or Subcontract**

The Contractor 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 Contractor 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 Contractors’ rights under the subcontract, in the event that PREPA declares the  
Contractor in breach or default of any of the Contract terms and conditions;  
and (3) the subcontract includes, as a condition for its validity and enforceability, a  
provision establishing for the subcontractor the obligation to comply with all Contractors’  
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 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 Contractor. 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 Contractor shall have no further right to compensation except for what has been accrued for services rendered 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 Contractor, without prior written notice. -----

**Article 6. Payment**

6.1 In accordance with the terms and conditions contained herein, PREPA agrees, and Contractor accepts that the total amount to be paid under the Contract shall not

exceed a cumulative amount of two hundred fifty thousand dollars (\$250,000), including reimbursable expenses, if any (the “Contract Amount”). All payments to be made under this Contract will be charged to account 1-4019-92311-556-615. 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 Contractor 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 Contractor according to the following hourly rates:-----

#### **FEE SCHEDULE**

<b>Attorneys</b>	<b>Fee Per Hour</b>
José M. Pizarro Zayas	\$350.00
Osvaldo Carlo Linares	\$350.00
Lydia Ramos	\$300.00
Carmen Cortes	\$275.00
Other attorneys	\$200.00
Paralegal Specialists	\$125.00
<b>Forensic Accountants (CPA’s)</b>	<b>Fee per Hour</b>
Luis O. Rivera	\$350.00
Other Forensic Accountants (CPAs)	\$275.00

Other accountants	\$125.00
-------------------	----------

	<b>Fee per Hour</b>
Engineering Advisors	\$200.00

6.4 Should the Contractor assign another person or professional category to attend to PREPA's matters pursuant to this Contract, the Contractor shall promptly send PREPA an amended to include such person's name/professional category, position and rate, as well as request approval from PREPA. Any person engage by the Contractor after the execution of the Contract must complies with the professional requirements, credentials and qualifications required by PREPA. The Contractor shall provide evidence of those requirements and credentials (Ex: professional license, experience, etc.) before the person/professional commencement any work.-----

6.5 The Contractor 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 Contractor, in coordination with PREPA, will ensure that no services will be rendered more than the Contract Amount, except that a written amendment is agreed upon by both Parties. In addition, the Contractor shall present an itemized list of the remaining billable Services under the Contract.-----

**Article 7. Invoices**

7.1 Contractor shall submit its invoices monthly for the work already performed during the preceding month. Contractor will provide to PREPA an invoice for each billing period which will include a description of the services rendered and the number of hours spent by each person. The invoice for professional services shall be itemized and must be duly certified by an authorized representative of the Contractor.-----

7.2 PREPA will review the invoices upon receipt, and if they are in compliance with the requirements set forth in this Contract, it will proceed with payment. Payment is due sixty (60) days of receipt of the invoice with all the supporting documents required. 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. -----

7.3 All invoices submitted by Contractor 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”.*

---

*Contractor’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, Contractor 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 8. Transfer of Funds**

- 8.1 If Contractor 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 Contract, Contractor shall notify PREPA of such transfer of funds, in accordance to the provisions of Act 21-2012. Said notice shall clearly indicate the rights granted, including a copy of the contract under which the assignment or transfer of funds is made, the exact amount of funds to be assigned or transferred, and specific identification information regarding the assignee (full name of the person or company), address and any other contact information.-----
- 8.2 Contractor acknowledges and agrees that PREPA may deduct any amount, due or payable under this Contract, that Contractor owes; PREPA may retain any said amount if Contractor fails to fulfill its obligations and responsibilities under this Contract, or a claim arises for warranty or defects regarding the services rendered or goods provided under this Contract. Contractor also acknowledges and agrees that PREPA's payment obligation under any assignment of funds will cease upon payment of the outstanding amounts under this Contract. PREPA

shall not be required to make payments or transfer any funds for an amount that exceeds the payment to which Contractor is entitled to under this Contract. -----

- 8.3 Contractor 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 9. Information and Material Facts**

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

- 9.2 PREPA will notify Contractor 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 Contractor.-----

- 9.3 PREPA shall promptly provide to Contractor all information to determine which among them will implement and maintain the various parts of the safety and health program, to ensure protection of all on-site workers before work begins.

Include information to assess hazards and to avoid creating hazards that affect workers on the site.-----

- 9.4 The Contractor shall comply with all applicable laws, ordinances, rules, regulations and Occupational Safety and Hazard Act (OSHA) standards for the safety of personnel, equipment, property and to protect them from damage, injury or loss, and any other PREPA Safety additional requirements. The Contractor is responsible to provide to its personnel all the required safety equipment to comply with OSHA regulation.-----

**Article 10. Information Disclosure and Confidentiality**

- 10.1 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 Contractor, 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.-----
- 10.2 The Parties also agree that, except as agreed to in writing by both Parties, they will not, at any time after termination of this Contract, disclose any confidential information to any person whatsoever, or permit any person whatsoever to examine and/or make copies of any reports prepared by Contractor 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. Contractor may retain one file copy for its records.-----

10.3 The term “confidential information” shall include, but not be limited to, all information provided to Contractor by PREPA or at PREPA’s direction regarding its facilities or operations and any and all information gathered or developed by Contractor regarding the same. The Parties further agree that proprietary records and documents related to Contractor’s business operations are confidential to Contractor 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 Contractor’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.

10.4 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.----



10.5 If this Contract terminates for any reason, Contractor 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 Contractor 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 Contractor 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 Contractor.-----

10.6 The above provisions do not apply with respect to information, which Contractor is requested to disclose under applicable law and regulations, court order, subpoena or governmental directives, in which case Contractor shall provide PREPA prompt notice of such request in order to procure for PREPA a reasonable opportunity to oppose such disclosure. Contractor 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.-----

10.7 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 11. Rights and Titles**

11.1 The Contractor 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 Contractor will submit a final written report describing the work it has performed. This requirement shall not be interpreted as a waiver by PREPA of Contractor's ethical obligation and responsibility of keeping PREPA informed of the progress of the assigned matters. -----

11.2 All rights, titles and interest in any reports, documents, analyses, investigations and any other by-product conceived or developed by the Contractor exclusively for PREPA as a result of performing its obligations under this Contract shall be the exclusive property of PREPA. The Contractor 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 Contractor, 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 Contract.-----

**Article 12. Expenses and Disbursements**

12.1 PREPA should not be billed for (a) time spent in processing conflict searches, preparing billing statements, or in responding to PREPA inquiries concerning Contractor's invoices; or (b) travel time during which Contractor 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. -----

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

12.3 PREPA will not reimburse Contractor 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.-----

12.4 PREPA will reimburse Contractor for separately itemized expenses and disbursements in the following categories: -----

- Messenger/courier service – PREPA will reimburse actual charges billed to Contractor 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. -----
- 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. -----

- 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). Contractor 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. Contractor 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.-----

- 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 Contractor 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).-----

- 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 Contractor to render its Services under the Contract, given they are previously approved by PREPA. -----
- 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. -----

- Third-Party Services – The approval of PREPA must be obtained in writing prior to retaining any third-party services. Contractor 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 Contractor, 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. -----

12.5 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 13. Warranty**

13.1 Contractor 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 Contractor not fulfill the above established Standard, Contractor 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 Contractor 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 Contractor'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 Contract, by furnishing oral or written reports of findings made, or by any other act of Contractor.-----

**Article 14. 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 15. Independent Contractor**

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

15.2 As an independent contractor, Contractor shall not be entitled to any fringe benefits, such as, but not limited to vacation, sick leave, and to which PREPA's employees are entitled.-----



**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 Contract or to any benefit that may arise therefrom.-----

**Article 17. Conflict of Interest**

17.1 Contractor 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. Contractor 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 Contractor.-----

17.2 Contractor 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, Contractor 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 Contractor when performing its responsibilities under this Contract.-----

17.3 The Parties understand and agree that a conflict of interest exists when Contractor 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 Contractor and its personnel.-----

17.4 In the event that any of the partners, directors, agents or employees of Contractor 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.-----

17.5 Contractor's partners, directors, agents or employees and personnel shall avoid even the appearance of the existence of conflicting interests.-----

17.6 Contractor acknowledges that PREPA's Executive Director shall have the power to intervene with the acts of Contractor 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 Contractor in writing of PREPA's intention to terminate this Contract within a thirty (30) day period. During said period, Contractor may request a hearing with the Executive Director to present its arguments regarding the alleged conflict of interests. In the event that Contractor 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.-----

17.7 The Contractor 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 Contractor 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 Contractor:	Regulatory Compliance Services, Corp. 1509 Lopez Landron PH San Juan, PR 00911
Attention:	Osvaldo Carlo Linares President

**Article 19. Applicable Law and Venue**

This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico. Also, the Parties expressly agree that only the state courts of Puerto Rico will be the courts of competent and exclusive jurisdiction to decide

over the judicial controversies that the appearing Parties may have among them regarding the terms and conditions of this Contract.-----

**Article 20. 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 Contractor's costs when providing the services, shall be Contractor's responsibility and PREPA shall not be obligated to increase the Contract Amount.-----

**Article 21. Force Majeure**

21.1 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. -----

21.2 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.-----

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 Contract 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 Contractor a time extension for the compliance of any of its obligations under this Contract, or where PREPA dispenses the claim or demand of any of its credits or rights under the Contract. -----

**Article 23. 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 24. Save and Hold Harmless**

The Contractor 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 Contractor 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 Contractor.- With respect to any indemnity set forth in this Contract, each indemnity shall give prompt notice of its receipt of any threat, indication or other notice of any claim, investigation or demand that might give rise to any losses required to be indemnified hereunder and shall reasonably cooperate in the defense of such claim. The indemnifying party shall have the right to conduct defense of such action at its sole expense.-----

**Article 25. Insurance**

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

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

The Contractor shall provide Workmen's Compensation Insurance as required by the Workmen's Compensation Act 45-1935 of the Commonwealth of Puerto Rico. The Contractor shall also be responsible for compliance with said Workmen's Compensation Act by all its sub-contractors, agents, and invitees, if any.-----  
The Contractor shall furnish a certificate from the Puerto Rico's State Insurance Fund showing that all personnel employed in the work are covered by the Workmen's Compensation Insurance, in accordance with this Contract.-----

2. Employer's Liability Insurance:

The Contractor 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 Contractor as result of bodily injury, by accident or disease, including death arising out of and in the course of employment, and outside of and distinct from any claim under the Workmen's Compensation Act of the Commonwealth of Puerto Rico.-----

3. Commercial General Liability Insurance:

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

4. Commercial Automobile Liability Insurance:

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

5. Professional Liability Insurance:

The Contractor 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, PR 00936-4267

- b. A 30 day cancellation or nonrenewable notice to be sent to the above address.
- c. An endorsement including this Contract under contractual liability coverage and identifying it by number, date and Parties to the Contract.-----
- d. Waiver of subrogation in favor of 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 Contractor shall furnish a certificate of insurance in original signed by an authorized representative of the insurer in Puerto Rico, describing the coverage afforded.-----

**Article 26. Compliance with the Commonwealth of Puerto Rico Contracting Requirements**

The Contractor 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 No. 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 Contractor 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 Contractor hereby certifies, guarantees, acknowledges and agrees to the following:-----

- A. The Contractor 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 Contractor 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 Contractor owes taxes or premiums to said government agencies, it agrees that PREPA may withhold any monies due to the Contractor under this Contract to be applied to the payment and cancellation of said debt. The Contractor also certifies that it is in corporate "Good Standing" at the Department of State of Puerto Rico. The Contractor 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 Contractor authorized powers and are not in contravention of law. The Contractor also certifies that it is in compliance with the Merchant's Registration. Accordingly, the Contractor has submitted to PREPA its RUP Certification from the General Services Administration. The Contractor 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 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., Contractor will be responsible for rendering and paying the Federal Social Security and Income Tax Contributions for any amount owed as a result of the income, from this Contract.-
- 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*). Contractor will request PREPA not to make such withholdings if, to the satisfaction of PREPA, Contractor timely provides a release from such obligation by the Government of Puerto Rico's Treasury Department. Act 1-2011, section 1062.03. -----
- E. Compliance with Governmental Ethics, Act 1-2012: Contractor 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 168-2000: Law for the Strengthening of the Family Support and Livelihood of Elderly People: Contractor will certify that if there is any Judicial or Administrative Order demanding payment or any economic support regarding Act 168-2000, as amended, the same is current and in all aspects in compliance. Act 168-2000 “*Law for the Strengthening of the Family Support and Livelihood of Elderly People*” in Spanish: “*Ley para el Fortalecimiento del Apoyo Familiar y Sustento de Personas de Edad Avanzada*”, 3 L.P.R.A. §8611 et seq. -----
- G. 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. -----
- 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 Contractor acknowledges and accepts that it is knowledgeable of the rules of ethics of his/her profession and assumes responsibility for his/her own actions. -----
- O. Provisions Required under Act 14-2004: The Contractor agrees that articles extracted, produced, assembled, packaged or distributed in Puerto Rico by enterprises with operations in Puerto Rico, or distributed by agents established in Puerto Rico shall be used when the service is rendered, provided that they are available.-----
- P. The Contractor certifies that 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. The Contractor 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 Contractor 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 Contractor 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 Contractor has requested a review or adjustment of this debt, Contractor will certify that it has made such request at the time of the Contract execution. If the requested review or adjustment is denied and such determination is final, Contractor will provide, immediately, to PREPA a proof of payment of this debt; otherwise, Contractor accepts

that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments.-----

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

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

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

Contractor hereby certifies that it has not been convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico (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 Contractor is convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, 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 Contractor expressly agrees that the conditions outlined throughout this Article are essential requirements of this Contract. Consequently, should any one of these representations, warranties or certifications be incorrect, inaccurate or misleading, in whole or in part, there shall be sufficient cause for PREPA to render this Contract null and void, and the Contractor shall reimburse PREPA all money received under this Contract.-----

**Article 28. Copyright**

Contractor 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 Contractor or provided to PREPA by Contractor 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 29. Non-Discrimination**

The Contractor 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. Safety**

All work performed must be in compliance to 29 CFR 1910 and 29 CFR 1926, and any additional safety PREPA requires.-----

**Article 31. Contractor's Certification Requirement**

The Parties acknowledge that the Contractor 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 Contractor 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 Contractor 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 Contractor 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

Regulatory Compliance Services, Corp.

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

\_\_\_\_\_  
Osvaldo Carlo Linares  
President  
Tax ID: 660-62-6120  
Email: ocarlo@carlolaw.com

## **Annex D**

July 14, 2023

## CERTIFICATION

With respect to, and for purposes of, Case No. NEPR-MI-2021-0004, and specifically the document titled *Request for Approval of Five Contracts for Professional Services in Compliance with the June 25 and July 11 Orders* dated July 14, 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 Eng. Victor Ruiz, Global Consultas Asociados and the González & Martínez Law Offices PSC, Baker Donelson Caribe LLC and Regulatory Compliance Services Corp. firms, and the works handled LUMA and Genera or PREPA.



---

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