

COMMONWEALTH OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

FOURTH AMENDMENT

CONTRACT 2017-P00076 D

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, represented in this act by its Chief Executive Officer/Executive Director, José F. Ortiz Vázquez, of legal age, married and resident of San Juan, Puerto Rico.-----

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AS SECOND PARTY: Banco Popular de Puerto Rico (Contractor), a corporation organized and existing under the laws of the Government of Puerto Rico, authorized to do business in Puerto Rico, herein represented by its Vice President, Migdoel Rivera Nieves, of legal age, single and a resident of San Juan, Puerto Rico duly authorized to appear in representation of the Contractor by Corporate Resolution dated May 14, 2020.-----

-----RECITALS-----

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

WHEREAS: The appearing Parties executed the Professional Services Contract 2017-P00076 (Contract) on February 3, 2017, with a maximum amount of four million four hundred thousand dollars (\$4,400,000) and effective until December 31, 2017. Through

this Contract, the Contractor provide services on remote stations, *Telepago Popular*, collection efforts, lockbox, payment stations and point of sales. The Contractor also provides electronic invoicing through the Internet. -----

WHEREAS: On December 29, 2017 the Parties executed the First Amendment to the Contract to extend its term for six months, from January 1, 2018, until June 30, 2018 with a maximum amount of two million two hundred thousand dollars (\$2,200,000).-----

WHEREAS: On June 29, 2018 the Parties executed the Second Amendment to the Contract to extend its term for twelve months, from its signature until June 30, 2019 with a maximum amount of four million four hundred thousand dollars (\$4,400,000).-----

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WHEREAS: On June 30, 2019, the Parties executed the Third Amendment to the Contract to extend its term for twelve months, from its signature until June 30, 2020 with a maximum amount of four million four hundred thousand dollars (\$4,400,000).-----

WHEREAS: PREPA needs to continue receiving the Contractor's services and requests an extension to the Contract for the next fiscal year, from July 1, 2020 through December 31, 2020 or until the Customer Service Directorate concludes the Request for Proposal (RFP) for the payment processing services and the new contract is executed, whichever comes first. This Amendment was previously approved by Resolution 4807--- dated on June 24, 2020.-----

THEREFORE: In order to continue receiving the Contractor's services the appearing Parties hereby agree to enter into this Fourth Amendment under the following:-----

TERMS AND CONDITIONS

FIRST: The Article Second of the Contract is amended to extend its term from July 1, 2020 through December 31, 2020, or until PREPA concludes a competitive process for the electric payments processing services and executes the new contract, whichever comes first. The remaining sentences of Article Second, not affected by this amendment shall remain unaltered and fully enforceable. -----

SECOND: For services rendered up to the six-month extension period, the amount for the services shall not exceed two million two hundred thousand dollars (\$2,200,000). The payments to be made under this Contract will be charged to account 01-4019-92106-556-645. -----

THIRD: As for the original Contract, Contractor will continue to comply with all applicable State Law, Regulations or Executive Orders that regulate the contracting process and requirements of the Commonwealth of Puerto Rico. Particularly, Act 237-2004, as amended, which establishes uniform contracting requirements for professional services.

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A. Contractor shall provide, at the execution date of this Fourth Amendment, the following documents: -----

1. Certificate issued by the Treasury Department of Puerto Rico which indicates that Contractor does not owe taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan in full compliance with its terms. -----
2. An Income Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico, Area of Internal Revenues, assuring that Contractor has filed his

Income Tax Return for the last five (5) tax years. -----

3. Certificate issued by the Municipal Revenues Collection Center (MRCC), demonstrating that Contractor does not owe any tax. -----
4. Certificate issued by the Municipal Revenues Collection Center (MRCC), indicates that Contractor has filed the Personal Property Tax Return to such governmental agency. -----
5. Certificate issued by the Department of Labor and Human Resources of Puerto Rico, that indicates that Contractor has paid to the Department of Labor and Human Resources of Puerto Rico its employee contributions in accordance with the Puerto Rico Employment Security Act (unemployment, temporary disability or sickness), or is paying such contributions by an installment plan and is in full compliance with its terms.-----
6. Certificate issued by the Department of Labor and Human Resources of Puerto Rico, that indicates that Contractor has paid to the Department of Labor and Human Resources of Puerto Rico its employee contributions in accordance with the Puerto Rico Employment Security Act (social security for chauffeurs), or is paying such contributions by an installment plan and is in full compliance with its terms.-----
7. Certificate issued by the Puerto Rico Child Support Administration (ASUME) assuring that Contractor is in compliance with the collection of child support payments. -----

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8. A copy of the Merchant Registration Certificate. -----
9. Puerto Rico Sales and Use Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico, Area of Internal Revenues, assuring that Contractor is in compliance with it. -----
10. Good Standing Certificate issued by the State Department of Puerto Rico. -----

Consequences of Non-Compliance

Contractor expressly agrees that the conditions outlined throughout this Section A are essential requirements of the Contract. Consequently, should any one of these representations, warranties or certifications be incorrect, inaccurate or misleading, in whole or in part, there shall be enough cause for PREPA to render the Contract null and void. If any of the certifications listed in this Section A 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 Amendment 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. Contractor accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each subcontractor, if any approved by PREPA, whose service Contractor has secured in connection with the Services to be rendered under the

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Contract and shall send evidence to PREPA to demonstrate its compliance with this requirement. -----

FOURTH: 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. 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.-----

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

Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.-----

PREPA shall have the right to terminate the Contract in the event the 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.-----

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FIFTH: Contractor understands and agrees that PREPA is prohibited to process any payment under the Contract until the enumerated certifications are submitted to PREPA.

SIXTH: 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 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.-----

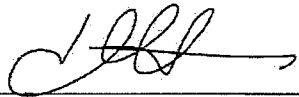
The Contractor acknowledges that all his responsibilities and obligations under the Contract, such as work to be performed and services to be provided, etc., will continue in full force and effect until the expiration of the thirty (30) days period. -----

SEVENTH: The Parties agree that all other terms, conditions, specifications, stipulations, insurances, and requirements established in the Contract shall remain unaltered and fully enforceable. -----


In WITNESS WHEREOF, the Parties hereto have agreed to execute this Fourth Amendment in San Juan, Puerto Rico, on this 30 day of June, 2020.-----

Puerto Rico Electric Power Authority

Banco Popular de Puerto Rico



José F. Ortiz Vázquez
Chief Executive Officer



Migdoel Rivera Nieves
Vice President