

**COMMONWEALTH OF PUERTO RICO  
PUERTO RICO ELECTRIC POWER AUTHORITY**

**FOURTH AMENDMENT**

**PROFESSIONAL SERVICES CONTRACT**

**2019-P00008 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 (Act 83), represented in this act by its Executive Director, Efran Paredes Maisonet, of legal age, married and resident of Bayamón, Puerto Rico. -----

AS SECOND PARTY: Nexvel Consulting, LLC (Consultant), a company organized and existing under the laws of the Government of Puerto Rico, authorized to do business in Puerto Rico, herein represented by its President, mister Héctor F. Guerrero Rivera of legal age, single, certified public accountant and lawyer and resident of San Juan, Puerto Rico duly authorized to appear in representation of the Consultant by Corporate Resolution dated June 9, 2021. -----

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

**WITNESSETH**

In consideration of the mutual covenants and agreements contained in this Amendment, hereinafter stated, the Parties agree themselves, their personal representatives, and successors as follows: -----

STATE

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: The appearing Parties executed Contract 2019-P00008 on August 10, 2018 and effective until June 30, 2019 (the "Contract"), with a not to exceed amount of two hundred eighty-eight thousand dollars (\$288,000, the "Contract Amount"). Through this Contract, the Consultant provides PREPA with professional services for the preparation of the financial statements, cash flow statement, supplementary schedules 2015-2016, 2016-2017 and 2017-2018.-----

WHEREAS: On June 30, 2019, the Parties executed the First Amendment to extend the Contract's term until June 30, 2020, for an amount of three hundred thirty-six thousand dollars (\$336,000).-----

WHEREAS: On March 11, 2020, the Parties executed the Second Amendment to increase its Contract Amount by one hundred sixty-four thousand dollars (\$164,000), from three hundred thirty-six thousand dollars (\$336,000) to five hundred thousand dollars (\$500,000), for Fiscal Year 2019-2020.-----

WHEREAS: On June 26, 2020, the Parties executed the Third Amendment to extend its term until June 30, 2021, with an amount of four hundred ninety-two thousand dollars (\$492,000), for Fiscal Year 2020-2021.-----  
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THEREFORE: In order to continue receiving the Consultant's services, the appearing Parties hereby agree to enter into this Fourth Amendment under the following: -----

TERMS AND CONDITIONS

FIRST: The Parties agree to amend Article II, Term of Contract, of the Contract, to extend its term until December 31, 2021. -----

The remaining sentences and paragraphs of Article II, not affected by this amendment shall remain unaltered and fully enforceable. -----

SECOND: The Parties agree to amend Article III of the Contract, Compensation and Payment, to increase its amount by two hundred forty-six thousand dollars (\$246,000), from one million two hundred eighty thousand dollars (\$1,280,000) to one million five hundred twenty-six thousand dollars (\$1,526,000) until December 31, 2021. The payments to be made under this Fourth Amendment, will be charged to account 01-4019-92102-550-118.-----

The remaining sentences and paragraphs of Article III, not affected by this amendment shall remain unaltered and fully enforceable. -----

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

A. The Consultant shall provide, before the execution of this Fourth Amendment, the following: -----

1. Filing of Puerto Rico Income Tax Returns-----


In compliance with Executive Order No. OE-1991-24 of June 18, 1991, Consultant hereby certifies that it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last five (5) years. As evidence thereof, Consultant has delivered to PREPA an Income Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that Consultant has filed its Income Tax Return for the last five (5) tax years. -----

2. Payment of Puerto Rico Income Taxes-----

In compliance with Executive Order No. OE-1991-24 of June 18, 1991, Consultant, hereby certifies that it has complied and is current with the payment of all income taxes that are, or were due, to the Government of Puerto Rico. As evidence thereof, Consultant has delivered to PREPA a certification issued by the Treasury Department of Puerto Rico indicating that Consultant does not owe taxes, under any concept, to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan and is in full compliance with its terms. During the term of this Contract, the Consultant agrees to pay and/or to remain current with any repayment plan agreed to by Consultant with the Government of Puerto Rico. -----

3. Compliance with Requirements of the Department of Labor and Human Resources of the Commonwealth of Puerto Rico. -----

Pursuant to Executive Order No. 1992-52, dated August 28, 1992, amending OE-1991-24, the Consultant certifies and warrants that it has made all payments required for unemployment benefits, workmen's compensation and social security for chauffeurs, whichever is applicable, or that in lieu thereof, has subscribed a payment plan in connection with any such unpaid items and is in full compliance with the terms thereof. As evidence thereof, the Consultant has delivered to PREPA: -----


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- a. A certification issued by the Bureau of Employment Security (*Negociado de Seguridad de Empleo*) of the Puerto Rico Department of Labor and Human Resources certifying that the Consultant does not owe any amount regarding Unemployment or Disability Insurance. -----
  - b. A certification issued by the Program for Social Security for Chauffeurs and Other Employees of the Puerto Rico Department of Labor and Human Resources certifying that the Consultant has no debt with respect to such program. -----

4. Real and Personal Property Taxes-----

The Consultant hereby certifies and guarantees that it does not have any current debt regarding property taxes that may be registered with the Government of Puerto Rico's Municipal Revenue Collection Center (MRCC). The Consultant further certifies to be up-to-date with the payment of any and all property taxes that are or were due to the Government of Puerto Rico. The Consultant shall provide: -----

- a. A certification issued by the MRCC, assuring that the Consultant does not owe any tax accruing during the last five (5) years to such governmental agency with respect to personal property; or negative Debt certification issued by the MRCC

with respect to personal property taxes and a sworn statement executed by the Consultant indicating that: (i) its revenues are derived from the rendering of professional services, (ii) during the last 5 years (or the time in which it has been providing professional services) it has had no taxable business or personal property on the 1st of January of each year, (iii) that for such reasons it has not been required to file personal property tax returns, as required under Article 6.03 of Act 83-1991, as amended and (iv) that for such reason it does not have an electronic tax file in the MRCC's electronic system. -----

 b. All Concepts Debt Certification issued by the MRCC assuring that the Consultant does not owe any taxes to such governmental agency with respect to real and personal property; or Negative certification issued by the MRCC with respect to real property taxes. -----

5. Sales and Use Taxes-----

The Consultant has delivered to PREPA: -----

a. Puerto Rico Sales and Use Tax Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that the Consultant has filed his Puerto Rico Sales and Use Tax for the last sixty (60) contributory periods. -----

b. The Consultant's Certificate of Merchant's Registration issued by the Treasury Department of Puerto Rico. -----

6. Puerto Rico Child Support Administration (ASUME)-----

The Consultant hereby certifies that it is not duty bound to pay child support, or if so, that the Consultant is up to date or has a payment plan to such effects. As evidence

thereof, the Consultant has delivered to PREPA a certification issued by the Puerto Rico Child Support Administration (*Administración para el Sustento de Menores (ASUME)*) certifying that the Consultant does not have any debt, outstanding debt, or legal procedures to collect child support payments that may be registered with ASUME. -----

7. Organization Documents-----

The Consultant shall provide: -----

- a. a Good Standing Certificate issued by the Department of State of Puerto Rico. ---
- b. a Certification of Incorporation, or Certification of Organization or Certificate of Authorization to do business in Puerto Rico issued by the Department of State of Puerto Rico. -----

8. Dispensation-----

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

9. Rules of Professional Ethics-----

The Consultant 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. -

10. The Consultant hereby agrees to comply with the provisions of Act 2-2018, known as the Anti-Corruption Code for the New Puerto Rico (Act 2-2018). -----

The Consultant shall furnish a sworn statement to the effect that neither the 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 the

Consultant has been convicted of or has pled guilty to any of the crimes listed in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico (Act 8-2017) or any of the crimes included in Act 2-2018.-----

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

PREPA shall have the right to terminate this Contract in the event the Consultant is convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, any of the crimes listed in Articles 250 through 266 of Act 146-2012, any of the crimes typified in Act 2-2018, or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017.-----

Consequences of Non-Compliance-----

The Consultant expressly agrees that the conditions outlined throughout this Section are essential requirements of this Contract. Consequently, should any one of these representations, warranties or certifications be incorrect, inaccurate or misleading, in



whole or in part, there shall be enough cause for PREPA to render this Contract null and void. If any of the certifications listed in this Section shows a debt, and the Consultant has requested a review or adjustment of this debt, the Consultant 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, the Consultant will provide, immediately, to PREPA a proof of payment of this debt; otherwise, the Consultant accepts that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments. The Consultant accepts and acknowledges its responsibility for requiring and obtaining a similar warranties and certifications from each and every contractor and subcontractor, if any, previously approved by PREPA, whose service the Consultant has secured in relation with the Services to be rendered under this Contract and shall deliver evidence to PREPA of compliance with this requirement. -----

The Consultant understands and agrees that PREPA is prohibited from processing any payment under the Contract until the enumerated certifications and sworn statement are submitted to PREPA. -----

If by the date of the execution of this Amendment, the Consultant, has not obtained any of the above mentioned documents and certifications (with the exception of the Puerto Rico Child Support Administration (ASUME) Certification and the sworn statement required by Act 2-2018, the Anti-Corruption Code for the New Puerto Rico, which are required at the time of the execution of this Amendments), it will have a final term of ten (10) work days to provide them. -----

FOURTH: The Parties acknowledge that the Consultant has submitted the certification titled "Contractor Certification Requirement" required in accordance with the Contract Review Policy of the Financial Oversight and Management Board for Puerto Rico, effective as of November 6, 2017 and amended on October 30, 2020, signed by the Consultant's Executive Director (or another official with an equivalent position or authority to issue such certifications). A signed copy of the "Contractor Certification Requirement" is included as an annex to this Amendment of Contract. -----

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

SIXTH: All other terms and conditions, specifications, stipulations, insurances, and requirements established in the Contract, as amended, 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, 2021. -----

  
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Efran Paredes Maisonet  
Executive Director  
Puerto Rico Electric Power Authority  
Tax ID: 660-43-3747

  
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Héctor F. Guerrero Rivera  
President  
Nexvel Consulting, LLC  
Tax ID: 660-67-2382