

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

APPEAR

As party of the First Part: 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, represented in this act by its Chief Executive Officer/Executive Director, engineer José F. Ortiz Vázquez, of legal age, married and resident of San Juan, Puerto Rico.

As party of the Second Part: Accenture Puerto Rico, LLC (Contractor), a corporation organized and existing under the laws of Puerto Rico, herein represented by James E. Mitchell, of legal age, President, married, and a resident of North Carolina, United States of America, duly authorized to appear in representation of the Contractor by Resolution dated May 1, 2019.

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:

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TERMS AND CONDITIONS

I. TYPE OF CONTRACT

A. Scope of Services

1. In accordance with the terms and conditions set forth herein, the Contractor will provide, to PREPA, the following services:
 - a. Contractor will support PREPA by broadly advancing various organizational, planning, budgetary, and governance components of its Grid Modernization Portfolio. -----
 - b. Contractor will support PREPA through a combination of organizational, technical, and procurement components of its AMI Program and a specific focus on activities and deliverables for the AMI Vendor Request for Proposal (RFP) process. The Contractor also will provide and support project management activities including planning, coordination, scheduling and reporting.-----
 - c. Contractor will conduct the upgrade of PREPA's Oracle Customer Care and Billing application to version 2.7, along with the corresponding testing and data conversion.-----
 - d. Contractor will design a corporate data warehouse for PREPA that includes data from multiple sources.-----
 - e. Contractor will support PREPA through a combination of broadly advancing various organizational, technical, and procurement components of its ADMS Program and a specific focus on activities and deliverables for the ADMS Vendor RFP process. Contractor will provide



and support project management activities including planning, coordination, scheduling, and reporting.-----

2. The services are specified in the Appendix A, Contractor's Proposal, dated on April 1, 2019, which includes the fees for the services. -----
3. In case of discrepancies between the terms and conditions of this Contract and the Contractor's Proposal, the terms of the Contract will prevail.-----

B. Additional Provisions Regarding the Services

1. Any and all changes and/or modifications to the scope of the Services shall be in writing and must be signed by both Parties. Either party may propose a change to the Contract and the other party will respond promptly. Contractor will work with PREPA to implement project scope and change management procedures. Potential change requests (CRs) will be classified based upon their costs, impact on the schedule and potential benefits. The Contractor and PREPA project managers, may approve any proposed changes. With respect to external changes, such as law, rates or regulations changes, that may impact the defined scope for a project, PREPA will monitor and make available potential changes so they can be analyzed, and the Parties will work together to determine how to address such changes, including the appropriate schedule for incorporating the approved changes.
2. The Contractor represents that it has or shall obtain, or cause to be obtained, all personnel necessary to undertake and provide the Services in a manner required by the Contract.-----
3. The Contractor may not subcontract any of the Services that it has committed to perform or provide pursuant to this Contract without the prior



written approval of the Chief Executive Officer of PREPA or any of his or her authorized representatives. Such consent to subcontract shall not relieve the Contractor of its full responsibilities under this Contract. Consent to the subcontracting of any part of the services shall not be construed to be an approval of said subcontract or of any of its terms but shall operate only as an approval of the Contractor's request for execute a contract with its chosen subcontractor (hereinafter a "Subcontractor"). The Contractor shall be responsible for all services performed by the Subcontractor and all such services shall conform to the provisions of this Contract.-----

4. Contractor represents that it will perform its Services in accordance with generally accepted professional or technical practices existing at the time of performance and Contractor will reperform any Services not in compliance with this warranty brought to its attention in writing within thirty (30) days after those Services are performed. Additionally, Contractor warrants that its Deliverables which are original content will materially conform to its applicable specifications for a period of thirty (30) days from delivery to PREPA, and Contractor will correct any such Deliverable not in compliance with this warranty brought to its attention in writing within thirty (30) days after delivery of such Deliverable to PREPA. This warranty will not apply to any defect that is a result of (a) any negligent act or omission of PREPA or PREPA's agent (other than Contractor), (b) any person (other than Contractor or any person acting under the express direction of Contractor) making any revisions or modifications to the Deliverable after its delivery to PREPA in a manner inconsistent with the specifications, (c) the malfunction



of any PREPA or other third party hardware or software contained within the Deliverable or linking or interfacing to it, or (d) the operation of the Deliverable in a manner inconsistent with applicable documentation, or through the use of software or hardware not recommended, supplied or approved by Contractor. No other representation, express or implied, is made or intended by the performance of the Services provided, including any implied warranties of fitness for a particular purpose, merchantability, informational content, systems integration, non-infringement, interference with enjoyment or otherwise. -----

If required within the scope of the Services, the Contractor shall make visits to the land or premises on which the potential sites are located (the "Sites") at intervals appropriate to the study, in order to observe site conditions. It is understood and agreed that the Contractor shall have no constructive use or control of the Sites, and therefore shall have no responsibility whatsoever for any activities by other Parties at the Sites.-----

II. TERM OF CONTRACT; TERMINATION

A. Term

This Contract shall be in effect from the date of its execution until June 30, 2020 (the "Contract Period"). Through Resolution 4688 the Governing Board authorized five hundred thousand dollars (\$500,000) for the fiscal year 2018-2019; and an extension for two fiscal years with a projection of \$3,000,000 for Fiscal Year 2019-2020 and \$2,850,000 for Fiscal Year 2020-2021 subject to the availability of funds; for a maximum amount of six

million three hundred fifty thousand dollars (\$6,350,000) for three years of service. -----

B. Termination for Convenience

Either party shall have the right to terminate this Contract or any Scope of Work (SOW) in full for convenience, at any moment, by providing the other party thirty (30) days written notice by registered mail, return receipt requested, or overnight express mail. If notice is given, this Contract or the applicable SOW 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 and the applicable SOW. 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 and the applicable SOW until said date of effective termination.-----

C. Termination for Cause

Either Party shall have the right to terminate this Contract or the applicable SOW in full immediately in the event of negligence, dereliction of duty, material noncompliance, or material breach by the other Party, as determined in the reasonable discretion of the non-breaching Party, or for any other reason described elsewhere in this Contract as a basis for termination, unless the other Party cures such issue within thirty (30) days after receiving written notice specifying such basis for termination; for clarity, a basis for termination under a SOW shall only entitle the Party to terminate the applicable SOW. In



the event the Contract or a SOW is terminated 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 and the applicable SOW. Contractor shall have no further right to compensation except for what has been accrued for services rendered under this Contract and the applicable SOW until said date of effective termination. Upon termination for default, the Contractor shall (i) immediately discontinue work on the date and to extent specified in the notice; (ii) place no further orders to subcontractors, equipment, or any others items or services; (iii) promptly make every reasonable effort to procure assignment or cancellation upon terms satisfactory to PREPA of all subcontracts, purchase orders, and rental agreements to the extent they relate to the performance of the work that is terminated, and (iv) comply with other reasonable requests from PREPA regarding the terminated work.

The Parties will make good faith efforts to resolve internally within 30 days any dispute, including over an invoice, in connection with this Contract by escalating to the authorized representative of PREPA.

The Parties acknowledge that PREPA is undergoing a transformation process, and therefore, both Parties agree that in the eventuality of the execution of a Partnership Contract, Sale Contract or any other PREPA Transaction (as these terms are defined in Act 120-2018), PREPA may sell, assign, convey, transfer, pledge, mortgage, sublease, delegate, hypothecate, or otherwise dispose (each, a "Transfer") any of its rights, title, or interest in this Contract as permitted by applicable law and at any time, and without



Consultant's consent or cost, expense or incremental liability to PREPA, to any future operator of Puerto Rico's electric power transmission and distribution system or any of its affiliates, or to any governmental agency, body, public corporation or municipality of Puerto Rico; provided, that PREPA shall notify Consultant no later than thirty (30) days before the effective date of any such Transfer.-----

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

III. COMPENSATION AND PAYMENT

As compensation for services rendered under this Contract, PREPA agrees and the Contractor accepts that the total amount to be paid under this Contract shall not exceed three million five hundred thousand dollars (\$3,500,000) for the period through June 30, 2020 (the "Contract Amount"), including reimbursable expenses. However, nothing herein shall preclude the Parties from agreeing to increase the Contract Amount. PREPA will only pay for services that are evidenced by properly submitted invoice for services rendered. Notwithstanding the foregoing, any increase to the Contract Amount shall be evidenced in writing and signed by both Parties. 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.

Contractor's fees do not include applicable taxes.

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

B. PREPA shall pay the Contractor, for the Services per scope of work, as follows:

Scope of Work	Fees and Expenses
Digital Transformation Strategy	\$600,000
AMI and MDMS RFP	\$1,050,000
Oracle CC&B Technology Upgrade	\$2,150,000
Corporate Data Warehouse	\$1,000,000
ADMS RFP Process	\$1,050,000
Miscellaneous Hours Pool	\$500,000
Total	\$6,350,000

C. All payments performed under this Contract will be charged to PREPA's budget account number 01-4019-93023-556-644.-----

D. Contractor shall submit monthly invoices within the first thirty (30) days following the period invoiced that will include a description of the services rendered and the number of hours spent. Each invoice for professional services shall be itemized with a reasonably detailed description of the work performed, the purpose of the task, and the FEMA Project Worksheet (PW) to which it pertains, if applicable. Invoices must be duly certified by an authorized representative of Contractor. Contractor shall allocate any invoiced fees between: (i) activities

undertaken outside of Puerto Rico; and (ii) those relating to activities undertaken within Puerto Rico.-----

- E. 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 and, if they are not, based on PREPA's reasonable good faith judgment, PREPA will give prompt written notice to Contractor specifying such non-compliance, and will cooperate with Contractor to resolve such issue promptly. Payment is due within 60 days of receipt. PREPA reserves the right to conduct the audits it deems necessary with respect to amounts paid to Contractor under this Contract, and it will not be subject to finance charges regarding invoice payments subject to an audit. PREPA will provide reasonable prior written notice of its intention to conduct such an audit. PREPA will not be entitled to audit data or information of other customers or clients of Contractor, any cost information unless such is the basis of a reimbursable expense, Contractor's quality assurance reviews and contract management reports, or any other Information of Contractor that is not directly relevant for the authorized purposes of the audit, and all information audited shall be maintained as confidential. Contractor shall take prompt action to correct any errors identified by the audit. Contractor understands that PREPA is subject to certain regulatory audit requirements that may affect the notice and timing of such audits and the ability to maintain information as confidential.-----
- F. Invoices must also include a written and signed certification stating that no officer or employee of PREPA, and their respective subsidiaries or affiliates, will personally derive or obtain any benefit or profit of any kind from this Contract,



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

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

Contractor's Signature

- G. Contractor shall submit bank account wiring instructions to PREPA on or before submission of its first invoice to facilitate payment by means of electronic transfer, if applicable.-----
- H. As required by Act 48-2013, as amended, PREPA will withhold a special contribution of one-point five percent (1.5%) of the gross amounts paid under this Contract.-----
- I. In compliance with Executive Order 1991 OE- 24; and C.F.R. Part 404 et. seq., the Contractor will be responsible for rendering and paying the Federal Social Security and Income Tax Contributions for any amount owed as a result of the income, from this Contract.-----
- J. PREPA shall deduct and withhold ten percent (10%) of all payments to residents of the Commonwealth of Puerto Rico as required by the Internal Revenue Code of Puerto Rico. In case of U.S. citizens and non-U.S. citizens, which are nonresidents of the Commonwealth of Puerto Rico, the Contractor will retain twenty percent (20%) and twenty-nine percent (29%) respectively.



PREPA will remit such withholdings to the Government of Puerto Rico's Treasury Department (*Departamento de Hacienda de Puerto Rico*). The Contractor will request PREPA not to make such withholdings if, to the satisfaction of PREPA, the Contractor timely provides a release from such obligation by the Government of Puerto Rico's Treasury Department. 3 L.P.R.A. § 8611 et seq., 2011 L.P.R. 232; 232-2011.-----

IV. Fees, Expenses and Disbursements

- A. 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. -----
- B. PREPA will reimburse the Consultant for actual costs and expenses related to matters assigned to Consultant and for necessary and reasonable out-of-pocket disbursements, subject to the limitations and exceptions set forth below. The Consultant is expected to have a system in place that ensures those who bill time and disbursements to PREPA matters do so promptly and accurately. PREPA will not reimburse Consultant for: (a) costs included in a 'miscellaneous' or 'other' category of charges; (b) overhead costs and expenses-such as those relating to fees for time or overtime expended by



support staff (secretaries, administrative/clerical personnel, internal messengers, and other similar services), word processing and/or proofreading, cost of supplies or equipment, and/or other similar costs of doing business; (c) time spent attending education seminars or training programs; or (d) 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. -----

- C. PREPA will reimburse Consultant for separately itemized expenses and disbursements in the following categories:
- D. 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.-----
- E. 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. -----

F. 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. -----

G. 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. ----

H. 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.-----

I. 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 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 parking expenses, upon presentation of evidence of the car rental (no proof of payment will be required).-----

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

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may be requested by PREPA and should be retained in accordance with PREPA's guidelines.

- M. 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.

V. CONFLICTS OF INTEREST

- A. Contractor acknowledges that in the performance of Services pursuant to this Contract, it has an obligation of complete loyalty towards PREPA, including having no conflict of interests. "Conflict of interests" includes representing clients who have or may have interests that are contrary to PREPA, but does not include rendering services that are unrelated to this engagement. This duty includes the continued obligation to disclose to PREPA all circumstances of its relations with clients and third parties which would result in a conflict of interest, and any adverse interest which would influence Contractor when executing the Contract or while it is in effect. For clarity, for purposes of this Section V, Contractor and its Affiliates, to the best of their knowledge, do not believe that any services being provided to any of their clients has any adverse interest which would influence Contractor when executing this Contract. If in the future Contractor believes that any such services create an adverse interest which would influence Contractor when executing the Contract or while it is in effect, Contractor will discuss such issue with PREPA for resolution pursuant to this Section. -----

- B. This conduct by one of Contractor’s partners, members, directors, executives, officers, clerks or employees shall be attributed to Contractor for purposes of this prohibition. Contractor shall endeavor to avoid even the appearance of the existence of a conflict of interest that has not otherwise been waived.----
- C. Contractor acknowledges the power of PREPA’s Chief Executive Officer to oversee the enforcement of the prohibitions established herein. If the PREPA’s Chief Executive Officer determines the existence or the emergence of conflict of interest with Contractor, he shall inform such findings in writing and his intentions to terminate the Contract within a fifteen (15) day term. Within such term, Contractor can request a meeting with the PREPA’s Chief Executive Officer to present its arguments regarding the alleged conflict of interest. This meeting shall be granted in every case. If such meeting is not requested within the specified term, or if the controversy is not settled satisfactorily during the meeting, this Contract shall be terminated at the end of said fifteen (15) day period.-----
- D. Contractor certifies that at the time of the execution of this Contract, it does not have nor does represent anyone who has interests that are in conflict with PREPA as set forth above. If such conflicting interests arise after the execution of this Contract, Contractor shall, to the extent consistent with its obligations to other clients, notify PREPA immediately.-----
- E. No employee, officer, or agent of PREPA shall participate in the selection, or in the award or administration of a contract, supported by Federal funds, if a conflict of interest, real or apparent, would be involved.-----

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VI. RESPONSIBILITIES OF PREPA

PREPA shall use reasonable efforts to cooperate with the Contractor, including by providing any information reasonably requested by Contractor and providing access to any facility at which the Services are to be performed at such times as may reasonably be requested by the Contractor. If PREPA or its agent (other than Contractor) does not perform its responsibilities under the Contract, or there is a failure of any material assumption underlying the Services, Contractor shall have no liability with respect to its inability to perform the impacted Services, shall have such additional time as is reasonable to provide the Services, and shall be entitled to any additional fees necessary to compensate Contractor for any necessary additional effort or expenses.-----

VII. OWNERSHIP AND USE OF DOCUMENTS

Except as provided below, the Contractor acknowledges PREPA's ownership of all information, drafts, documents, reports, papers, and other materials developed and prepared by the Contractor, its agents or representatives, for purposes of delivery to PREPA in conjunction with Contractor's performing the obligations hereunder ("Deliverables") upon final payment therefor by PREPA. In the event of any termination, Contractor shall deliver such information, drafts, reports, papers and other materials to PREPA, in hard copy and/or electronic form, and the Contractor recognizes PREPA's right to request such documentation and/or electronic data. Should Contractor fail to deliver said information, PREPA may seek a judicial order to enforce its rights. Except as otherwise provided, all such information, drafts, documents, reports, papers and other materials developed and prepared by the Contractor or any Subcontractor,



or any of its agents or representatives, for purposes of performing the obligations hereunder shall be deemed privileged work product of PREPA. PREPA hereby grants to Contractor a perpetual, worldwide, nontransferable, non-exclusive, irrevocable right and license to use, copy, modify and prepare derivative works of the Deliverables, subject to Contractor's obligations with respect to PREPA Confidential Information. All other intellectual property: (a) of Contractor existing prior to the Services, (b) used in the Services (except PREPA intellectual property), (c) developed by Contractor, or (d) licensed to Contractor by third parties and used in the Services, and any enhancements or modifications to, or derivative works of, any intellectual property in categories (a)-(d), are the sole and exclusive property of Contractor ("Contractor IP"). Contractor IP embedded in Deliverables may not be used separately from the Deliverables. Each Party is free to use concepts, techniques and know-how retained in the unaided memories of those involved in the performance or receipt of the Services. Contractor is not precluded from independently developing for itself, or for others, anything, whether in tangible or non-tangible form, which is competitive with, or similar to, the Deliverables provided and to the extent that they do not contain PREPA Confidential Information. Third-party intellectual property, such as the licensing of third-party assets or third-party components, may require additional terms of usage, which will be addressed in a SOW where applicable.-----
Each SOW will include a description of the Deliverables to be created, which shall be the basis for acceptance of the Deliverables by PREPA. PREPA will have fifteen (15) business days for review and approval of Deliverables of one hundred (100) pages or less and twenty (20) business days for deliverables of more than



one hundred (100) pages. The duration of the review period will be doubled if PREPA has not had an opportunity to review an interim draft of the Deliverable prior to its submission by Contractor to PREPA. PREPA agrees to notify Contractor in writing by the end of the review period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that shall be corrected prior to approval of the Deliverable. If PREPA notifies Contractor in writing of any deficiencies, Contractor will correct the described deficiencies. Upon receipt of a corrected Deliverable from Contractor, PREPA will have a reasonable additional period of time, not to exceed the length of the original review period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected. The Deliverable will then be deemed accepted by PREPA. In the event that written feedback is not provided by PREPA to Contractor in the timelines described above, the Deliverable will be deemed accepted by PREPA. -----

VIII. NON-DISCLOSURE AND CONFIDENTIALITY

A. Confidential Information (the “Confidential Information”); Definition

The term Confidential Information, as used throughout this Contract, means any information concerning PREPA and/or PREPA’s operations and that of its Contractor (e.g., the projects, computer processing systems, object and source codes, and other business and financial affairs of PREPA). The term Confidential Information shall also be deemed to include all notes, analysis, compilations, studies, and interpretation or other documents prepared by Contractor, its agents or representatives in connection with the PREPA’s operations. Each Party will exercise commercially reasonable efforts not to



disclose any information that identifies or directly relates to natural persons (“Personal Data”) to the other Party and to restrict the other Party’s access to its Personal Data. If Contractor requires access to PREPA’s Personal Data in connection with the Services for a particular project, the parties will agree in the applicable SOW on the procedures and obligations of each Party with respect to the access, use and protection of such Personal Data and where needed implement additional data security controls and processes for the transmission, exchange, storage, processing or other use of Personal Data as described in such procedures.-----

B. Non-Disclosure

1. Contractor and its employees, affiliates, and authorized subcontractors agrees to take all reasonable steps or measures to keep private all Confidential Information and will not, at any time, present or future, without PREPA’s express written authorization, use, sell, market, or disclose any Confidential Information to any third party, firm, corporation, or association for any purpose whatsoever. Contractor further agrees that, except as they relate to the normal course of the service, the Contractor will not make copies of the Confidential Information except upon PREPA’s express written authorization, signed by an authorized representative of PREPA, and will not remove any copy or sample of Confidential Information without the prior written authorization from PREPA. Contractor retains the right to control its work papers subject to these confidentiality provisions.-----
2. “Confidential Information” shall not apply to any information which:



- i. is generally known to the public at the time of disclosure to Contractor or becomes generally known through no wrongful act on the part of Contractor;
- ii. is in Contractor 's possession at the time of disclosure otherwise than as a result of Contractor 's breach of any legal obligation;
- iii. becomes known to Contractor through disclosure by sources having the legal right to disclose such information other than PREPA and Contractor; or
- iv. is independently developed by Contractor without reference to or reliance upon the Confidential Information.

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

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



information as confidential and to return all materials to Contractor upon request, but for one copy for record purposes only; and

ii. in each case, such person shall be bound by the terms of this Contract.

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

C. **Return of Documents**

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

Confidential Information as otherwise provided in this Contract. During this thirty (30) day period, and except to the extent making such documents available would result in the loss of legal privilege for PREPA, these documents shall be available for inspection by the Office of the Comptroller of Puerto Rico. This Article shall survive the termination, expiration, or completion of this Contract.-----

D. **Equitable Relief**

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

E. **Contractor Confidential Information**

To the extent permitted by law, PREPA will maintain all information relating to Contractor's past, present, and future activities including research, development, business activities, products, services, processes, and technical knowledge, which is identified by Contractor as confidential or reasonably understood to be confidential, as confidential in the same manner required for PREPA Confidential Information under this Section VIII. Neither Party will use the other Party's name outside its organization without prior

express written consent of the other Party, which consent may be withheld in its sole discretion.-----

IX. TERMINATION BY THE CHIEF OF STAFF

The Chief of Staff shall have the authority to terminate this Contract at any time. If so directed by the Chief of Staff, PREPA will terminate this Contract by delivering to the Contractor a notice of termination specifying the extent to which the performance of the work under this Contract is terminated, and the effective date of termination. Upon the effective date of termination, the Contractor shall immediately discontinue all services affected and deliver to PREPA all information, studies and other materials property of PREPA. In the event of a termination by notice, PREPA shall be liable only for payment of services rendered up to and including the effective date of termination.-----

X. INTERAGENCY SERVICES

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

COMPLIANCE WITH THE COMMONWEALTH OF PUERTO RICO CONTRACTING REQUIREMENTS

The Consultant will comply with all applicable State Law, Regulations and Executive Orders that regulate the contracting process and establish the

requirements for governmental contracting in the Commonwealth of Puerto Rico, including but not limited to those mentioned in this Article. Also, the Consultant shall provide, before the execution of the Contract the following documents and certifications:

Filing of Puerto Rico Income Tax Returns

In compliance with Executive Order Number OE-1991-24 of June 18, 1991, the Contractor hereby certifies that it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last five (5) years. As evidence thereof, Contractor has delivered to PREPA an Income Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that Contractor has filed his Income Tax Return for the last five (5) tax years (Form SC 6088). The Contractor accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every Contractor and Subcontractor whose service the Contractor has secured in connection with the services to be rendered under this Contract and shall forward evidence to PREPA as to its compliance with this requirement.-----

A. Payment of Puerto Rico Income Taxes

In compliance with Executive Order Number OE-1991-24 of June 18, 1991, the Contractor, hereby certifies that it has complied and is current with the payment of all income taxes that are, or were due, to the Government of Puerto Rico. As evidence thereof, Contractor has delivered to PREPA a certification issued by the Treasury Department of Puerto Rico indicating that Contractor does not owe taxes to the Commonwealth of Puerto Rico;

or is paying such taxes by an installment plan in full compliance with its terms (Form SC 6096). During the term of this Contract, the Contractor agrees to pay and/or to remain current with any repayment plan agreed to by the Contractor with the Government of Puerto Rico. The Contractor accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each Subcontractor whose service the Contractor has secured in connection with the services to be rendered under this Contract and shall forward evidence to PREPA as to its compliance with this requirement.-----

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

Pursuant to Executive Order Number 1992-52, dated August 28, 1992 amending OE-1991-24, the Contractor certifies and warrants that it has made all payments required for unemployment benefits, workmen's compensation and social security for chauffeurs, whichever is applicable, or that in lieu thereof, has subscribed a payment plan in connection with any such unpaid items and is in full compliance with the terms thereof. As evidence thereof, Contractor has delivered to PREPA:

1. A certification issued by the Bureau of Employment Security (*Negociado de Seguridad de Empleo*) of the Puerto Rico Department of Labor and Human Resources certifying that Contractor does not owe taxes regarding Unemployment or Disability Insurance.
2. A certification issued by the Program for Social Security for Chauffeurs and Other Employees of the Puerto Rico Department of

Labor and Human Resources certifying that contractor has no debt with respect to such program in Income Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that Contractor has filed his Income Tax Return for the last five (5) tax years (Form SC 6088). -----

C. Real and Personal Property Taxes

Contractor hereby certifies and guarantees that it does not have any current debt regarding property taxes that may be registered with the Government of Puerto Rico's Municipal Tax Collection Center (*Centro de Recaudación de Ingresos Municipales* ("CRIM")). The Contractor further certifies to be current with the payment of any and all property taxes that are or were due to the Government of Puerto Rico. The Contractor shall provide:

1. A certification issued by the Municipal Revenues Collection Center ("MRCC"), assuring that Contractor does not owe any tax accruing during the last five (5) years to such governmental agency with respect to personal property; or negative Debt certification issued by the MRCC with respect to personal property taxes and a sworn statement executed by Contractor indicating that (i) its revenues are derived from the rendering of professional services, (ii) during the last 5 years (or the time in which it has been providing professional services) it has had no taxable business or personal property on the 1st of January of each year, (iii) that for such reasons it has not been required to file personal property tax returns, as required under Article 6.03 of Act 83-1991, as amended

and (iv) that for such reason it does not have an electronic tax file in the MRCC's electronic system. -----

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

D. Sales and Use Taxes

The Contractor has delivered to PREPA a:

1. Certification issued by the Puerto Rico Treasury Department indicating that Contractor does not owe Puerto Rico Sales and Use taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan and is in full compliance with its terms. -----
2. Puerto Rico Sales and Use Tax Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that Contractor has filed his Puerto Rico Sales and Use Tax for the last sixty (60) contributory periods.
3. Copy of Contractor's Certificate of Merchant's Registration issued by the Treasury Department of Puerto Rico.-----

E. Puerto Rico Child Support Administration (ASUME)

Contractor hereby certifies that it is not duty bound to pay child support, or if so, that Contractor is up to date or has a payment plan to such effects. As evidence thereof, the Contractor has delivered to PREPA a certification issued by the Puerto Rico Child Support Administration (*Administración Para El Sustento de Menores (ASUME)*) certifying that the Contractor have

any debt, outstanding debt, or legal procedures to collect child support payments that may be registered with ASUME. -----

F. **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.-----

G. **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.-----

H. **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.

I. **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.

J. **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.-----

K. **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.-----

L. **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.-----

M. **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.-----

N. **Dispensation**

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

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

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

P. 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.-----

Q. Anti-Corruption Code for a New Puerto Rico

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

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

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

S. **Consequences of Non-Compliance**

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

this Contract and shall forward evidence to PREPA as to its compliance with
this requirement.-----

XI. INSURANCE

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

1. Commonwealth of Puerto Rico Workmen’s Compensation Insurance

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

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

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

2. Employer’s Liability Insurance

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

3. Commercial General Liability Insurance

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

4. Commercial Automobile Liability Insurance

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

5. Professional Liability Insurance

The Contractor shall provide a Professional Liability Insurance with limits of \$1,000,000 per claim and \$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 as Additional Insured:

Puerto Rico Electric Power Authority (PREPA)
Risk Management Office
PO Box 364267
San Juan, Puerto Rico 00936-4267

- a. Contractor will provide a 30 day cancellation or nonrenewable notice to be sent to the above address.-----
- b. An endorsement under the Commercial General Liability and Commercial Automobile Liability Insurance policy including this Contract under contractual liability coverage and identifying it by number, date and parties to the contract.
- c. Waiver of subrogation in favor of Puerto Rico Electric Power Authority (PREPA).
- d. 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” or instead Separation of insureds applies on the Commercial General Liability and Commercial Automobile Liability

Insurance required under this Contract and will be evidenced on the certificate of insurance.-----

Furnishing of Policies

All required policies of insurance shall be issued only by insurance companies authorized to do business in Puerto Rico.-----

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

Parent Company Guarantee:

As a Contract security, the Contractor shall furnish at the time of the execution of the Contract:

Contractor shall furnish PREPA with a Parent Company Guarantee in a form mutually agreed by the Parties from its parent company with legal venue for all disputes in Puerto Rico. The amount of the Parent Company Guarantee shall be equal to the total contract amount and shall guarantee the Contractor's performance of all duties and obligations under the Contract inclusive of warranty obligations and prompt payment of all its employees, subcontractors and vendors under the requirements of the contract. -----

The Parent Company Guarantee shall remain in full force and effect during the entire term of this contract and warranty periods.-----

XII. NOTICES

All notices and other communications hereunder shall be in writing and shall be deemed given when delivered personally or sent by telecopy, or sent, postage

prepaid, by registered, certified or express mail (return receipt requested) or reputable overnight courier service and shall be deemed given when so delivered by hand, or telecopied, or if mailed, three days after mailing (one business day in the case of express mail or overnight courier service) to the parties at the following addresses:

If to PREPA:

José F. Ortiz Vázquez
Chief Executive Officer

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

If to Contractor:

James Mitchell
President

Accenture Puerto Rico, LLC
Metro Office Park
7 calle #1 suite 204
Guaynabo, Puerto Rico 00968

XIV. COUNTERPARTS

This Contract may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.-----

XV. INDEPENDENT CONTRACTOR

The Contractor shall be considered as an independent contractor for all material purposes under this Contract, and all persons engaged or contracted by Contractor for the performance of its services herein shall be considered as its partners, employees, contractors or agents or those of its subcontractors, and

not as partners, employees, contractors or agents of PREPA. In consequence, Contractor is not entitled to any fringe benefits such as: but not limited to: vacation, sick leave, and other. -----

XVI. RESPONSIBILITY FOR DAMAGES

The sole liability of either Party to the other for any and all claims in any manner related to this Contract (whether in contract, tort, negligence, strict liability in tort, by statute or otherwise) will be for direct damages, not to exceed (in the aggregate) an amount equal to the total portion of the Contract Amount attributable to the applicable SOW as set forth in Section III B (if the term of the SOW is 12 months or longer, the amount of the aggregate cap shall be limited to the portion of the Contract Amount attributable to the applicable SOW as set forth in Section III B during the 12 month period immediately preceding the event giving rise to the first such claim). In no event will either Party be liable (whether in contract, tort, negligence, strict liability in tort, by statute or otherwise) for any: (A) consequential, indirect, incidental, special or punitive damages, or (B) loss of profits, business, opportunity or anticipated savings (whether directly or indirectly arising).-----

XVII. 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 court of competent and exclusive jurisdiction to decide over the judicial controversies that the appearing Parties may have among them regarding the terms and conditions of this Contract.---

XVIII. SEPARABILITY

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

XIX. 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 attorney's fees) incurred by PREPA arising out of any third party claim made by any person for bodily injuries, including death, or for physical damage to tangible property, to the extent directly caused by the Contractor, by its negligent act or omission, in the performance or nonperformance of its obligations under the Contract, but not to the extent 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 indemnities 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.-----

XX. CHANGE IN LAW

Contractor will retain responsibility for compliance with all federal, state and local laws and regulations applicable to its businesses as a consulting services



and technology provider. During the term of this Contract, any change in such law, including, but not limited to changes in applicable tax law, which cause an increase in the Contractor's costs when providing the services, shall be the Contractor's responsibility and PREPA shall not be obligated to increase the Contract Amount. If during the term of this contract, Contractor presents evidence that the change in law has caused a material increase in their cost to provide services, the Parties, at the request of the Contractor, will meet to discuss whether an increase in the contract amount is justified. -----

XXI. FORCE MAJEURE

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.-----

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.-----

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. -----

XXII. Article Non-Discrimination

The Consultant agrees that it will not discriminate against any employee or applicant for employment on account of race, color, gender, age, sex, national or social origin, social status, political ideas or affiliation, religion, for being or perceived to be a victim of domestic violence, sexual aggression or harassment, regardless of marital status, sexual orientation, gender identity or immigrant status, for physical or mental disability, for veteran status or genetic information. -----

XXIII. NOVATION

The Parties expressly agree that no amendment or change order, which could be made to the Contract during its term, shall be understood as a contractual novation, unless both Parties agree to the contrary, specifically and in writing. The previous provision shall be equally applicable in such other cases where PREPA gives the 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.-----

XXIV. ENTIRE CONTRACT

Subject to any additional Federal or Commonwealth requirements not specified herein, which will be identified by PREPA if they become applicable and addressed through mutual agreement of the Parties, this Contract and its

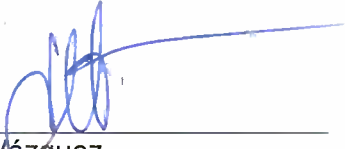


attachments, (and any executed amendments to either), constitutes the entire Contract between the Parties and supersedes all prior agreements and understandings, oral or written, with respect to the subject matter hereof. This Contract will inure to the benefit of, and be binding upon, the Parties and their respective successors and assigns.-----

IN WITNESS THEREOF, the Parties hereto execute this Contract as of the 30 of June, 2019.

PUERTO RICO ELECTRIC POWER
AUTHORITY

ACCENTURE PUERTO RICO, LLC



José F. Ortiz Vázquez
Chief Executive Officer
Tax ID Number: 660-43-3747

James E. Mitchell
President
Tax ID Number: 660-68-6987

SUMMARY OF SCOPE OF WORK

We look forward to assisting PREPA on your Digital Transformation across several fronts as described in detail in the Statements of Work included in this proposal. In summary, the scope of these SOWs includes:

Digital Transformation Strategy: Accenture’s scope of work is to support PREPA by broadly advancing various organizational, planning, budgetary, and governance components of its Grid Modernization Portfolio.

AMI Project Planning: Accenture’s scope of work is to support PREPA through a combination of broadly advancing various organizational, technical, and procurement components of its AMI Program and a specific focus on activities and deliverables for the AMI Vendor RFP process. Accenture will provide and support project management activities including planning, coordination, scheduling, and reporting.

Oracle CC&B Technology Upgrade: Accenture’s scope of work is to upgrade PREPA’s Oracle Customer Care and Billing application to version 2.7, along with the corresponding testing and data conversion as described in detail in the CC&B SOW.

Corporate Data Warehouse: Accenture’s scope of work is to design a corporate data warehouse for PREPA that includes data from multiple sources.

ADMS RFP Process: Accenture’s scope of work is to support PREPA through a combination of broadly advancing various organizational, technical, and procurement components of its ADMS Program and a specific focus on activities and deliverables for the ADMS Vendor RFP process. Accenture will provide and support project management activities including planning, coordination, scheduling, and reporting.

ESTIMATED TIMELINE

The individual projects resulting from the Statements of Work will follow a timeline agreed to and approved by PREPA and Accenture. Based on discussions we have had and our understanding of PREPA’s needs and priorities, we estimate that the projects will be performed according to the following timeline:

Project	Estimated Timeline (months)											
	M 1	M 2	M 3	M 4	M 5	M 6	M 7	M 8	M 9	M 10	M 11	M 12
Digital Transformation Strategy												
AMI Project Planning												
Oracle CC&B Technology Upgrade												
Corporate Data Warehouse												
ADMS RFP Process												

ESTIMATED COST

Each Statement of Work details the level of duration and corresponding cost. In the aggregate, the overall investment required for professional services and expenses for these projects is \$6,350,000 as detailed in the following table. Invoicing and payment terms will be detailed in the corresponding contract and/or Master Services Agreement.

PROJECT COST BREAKDOWN		
SOW	DESCRIPTION	COST
1	Digital Transformation Strategy	\$ 600,000
2	AMI and MDMS RFP	\$ 1,050,000
3	Oracle CC&B Technology Upgrade	\$ 2,150,000
4	Corporate Data Warehouse	\$ 1,000,000
5	ADMS RFP Process	\$ 1,050,000
6	Miscellaneous Hours Pool	\$ 500,000
	TOTAL	\$ 6,350,000

This cost does not include any software and/or hardware costs that may be required. For example, for the Oracle CC&B technology upgrade project, the cost of the Oracle and other software licenses as well as the hardware on which they will run, are not included in Accenture's professional services fees. Items such as those are PREPA's responsibility.

PUERTO RICO ELECTRIC POWER AUTHORITY

**STRATEGY AND
TECHNOLOGY
IMPROVEMENT
PROPOSAL**

**DRAFT – FOR DISCUSSION
PURPOSES ONLY**

APRIL 1, 2019

LEGAL DISCLAIMER

This document is proprietary and confidential to Accenture Puerto Rico, LLC ("Accenture"). It is supplied in confidence and, except for Puerto Rico Electric Power Authority evaluation purposes, cannot be disclosed, duplicated, or otherwise used in whole or in part without the prior written consent of Accenture.

The content of this document is subject to formal contract negotiations. Nothing in this document shall form the basis for any contract, and nothing contained in this document will be binding against Accenture unless expressly agreed to by Accenture under a formal contract. All representations and warranties, whether express or implied by statute, law, or otherwise, are hereby excluded.

Accenture interprets the following words and phrases used in the solicitation and this proposal in the manner indicated: "maximize," "optimize," and "optimal" mean to improve to a commercially reasonable degree; "minimize" means to reduce to a commercially reasonable degree; "best" means leading or of a high standard; "partner" and "partnerships" do not mean a legal partnership, but rather a collaborative relationship; "right," where used as an adjective, means appropriate; and "ensure" and "enable" mean to use commercially reasonable efforts to implement.

This document was prepared on the instructions and information given by the Puerto Rico Electric Power Authority and, accordingly, no responsibility is accepted for any inaccuracy or error or any action taken or not taken in reliance on this document.

These limitations are not in any way intended to restrict continuing business discussions between the Puerto Rico Electric Power Authority and Accenture.

April 1, 2019

Mr. Hiram Medero
Vice President for Corporate and Strategic Planning
Puerto Rico Electric Power Authority (PREPA)
San Juan, Puerto Rico

Dear Hiram:

Accenture is pleased to present this proposal to the Puerto Rico Electric Power Authority (PREPA) for professional services related to a number of critically important modernization efforts you have under way. After multiple discussions with your team and upon careful evaluation of PREPA's objectives and current challenges, we feel very confident that the Accenture team will meet and exceed your expectations on this critical initiative to realize value, enable true transformation, and deliver meaningful change as quickly as possible. We trust that our response will provide you with confidence in the work we can accomplish together and build a roadmap that PREPA can implement.

Based upon what you have shared with us, we believe we are uniquely positioned to support PREPA through this journey. Below are some of what we see as our differentiators, aligned to your principles:

- **Work as one team.** Accenture has driven multiple strategic projects for some of the world's largest electric utilities, including CenterPoint Energy, Duke Energy and the Electric Transmission Organization (ETO) Transformation Program at National Grid UK. PREPA will benefit from our experience and an environment that is conducive to 'thinking outside the box' and act as a catalyst to think boldly e.g. capital prioritization and asset maintain vs. replace decisions. We will work with your team side-by-side.
- **We are staffing a deeply experienced team with over 100 years of combined experience which has been there and done that.** PREPA will benefit from the support of a partner with a proven track record for this type of work, who has "been there done that" and will collaboratively work with your people. We have hand-picked a team comprised of seasoned professionals with broad People and Culture, Process Improvement, Stakeholder Engagement, Customer, and Technology Transformation Experience. We look forward to sharing our credentials and case studies with you.
- **We are bringing a unique combination of people, process, technology with OT and engineering.** We are committed to bring a core 'hub' senior team by a seasoned team of practitioners. Our professionals have experience in each of the areas needed to bring external insights to help PREPA's team make informed decisions. Senior level Subject Matter Advisors will be brought into the program to provide specific targeted insights and enable the team to keep moving at pace, and that will result in a practical and implementable roadmap not just words on a page.
- **We have a unique technical architecture capability.** Balancing trade-off decisions between the culture, strategy, process, and technology will be critical to guiding your decisions and confirm the business impact of your decisions along the way. Accenture brings an alliance network and skilled experts in virtually all potential technology solutions that could be brought to bear. Having a partner with this depth of experience that can bring real life experiences from other companies, will enable PREPA to narrow down options quickly and avoid the need for an expensive and time-consuming technology selection.
- **We have a long-standing presence in Puerto Rico.** Accenture has a long-standing presence in Puerto Rico. We have been providing continuous, mission-critical services to the Puerto Rico Aqueducts and Sewer Authority (PRASA) for over a decade. We can leverage that experience and personnel on the PREPA projects as needed.
- **We have recently completed a similar Oracle CC&B upgrade.** You have had the opportunity to speak with another electric utility client where we recently completed an upgrade of the Oracle



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Customer Care and Billing software for the same scope and within a similar timeline and budget to what we are proposing here.

We are providing individual Statements of Work (SOW) for each of the individual projects. Our team has worked diligently to describe each of the projects in detail, including scope, deliverables, expected timeline and budget so that PREPA can evaluate each one individually as you embark on this program.

We look forward to the opportunity to meet with you and discuss our any aspect of these Statements of Work. Should you have any questions regarding the enclosed response or the above, please contact Marcelo Casás at 407-616-6043 or me directly via email at Andre.P.Begosso@accenture.com.

Kindest Regards,

Andre Begosso

Managing Director, Accenture Puerto Rico, LLC

ABOUT ACCENTURE

We are including the following slides about Accenture and our Utilities practice to provide PREPA with background on our company and the work we do for our clients. Accenture is the world's leading global professional services company. We are proud of our industry focus and our commitment to understanding our clients' industry and business. This consulting focus enables us to add deep value to our clients beyond what they can get from just implementing new technology.

Who is Accenture?

Accenture is a leading global professional services company, providing a broad range of services and solutions in strategy, consulting, digital, technology and operations

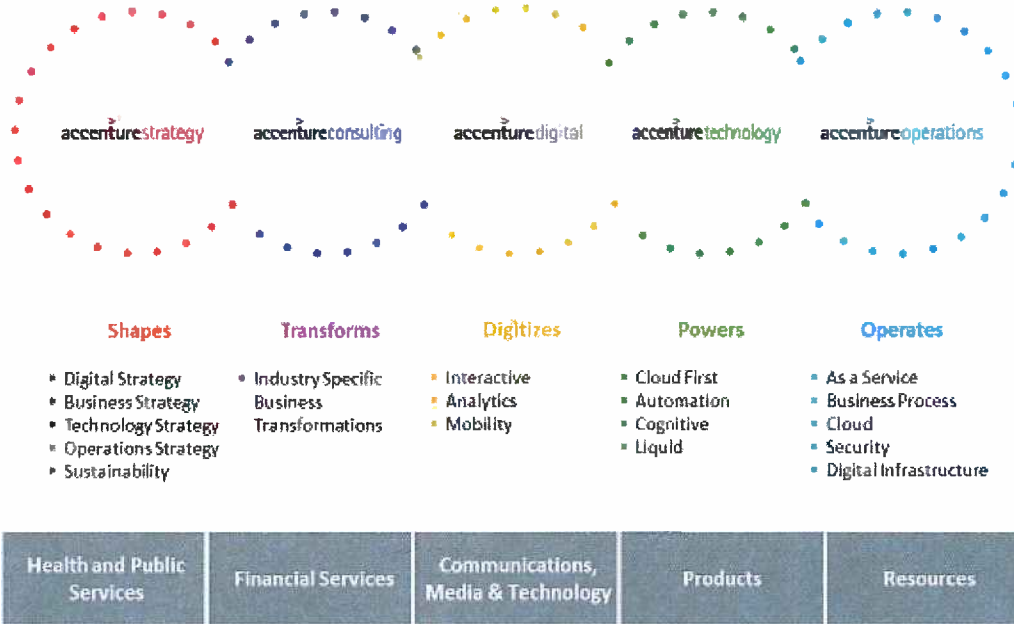
- Accenture works at the intersection of business and technology
- Unmatched experience and specialized skills across more than 40 industries and all business functions
- Underpinned by the world's largest delivery network
- Partner with clients to improve their performance and create sustainable value for their stakeholders
- Drive Innovation to improve the way the world works and lives



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Accenture is the only company with the ability to integrate end-to-end capability in an industry context



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WHAT SETS US APART, BY THE NUMBERS

<p>WE SERVE CLIENTS IN MORE THAN</p> <p>120</p> <p>countries</p>	<p>WE WORK ACROSS MORE THAN</p> <p>40</p> <p>industries</p>	<p>OF OUR TOP 100 CLIENTS</p> <p>98</p> <p>have worked with us for at least 10 years</p>	<p>CONSECUTIVE APPEARANCES</p> <p>16</p> <p>in Fortune's "World's Most Admired Companies" list</p>	<p>WE HAVE</p> <p>6K</p> <p>patents and patent pending applications in 44 countries</p>
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Accenture has a rich history of serving Utility clients

<p>Relationships with +200 of the world's leading utilities</p>	<p>+15,000 skilled utilities industry professionals</p>	<p>Working with 9 of the top 10 utilities on the Global Fortune 500</p>	<p>Services are structured around the Value Chain to address specific industry issues</p>
<p>A strong alliance Ecosystem</p>	<p>Investment in differentiated capabilities</p> <p>OMNIMETRIC Structure Real world Systems Energy consulting</p>	<p>Industry executive Forums</p> <p>Accenture International Utilities and Energy Conference (AIUEC) Accenture Smart Grid Leadership Network</p>	<ul style="list-style-type: none"> • Power Generation • Transmission and Distribution • Retail and Customer Services • Corporate Services

We help our clients to pursue
Digital Transformation
across the value chain to achieve
sustainable growth by mastering:



Our utilities business represented approximately **47%** of our Resources Operating Group's net revenues in Fiscal 2017.

Decades
of working with electric, gas and water utilities worldwide to
reinvent for the next generation

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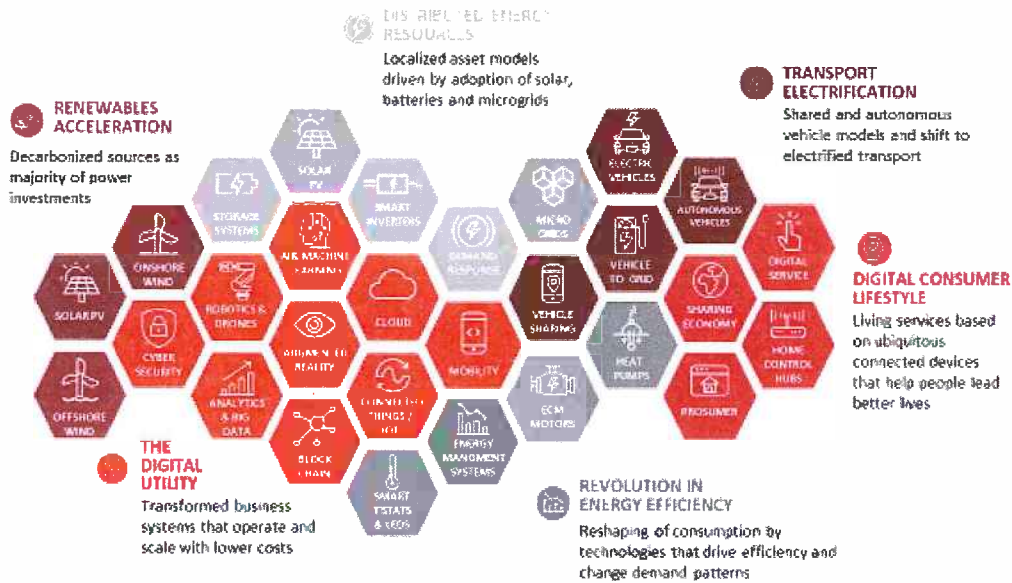
We serve clients around the globe every day



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In serving these global clients, we have identified six forces that are transforming the way the utility industry operates



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