

COMMONWEALTH OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

SECOND AMENDMENT

PROFESSIONAL SERVICES CONTRACT
2020-P00015 B

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 Chief Executive Officer/Executive Director, José F. Ortiz Vázquez, of legal age, married and resident of San Juan, Puerto Rico. -----

AS SECOND PARTY: Truenorth, Corp. (Consultant), a corporation organized and existing under the laws of the Government of Puerto Rico, authorized to do business in Puerto Rico, herein represented by its Chief Consulting Officer, mister Marcos Fabián Fejgielman Szeinfain, of legal age, married and resident of Guaynabo, Puerto Rico duly authorized to appear in representation of the Contractor by Corporate Resolution dated December 12, 2019.-----

Both 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 for its activities, programs, and operations. -----

WHEREAS: The appearing Parties executed Professional Services Contract 2020-P00015 (Contract) on July 23, 2019, for professional consulting services in project administration, management consulting in commercial services and collections operations. The Contract had a maximum amount of three hundred and fifty thousand dollars (\$350,000) (Contract Amount) through June 30, 2020. -----

WHEREAS: The Customer Service Directorate, requested a First Amendment to increase the Contract Amount by one hundred and thirty thousand dollars (\$130,000). --

WHEREAS: The Parties executed the First Amendment to the Contract to increase its Contract Amount by one hundred and thirty thousand dollars (\$130,000) for a total Contract Amount for Fiscal Year 2019-2020 of four hundred eighty thousand dollars (\$480,000). -----

WHEREAS: The Customer Service Directorate has informed that the Consultant has developed a virtual dashboard in Power BI Publisher that includes multiple Key Performance Indicators (KPI's) to measure the customer service operational performance. The identified KPI's allow the upper management to focus their efforts in areas with direct influence in PREPA's finances, such as correcting billing errors, estimated billings and identify pending field activities. The results of driving in action this

efforts are: increase collections, reduction in commercial offices visits, reduce the waiting time in the call centers, and improvement in customer satisfaction. -----

WHEREAS: It is in the best interest of PREPA to continue receiving these services in order to have available the tools to improve performance and efficiency in the customer service areas. -----

WHEREAS: For the abovementioned situation the Customer Service Directorate, required the extension of the Contract for Fiscal Year 2020-2021, from July 1, 2020 to June 30, 2021, according to Article 6 of the Contract, and increase the Contract Amount by seven hundred eighty thousand dollars (\$780,000) for the services to be render under the Fiscal Year 2020-2021, which will increase the Contract Amount to one million two hundred sixty thousand dollars (\$1,260,000), until June 30, 2021. -----

----WHEREAS: On March 25, 2020, PREPA's Governing Board, through Resolution 4773 authorized this Second Amendment -----

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

TERMS AND CONDITIONS

FIRST: The Parties agree to amend, Article 4. Contract Term, of the Contract to extend its term from July 1, 2020 to June 30, 2021. The remaining language of Article 4, as amended, shall remain unaltered and fully enforceable. -----

SECOND: The Parties agree to amend, Article 6. Payment, section 6.1 of the Contract to increase the Contract Amount by seven hundred eighty thousand dollars (\$780,000) for the services to be rendered under the extension period, from July 1, 2020 to June 30, 2021. The Parties recognize that the total Contract Amount will be one million

two hundred sixty thousand dollars (\$1,260,000) until June 30, 2021. The remaining language of Article 6, as amended, shall remain unaltered and fully enforceable. -----

All payments performed under this Amendment will be charged to PREPA's budget account number 01-4017-90500-550-374. -----

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

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

1. Certificate issued by the Treasury Department of Puerto Rico which indicates that Consultant does not owe taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan in full compliance with its terms. -----
2. An Income Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico, Area of Internal Revenues, assuring that Consultant has filed his Income Tax Return for the last five (5) tax years. -----
3. Certificate issued by the Municipal Revenues Collection Center (MRCC), demonstrating that Consultant does not owe any tax. -----
4. Certificate issued by the Municipal Revenues Collection Center (MRCC), indicates that Consultant has filed the Personal Property Tax Return to such governmental agency. -----
5. Certificate issued by the Department of Labor and Human Resources of Puerto Rico, that indicates that Consultant has paid to the Department of Labor

and Human Resources of Puerto Rico its employee contributions in accordance with the Puerto Rico Employment Security Act (unemployment, temporary disability or sickness), or is paying such contributions by an installment plan and is in full compliance with its terms.-----

6. Certificate issued by the Department of Labor and Human Resources of Puerto Rico, that indicates that Consultant has paid to the Department of Labor and Human Resources of Puerto Rico its employee contributions in accordance with the Puerto Rico Employment Security Act (social security for chauffeurs), or is paying such contributions by an installment plan and is in full compliance with its terms.-----

7. Certificate issued by the Puerto Rico Child Support Administration (ASUME) assuring that Consultant is in compliance with the collection of child support payments. -----

8. A copy of the Merchant Registration Certificate. -----

9. Puerto Rico Sales and Use Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico, Area of Internal Revenues, assuring that Consultant is in compliance with it. -----

10. Good Standing Certificate issued by the State Department of Puerto Rico. -----

Consequences of Non-Compliance

Consultant expressly agrees that the conditions outlined throughout this Section A are essential requirements of the Contract. Consequently, should any one of these representations, warranties or certifications be incorrect, inaccurate or misleading, in whole or in part, there shall be enough cause for PREPA to render the Contract null

and void. If any of the certifications listed in this Section A shows a debt, and Consultant has requested a review or adjustment of this debt, Consultant hereby certifies that it has made such request at the time of the Amendment execution. If the requested review or adjustment is denied and such determination is final, Consultant will provide, immediately, to PREPA a proof of payment of this debt; otherwise, Consultant accepts that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments. Consultant accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every subcontractor, if any approved by PREPA, whose service Consultant has secured in connection with the Services to be rendered under the Contract and shall send evidence to PREPA as to its compliance with this requirement. -----

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

FIFTH: 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. -----

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

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

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

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

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

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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.-----

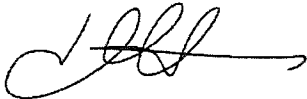
EIGHTH: Consultant understands and agrees that PREPA is prohibited to process any payment under the Contract until the enumerated certifications and sworn statements are submitted to PREPA. -----

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

In WITNESS WHEREOF, the Parties hereto have agreed to execute this Second Amendment of the Contract in San Juan, Puerto Rico, on this 19 day of June, 2020. -----

Puerto Rico Electric Power Authority

Truenorth, Corp.



José F. Ortiz Vázquez
Chief Executive Officer



Marcos Fabián Fejgielman Szeinfain
Chief Consulting Officer