

**GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY
AND BAKER, DONELSON, BEARMAN, CALDWELL & BERKOWITZ, PC
PROFESSIONAL SERVICES CONTRACT**

APPEAR

As First Party: The Puerto Rico Electric Power Authority (PREPA), a public corporation and government instrumentality of the Commonwealth of Puerto Rico, created by Act 83 of May 2, 1942, as amended, represented in this act by its Chief Executive Officer/Executive Director, José F. Ortiz Vázquez, of legal age, married, and resident of San Juan, Puerto Rico.

As Second Party: Baker, Donelson, Bearman, Caldwell & Berkowitz, PC (Consultant), a professional corporation organized under the laws of the State of Tennessee, with offices at Suite 900, 901 K Street NW, Washington, D.C.; herein represented by its Of Counsel, Ernest B. Abbott, of legal age, married, and a resident of the Commonwealth of Virginia, duly authorized to appear in representation of the Consultant by letter from its Chief Executive Officer Tim Lupinacci, dated July 16, 2019.

Both PREPA and the Consultant are herein entities referred to as a "Party" and collectively referred to as the "Parties".

WITNESSETH

WHEREAS, PREPA, by virtue of its enabling act (Act 83), has the authority to engage those professional, technical, and consulting services necessary and convenient to the activities, programs, and operations of PREPA;

WHEREAS, Pursuant Section 205(2)(d) of Act 83 competitive bidding shall not be necessary when professional or expert services or work are required and PREPA deems it in the best interests of good administration for such works or services to be contracted without such announcements;

WHEREAS, PREPA desires to enter into this Contract with the Consultant for the performance of the professional Services described herein;

WHEREAS, the Consultant states that it is ready, willing, and able to provide the Services pursuant to the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual promises and the terms and conditions set forth herein, PREPA and the Consultant agree as follows:

I. TYPE OF CONTRACT

- A. Contract Type:** This contract is to provide Federal regulatory compliance services in connection with PREPA grants or sub-grants from the Federal Emergency Management Agency (FEMA).

B. Scope of Services: provide legal analysis, advice, and opinions, as requested by PREPA, in relation to investigations and audits by the Office of Inspection General, and on all FEMA-related matters (Services).

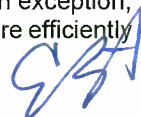
C. Additional Provisions regarding the Services:

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.
2. The Consultant represents that it has or shall obtain, or cause to be obtained, all personnel necessary to undertake and provide the Services in a manner satisfactory to PREPA.
3. The Consultant 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 PREPA's Chief Executive Officer or any of its authorized representatives. Such consent to subcontract shall not relieve the Consultant 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 Consultant's request for the making of a subcontract between the Consultant and its chosen subcontractor (hereinafter a "Subcontractor"). The Consultant shall be responsible for all services performed by the Subcontractor and all such services shall conform to the provisions of this Contract.

II. TERM OF CONTRACT

This Contract shall be in effect from the date of its execution until June 30, 2020 (Contract Period)¹. The Contract may be extended, at the exclusive option of PREPA, for additional annual fiscal periods subject to the availability of funds. Either party shall have the right to terminate this Contract, 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 shall terminate upon the expiration of thirty (30) days and PREPA shall be obligated to pay all fees and expenses incurred up to the day of effective termination, in accordance with the terms of this Contract. The rights, duties and responsibilities of the Parties shall continue in full force and effect during the thirty (30) day notice period. Consultant shall have no further right to compensation except for what has been accrued for services rendered under this Contract until said date of effective termination.

¹ Pursuant to Article 3(f) of Act 237-2004, government entities may not grant contracts that cover more than a fiscal year so as not to encumber future budgets. A contract may cover two (2) fiscal years, but it shall be limited to twelve (12) months and include a clause specifying that it shall terminate with the close of the year and that it shall be extended for twelve (12) calendar months, provided the parties agree and that there are funds available in the appropriate budgetary item. As an exception, multi-annual government contracts shall be allowed when the service can be obtained more efficiently and economically and when they are essential to guarantee the public service.



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

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 Agreement 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.

III. COMPENSATION AND PAYMENT

As compensation for services rendered under this Contract, PREPA agrees and Consultant accepts that the total amount to be paid under this Contract shall not exceed five hundred thousand dollars (\$500,000) (the "Contract Amount") However, nothing herein shall preclude the Parties from agreeing to increase said amount. PREPA will only pay for services that are evidenced by a properly submitted invoice for services rendered. Notwithstanding the foregoing, any increase to the Contract Amount shall be evidenced in writing and signed by the Parties. PREPA will not be required to make advance payments for any service to be rendered by Consultant under this Contract. Consultant shall promptly notify PREPA when the billing under the Contract amounts to seventy-five percent (75%) of the Contract Amount. Once this notification has been issued, Consultant, in coordination with PREPA, will ensure that no Services will be rendered in excess of the Contract Amount, except when a written amendment is agreed upon by both Parties. In addition, Consultant shall present a reasonably itemized list of the remaining billable work that is in progress under the Contract.

Appendix A attached hereto provides a schedule of the personnel assigned to provide the Services. Should Consultant assign another person not included in Appendix A hereto to attend to PREPA's matters pursuant to this Agreement, Consultant shall promptly send PREPA an amended schedule to include such person's name and/or position, and request approval from PREPA for such amended schedule. Such approval from PREPA shall not be unreasonably withheld.

All payments performed under this Contract will be charged to PREPA's budget account number 01-4019-92311-556-615.



Consultant 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 by each person. Each invoice for professional services shall be itemized and must be duly certified by an authorized representative of Consultant.

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

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 nullity that no public servant of the Puerto Rico Electric Power Authority, their respective subsidiaries or affiliates, will derive or obtain any benefit or profit of any kind from the contractual relationship which is the basis of this invoice. If such benefit or profit exists, the required waiver has been obtained prior to entering into the Contract. The only consideration to be received in exchange for the delivery of goods or for services provided is the agreed-upon price that has been negotiated with an authorized representative of the Puerto Rico Electric Power Authority. The total amount shown on this invoice is true and correct. The services have been rendered, and no payment has been received."

Consultant agrees to submit bank account wiring instructions to PREPA in order to facilitate payment by means of electronic transfer.

IV. REIMBURSABLE EXPENSES

- 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 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. 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.
- C. 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; (f) time spent attending education seminars or training programs; or (h) mark-ups or surcharges on any cost or expense. In addition, if communications are sent to PREPA using more than one medium, PREPA does not expect to pay for the cost of both communications. For instance, if a piece of correspondence is sent to PREPA by email, we do not expect to pay for the cost of that same correspondence if it is also sent via regular or expedited mail.
- D. PREPA will reimburse Consultant for separately itemized expenses and disbursements in the following categories:
- (i) 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.
 - (ii) 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.
 - (iii) 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.
 - (iv) 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). Consultant shall submit a copy of the airline ticket

and paid invoice. Airfare may only be invoiced following completion of travel.

Airfare necessary to attend PREPA's official business will be paid by PREPA according to these guidelines. Consultant shall buy an economy class ticket or equivalent, then if desired, he/she may upgrade, but PREPA will only pay the amount corresponding to the economy class or equivalent airfare. Baggage fees will not be reimbursed.

Any travel and lodging expense for which a reimbursement is requested shall be reasonable and necessary, and any extraordinary travel and lodging expenses shall be authorized in writing and in advance by PREPA.

E. Maximum Per Diem Rates (no proof of payment will be required):

Meals: - \$57 per person for each traveling day for persons working "on-site" at PREPA. Under no circumstances PREPA will reimburse alcoholic beverages.

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

- F. Reimbursable expenses shall not exceed six percent (6%) of the Agreement Price in one year and will be reimbursed by PREPA through the presentation of acceptable evidence for such expenses. This limitation does not apply to expenses related to third-party services necessary for Consultant to render its Services under the Agreement, given they are previously approved by PREPA.
- G. 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.
- H. Third-Party Services – The approval of PREPA must be obtained in writing prior to retaining any third-party services. Consultant shall be responsible for ensuring that there are no conflicts of interest between any third party and

PREPA or between any third-party clients and PREPA. In addition, all arrangements with third-party vendors should include an appropriate undertaking of confidentiality and data privacy. Invoices from third-party vendors should be paid directly by Consultant, incorporated into its invoice to PREPA and should include appropriate detail. Copies of third-party invoices may be requested by PREPA and should be retained in accordance with PREPA's guidelines.

PREPA reserves the right to question the charges on any bill (even after payment) and to ask for 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. Consultant acknowledges that in executing its services pursuant to this Contract, it has an obligation of complete loyalty towards PREPA, including having no conflict of interests. "Conflict of interests" means 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 Consultant when executing the Contract or while it is in effect.

This conduct by one of Consultant's partners, members, directors, executives, officers, clerks, or employees shall be attributed to Consultant for purposes of this prohibition. Consultant shall endeavor to avoid even the appearance of the existence of a conflict of interest that has not otherwise been waived.

Consultant acknowledges the power of PREPA's Chief Executive Officer to oversee the enforcement of the prohibitions established herein. If PREPA's Chief Executive Officer determines the existence or the emergence of conflict of interest with Consultant, he shall inform such findings in writing and his intentions to terminate the Contract within a fifteen (15) day term. Within such term, Consultant can request a meeting with 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.

Consultant certifies that at the time of the execution of this Contract, it does not have nor does represent anyone who has conflict of interest that are in conflict with PREPA. If such conflicting interests arise after the execution of this

Contract, Consultant shall, to the extent consistent with its obligations to other clients, notify PREPA immediately.

- B. 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.

VI. RESPONSIBILITIES OF PREPA

PREPA shall use reasonable efforts to cooperate with the Consultant, including by providing any information reasonably requested by Consultant and providing access to any facility at which the Services are to be performed at such times as may reasonably be requested by the Consultant.

VII. OWNERSHIP AND USE OF DOCUMENTS

With the exception of Consultant's working papers, the Consultant acknowledges PREPA's ownership of all information, drafts, documents, reports, papers, and other materials developed and prepared by the Consultant, its agents or representatives, for purposes of performing the obligation hereunder. In the event of any termination, Consultant shall deliver such information, drafts, reports, papers and other materials to PREPA, in document form and/or as computer program data, and the Consultant recognizes PREPA's right to request such documentation and/or computer program data. Should Consultant fail to deliver said information, PREPA may seek a judicial order to enforce its rights. Except as otherwise provided, all information, drafts, documents, reports, papers and other materials developed and prepared by the Consultant 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.

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 Consultant (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, compilation, studies and interpretation or other documents prepared by Consultant, its agents or representatives in connection with the PREPA's operations.
- B. **Non-Disclosure:** Consultant and its employees, affiliates and authorized subcontractors agrees to take all reasonable steps or measures to keep confidential all Confidential Information and will not, at any time, present or future, without PREPA's express written authorization, use or sell, market or

disclose any Confidential Information to any third party, firm, corporation, or association for any purpose whatsoever. Consultant further agrees that, except as they relate to the normal course of the service, the Consultant 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. Consultant retains the right to control its work papers subject to these confidentiality provisions.

"Confidential Information" shall not apply to any information which:

- a) is generally known to (a) the public at the time of disclosure to Consultant or becomes generally known through no wrongful act on the part of Consultant;
- b) is in Consultant's possession at the time of disclosure otherwise than as a result of Consultant's breach of any legal obligation;
- c) becomes known to Consultant through disclosure by sources other than Consultant having the legal right to disclose such information; or
- d) is independently developed by Consultant without reference to or reliance upon the confidential information.

In addition, these provisions shall not prohibit Consultant from making any disclosure pursuant to any subpoena or order of a court or a Governmental or Administrative tribunal which may assert jurisdiction over Consultant; provided that, to the extent legally permissible, Consultant 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.

Consultant will not disclose any Confidential Information relating to the work that Consultant performs under this Contract.

Consultant 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 Consultant shall direct them, and they shall agree, to treat such information as confidential and to return all materials to Consultant 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.

In connection with the services rendered under this Contract, Consultant will furnish PREPA any necessary reports, analyses or other such materials that exist as of the date requested, as PREPA may reasonably request. Consultant shall not invoice the time spent to gather and deliver such information. PREPA, however, acknowledges that Consultant 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 Consultant from developing

GBA

or disclosing such materials and information provided that the same do not contain or reflect Confidential Information.

C. Return of Documents: Consultant 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, Consultant 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: Consultant'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 Consultant and PREPA will be entitled to terminate this Contract forthwith, without having to comply with the requirements of notice set forth above, without limitations of any other rights and remedies under law, and will release and discharge PREPA from any further obligations and liabilities hereunder.

IX. TERMINATION BY THE CHIEF OF STAFF OF THE GOVERNOR OF PUERTO RICO AND INTERAGENCY CONTRACTS

Pursuant to Memorandum No. 2017-001, Circular Letter 141-17, of the Office of the Chief of Staff of the Governor of Puerto Rico (*Secretaría de la Gobernación*) and the Office of Management and Budget (*Oficina de Gerencia y Presupuesto – OGP*), 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 Consultant 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 Consultant 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.

Both Parties acknowledge and agree that the contracted services herein may be provided to another entity of the Executive Branch which enters into an interagency



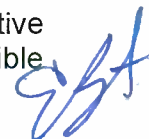
agreement with PREPA or by direct disposition of the Office of the Chief of Staff. These services will be performed under the same terms and conditions in terms of hours of work and compensation set forth in this Contract. For the purpose of this clause, the term "entity of the Executive Branch" includes all agencies of the Government of Puerto Rico, as well as public instrumentalities, public corporations.

X. COMPLIANCE WITH THE COMMONWEALTH OF PUERTO RICO CONTRACTING REQUIREMENTS

The Consultant will comply with all applicable State Law, Regulations or Executive Orders that regulate the contracting process and requirements of the Commonwealth of Puerto Rico. Particularly: *Law Num. 237-2004*, as amended, which establishes uniform contracting requirements for professional and consultant services for the agencies and governmental entities of the Commonwealth of Puerto Rico. 3 L.P.R.A. § 8611 et seq., and the Puerto Rico Department of Treasury Circular Letter Number 1300-16-16. CC Núm. 1300-16-16 (22/01/2016). Available at: <http://www.hacienda.pr.gov/publicaciones/carta-circular-num-1300-16-16>.

Also, Consultant shall provide, within ten (10) days of the execution of this Contract, the following:

- A. Copy of its Articles of Incorporation or creation.
- B. Certificate of Existence, issued by the country in which it is incorporated or created.
- C. A sworn statement in which Consultant will establish and certify:
 - (i) Consultant's tax identification number,
 - (ii) The country in which Consultant is incorporated or created,
 - (iii) That Consultant does not have any tax responsibility in the Commonwealth of Puerto Rico,
 - (iv) That the compliance with the terms and conditions of this Contract does not make Consultant an entity doing business in Puerto Rico,
 - (v) That Consultant does not have a local office in the Commonwealth of Puerto Rico.
- D. Puerto Rico Child Support Administration (*ASUME*): Consultant hereby certifies that it is not duty bound to pay child support, or if so, that Consultant is up to date or has a payment plan to such effects. As evidence thereof, Consultant has delivered to PREPA a certification issued by the Puerto Rico Child Support Administration (*Administración para el Sustento de Menores (ASUME)*) certifying that Consultant does not have any debt, outstanding debt, or legal procedures to collect child support payments that may be registered with *ASUME*.
- E. Special Contribution for Professional and Consulting Services: As required by Act 48-2013, as amended, PREPA will withhold a special contribution of one point five percent (1.5%) of the gross amounts paid under this Contract.
- F. Social Security and Income Tax Retentions: In compliance with Executive Order 1991 OE-24; and C.F.R. Part 404 et. seq., Consultant will be responsible



- for rendering and paying the Federal Social Security and Income Tax Contributions for any amount owed as a result of the income from this Contract.
- G. Income Tax Retention Law: PREPA shall deduct and withhold ten percent (10%) of any and all payments to residents of the Commonwealth of Puerto Rico as required by the Internal Revenue Code of Puerto Rico. In case of US citizens and Non-US citizens which are nonresidents of the Commonwealth of Puerto Rico, Consultant will retain twenty percent (20%) and twenty-nine percent (29%) respectively. PREPA will remit such withholdings to the Government of Puerto Rico's Treasury Department (known in Spanish as *Departamento de Hacienda de Puerto Rico*). Consultant will request PREPA not to make such withholdings if, to the satisfaction of PREPA, Consultant timely provides a release from such obligation by the Government of Puerto Rico's Treasury Department. 3 L.P.R.A. § 8611 et seq., 2011 L.P.R.A. 232; 232-2011.
- H. Compliance with Act No. 1 of Governmental Ethics: Consultant will certify compliance with Act 1 of January 3, 2012, as amended, known as the Ethics Act of the Government of Puerto Rico, which stipulates that no employee or executive of PREPA nor any member of his/he immediate family (spouse, dependent children or other members of his/her household or any individual whose financial affairs are under the control of the employee) shall have any direct or indirect pecuniary interest in the services to be rendered under this Contract, except as may be expressly authorized by the Governor of Puerto Rico in consultation with the Secretary of Treasury and the Secretary of Justice of the Government. 3 L.P.R.A. § 8611 et seq.;
- I. Law 127-2004: Contract Registration in the Comptroller's Office of Puerto Rico Act: Payment for services object of this Contract will not be made until this Contract is properly registered in the Office of the Comptroller of the Government of Puerto Rico pursuant to Law 18 of October 30, 1975, as amended.
- J. 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.
- K. 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.
- L. 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

CBA

recommendation from the Secretary of the Treasury and the Secretary of Justice.

- M. 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.
- N. 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.
- O. Dispensation: Any and all necessary dispensations have been obtained from any government entity and that said dispensations shall become part of the contracting record.
- P. Rules of Professional Ethics: Consultant acknowledges and accepts that it is knowledgeable of the rules of ethics of its profession and assumes responsibility for its own actions.

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

XI. ANTI-CORRUPTION CODE FOR A NEW PUERTO RICO

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

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

Consultant hereby certifies that it has not been convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended,

known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.

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

Consequences of Non-Compliance: Consultant expressly agrees that the conditions outlined throughout this Article are essential requirements of this Contract. Consequently, should any one of these representations, warranties or certifications be incorrect, inaccurate or misleading, in whole or in part, there shall be sufficient cause for the PREPA to render this Contract null and void, and the Consultant shall reimburse the PREPA all moneys received under this Contract.

XII. COMPLIANCE WITH APPLICABLE FEDERAL LAW, REGULATIONS AND EXECUTIVE ORDERS

A. PROVISIONS APPLICABLE FOR CONTRACTS OVER \$100,000.00

Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended). Consultants who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to PREPA and the Government of Puerto Rico who will in turn forward the certification(s) to the Federal awarding agency.

B. ADDITIONAL PROVISIONS APPLICABLE FOR CONTRACTS OVER \$150,000.00

For all contracts in excess of \$150,000.00, the provisions of this paragraph (B) will apply in addition to the provisions set forth in paragraph (A) above.

1. **Breach of Contract Terms.** Any violation or breach of terms of this Contract on the part of the Consultant or a Subcontractor may result in the suspension or termination of this Contract or such other action, including the recovery of damages, as may be necessary to enforce the rights of PREPA. The duties and obligations imposed by this Contract and the rights and remedies available hereunder shall be in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law.
2. **Clean Air Act and the Federal Water Pollution Control Act.** The Consultant agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq., and the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq. The Consultant agrees to report each violation to PREPA and understands and agrees that PREPA will, in turn, report each violation as required to assure notification to the Commonwealth of Puerto Rico, Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office. The Consultant agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance.

C. ADDITIONAL PROVISIONS APPLICABLE TO ALL CONTRACTS, REGARDLESS OF THE CONTRACT AMOUNT.

1. **Changes.** At any time, and only through a written change order instruction, PREPA may make changes in the Services or work to be performed within the general scope of this Contract. If such changes cause an increase or decrease in Consultant's cost of, or time required for, performance of any services under this Contract, an equitable adjustment shall be made and this Contract shall be modified in writing accordingly, provided, however, that no changes shall be made to the scope of the Services that would render the costs incurred in the performance of this Contract unallowable or not allocable under, or outside the scope or not reasonable for the completion of, Federal grant awards from FEMA or any other U.S. Federal agency.
2. **Sufficiency of Funds.** The Contractor recognizes and agrees that all or a portion of the funding for this Contract shall be derived from assistance awarded by Federal agencies of the United States of America to PREPA or the Government of Puerto Rico. As part of its obligations under this

CBA

Contract, Contractor shall ensure that the work performed hereunder is eligible for funding by complying with all applicable Federal law, regulations, executive orders, Federal agency policy, procedures, directives and guidelines. If during the term of this Contract, Federal or local funding is reduced, deobligated, or withdrawn, PREPA may reduce the scope of or terminate the Contract, without penalty, by providing written notice to Contractor of the changes in scope or termination. The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to PREPA, Contractor, or any other party pertaining to any matter resulting from this Agreement.

3. **Indemnification.** The Consultant shall indemnify, defend and hold harmless PREPA, its agents and employees, from and against any and all claims, actions, suits, charges and judgments arising from, or related to, the negligence, fraud or willful misconduct of the Consultant in the performance of the services called for in this Contract. The failure of the Consultant to obtain, maintain, or pay for any insurance coverage necessary to ensure its obligations under this Contract and/or the failure of Consultant's insurance carrier to provide insurance coverage shall not relieve Consultant of its indemnification obligations.
4. **FEMA Disaster Assistance Survivor/Registrant Data.**
 - (a) If the Consultant has access to Disaster Assistance Survivor/Registrant data or any other personally identifiable information, the Consultant shall comply with the provisions of the Terms and Conditions for Sharing FEMA Disaster Assistance Survivor/Registrant Data with State Governments set forth in the FEMA-Commonwealth Contract for FEMA-4339-DR-PR.
 - (b) The Consultant shall indemnify, defend, and hold harmless PREPA and the Commonwealth of Puerto Rico for any and all costs associated with the defense of that litigation, including costs and attorneys' fees, settlements, or adverse judgments arising from the Consultant's failure to comply with the requirements under this Contract.
5. **Costs.** All costs incurred by the Consultant in performance of this Contract must be in accord with the cost principles of 2 C.F.R. pt. 200, Subpart E. PREPA shall not be required to make payments to the Consultant for costs which are found to be contrary to the cost principles 2 C.F.R. pt. 200, Subpart E.
6. **Financial Management System.** The Consultant's financial management system shall provide for the following:

GBA

- (a) accurate, current, and complete disclosure of the financial results of this Contract and any other contract, grant, program or other activity administered by the Consultant;
 - (b) records adequately identifying the source and application of all Consultant funds and all funds administered by the Consultant which shall contain information pertaining to all contract and grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays and income, and shall be segregated by contract or on a contract-by-contract basis;
 - (c) effective internal control structure over all funds, property and other assets, sufficient to allow the Consultant to adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes;
 - (d) comparison of actual outlays with budgeted amounts for this Contract and for any other contract, grant, program or other activity administered by the Consultant;
 - (e) accounting records supported by source documentation;
 - (f) procedures to minimize elapsed time between any advance payment issued and the disbursement of such advance funds by the Consultant; and
 - (g) procedures consistent with the provisions of any applicable policies of the Federal Government and the Commonwealth of Puerto Rico and procedures for determining the reasonableness, allowability and allocability of costs under this Contract.
7. **Penalties, Fines, and Disallowed Costs.** In the event that any U.S. Federal agency or the Commonwealth of Puerto Rico disallows or demands repayment for costs incurred in the performance of this Contract, or if any penalty is imposed due to an act or omission by the Consultant, the Consultant shall be solely responsible for such penalty, disallowed costs, or repayment demand, and shall reimburse PREPA in full within ten (10) days of receiving notice from PREPA of such penalty, disallowance, or repayment demand. Any monies paid by the Consultant pursuant to this provision shall not relieve the Consultant of liability to PREPA for damages sustained by PREPA by virtue of any other provision of this Contract.
8. **Debarment, Suspension, and Ineligibility.**
- (a) The Consultant represents and warrants that the Consultant, its principals, and affiliates have not been debarred, suspended, or placed in ineligibility status under the provisions of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000 (government debarment and suspension regulations). The Consultant represents and warrants that it will not enter into any contracts or subcontracts with any individual or entity which has been debarred, suspended, or deemed ineligible under those provisions. During the term of this Contract, the Consultant will periodically review

gBA

SAM.gov and local notices to verify the continued accuracy of this representation. The Consultant shall require all Subcontractors at every tier to comply with this requirement.

- (b) This certification is a material representation of fact relied upon by PREPA. If it is later determined that the Consultant did not comply with 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000, in addition to remedies available to the Commonwealth of Puerto Rico and PREPA, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

9. **Reporting Requirements.** The Consultant shall complete and submit all reports, in such form and according to such schedule, as may be required by PREPA.

10. **Review of laws.** The Consultant certifies that it will access online and read each law that is cited in the aforementioned clauses and that, in the event it cannot access the online version, it will notify the PREPA in order to obtain printed copies of the laws. Not requiring a printed copy of the laws to the PREPA will be evidence that the Consultant was able to find it online and read it as required.

11. **Notice of Federal Emergency Management Agency (FEMA) Reporting Requirements and Regulations:**

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

- (b) Applicable Regulations and Policy. Applicable regulations, FEMA policy, and other sources setting forth these reporting requirements include, but are not limited to:

- (1) 2 C.F.R. § 327 (Financial Reporting);
- (2) 2 C.F.R. § 200.328 (Monitoring and Reporting Program Performance);
- (3) Performance and financial reporting requirements set forth in 2 C.F.R. Part 206.



12. **Access to Records.**

- (a) The Consultant agrees to provide PREPA, the Commonwealth of Puerto Rico, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Consultant which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts, and transcriptions.
- (b) The Consultant agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
- (c) The Consultant agrees to provide the FEMA Administrator or his authorized representatives' access to work sites pertaining to the work being completed under the Contract.

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

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

15. **Procurement of Recovered Materials.** In the performance of this Contract, the Consultant shall make maximum use of products containing recovered materials that are Environmental Protection Agency ("EPA")- designated items unless the product cannot be acquired—(i) competitively within a timeframe providing for compliance with the Contract performance schedule; (ii) meeting Contract performance requirements; or (iii) at a reasonable price. Information about this requirement, along with the list of EPA-designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>. (iii) The Consultant also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act.

16. **Energy Efficiency.** The Consultant agrees to comply with the requirements of 42 U.S.C. § 6201, which contain policies relating to energy efficiency that

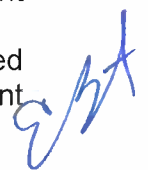


are defined in the Government of Puerto Rico's energy conservation plan issued in compliance with said statute.

17. **Age Discrimination Act of 1975.** The Consultant shall comply with the provisions of the Age Discrimination Act of 1975. No person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity receiving federal financial assistance.
18. **Americans with Disabilities Act.** The Consultant shall comply with the appropriate areas of the Americans with Disabilities Act of 1990, as enacted and from time to time amended, and any other applicable federal regulation. A signed, written certificate stating compliance with the Americans with Disabilities Act may be requested at any time during the term of this Contract.
19. **Title VI of the Civil Rights Act of 1964.** The Consultant shall comply with the provisions of Title VI of the Civil Rights Act of 1964. No person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.
20. **Section 504 of the Rehabilitation Act of 1973, as Amended.** The Consultant agrees that no otherwise qualified individual with disabilities shall, solely by reason of his disability, be denied the benefits, or be subjected to discrimination including discrimination in employment, any program or activity that receives the benefits from the federal financial assistance.
21. **Drug-Free Workplace.** The Consultant shall maintain a drug-free work environment in accordance with the Drug-Free Workplace Act of 1988 (41 U.S.C. § 8101 et seq.), and implementing regulations at 2 C.F.R Part 3001.
22. **Contracting with Small and Minority Firms, Women's Business Enterprises, and Labor Surplus Area Firms.**

(a) Definitions.

- (1) **Small Business.** A business qualifies as a small business under the Small Business Administration criteria and size standards at 13 C.F.R. Part 121.
- (2) **Women's Business Enterprise.** A business that is: (a) at least 51 percent owned by one or more women and (b) whose management and daily operations are controlled by one or more women.
- (3) **Minority Business:** A business that is (a) at least 51 percent owned by one or more minority group members and (b) whose management



and daily operations are controlled by one or more minority group members.

(4) Labor Area Surplus Firm. A labor surplus area firm is a firm that, together with its first tier Subcontractors, will perform substantially in localities that have a "civilian average annual unemployment rate during the previous two calendar years of 20 percent or more above the average annual civil unemployment rate for all states" during that same period. 20 C.F.R. §§ 654.4-654.5.

(b) The Consultant must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

(c) Affirmative steps must include:

(1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

(2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

(3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;

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

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

23. **Rights to Inventions Made Under a Contract.** Unless otherwise provided by law, this Contract is subject to the Bayh-Dole Act, Pub. L. No. 96-517, as amended, and codified in 35 U.S.C. § 200 et seq., and the specific requirements governing the development, reporting, and disposition of rights to inventions and patents resulting from federal financial assistance awards located at 37 C.F.R. Part 401 and the standard patent rights clause located at 37 C.F.R. § 401.14. 35 U.S.C. § 200 et seq.

24. **Compliance with Laws, Regulation and Executive Orders.** The Consultant acknowledges that FEMA financial assistance will be used to fund this Contract. The Consultant shall comply will all applicable Federal and Commonwealth of Puerto Rico law, regulations, executive orders, policies, procedures, and directives, including but not limited to all Federal

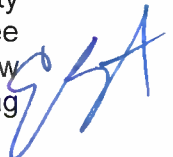
Cost Principles set forth in 2 C.F.R. Part 200, and all applicable FEMA regulations in 44 C.F.R. Chapter I.

25. **Provisions Required by Law Deemed Inserted.** Each and every provision required by law regulation, executive order, policy, procedure, directive, Federal grant award or agreement, or cooperative agreement with any Federal agency to be inserted in this Contract shall be deemed to be inserted herein and the Contract shall be read and enforced as though it were included herein. If, through mistake or otherwise, any provision is not inserted, or is not correctly inserted, then upon the application of either party the Contract shall be amended to make such insertion or correction.
26. **Agreement to Execute Other Required Documents.** Consultant and all Subcontractors, by entering into the Contract, understand and agree that funding for the Services is provided under Federal programs with specific contracting requirements. To the extent any such requirement is not otherwise set forth herein, Consultant agrees to execute such amendments or further agreements as may be necessary to ensure that the PREPA received Federal funding for this Contract.
27. **U.S. Department of Homeland Security Seal, Logo, and Flags. The Consultant** shall not use the U.S. Department of Homeland Security seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.
28. **No Obligation by the Federal Government.** PREPA and the Consultant acknowledge and agree that the Federal Government is not a party to this Contract and is not subject to any obligations or liabilities to PREPA, the Consultant, or any other party pertaining to any matter resulting from the contract.

XIII. Insurance. The Consultant shall maintain adequate insurance coverage to hold harmless PREPA, its agents and employees from and against any and all claims, actions, suits, charges and judgments arising from or related to the negligence, fraud or willful misconduct of the Consultant in the performance of the Services.

Consultant shall obtain and maintain in full force and effect during the life of this Contract policies of insurance covering all the services engaged under the Contract, which shall be obtained from insurance companies authorized to provide coverage for operations in Puerto Rico, and to that effect it shall provide in original certificates of insurance and endorsements, as follows:

- A. Employer's Liability Insurance – Consultant shall provide Employer's Liability Insurance with 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 Consultant as result of bodily injury, by accident or disease, including



death arising out of and in the course of employment, outside 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.

- B. Commercial General Liability Insurance – Consultant shall provide a Commercial General Liability Insurance with limits of \$1,000,000 per claim and \$1,000,000 aggregate.
- C. Automobile Liability Insurance – Consultant shall provide a Comprehensive Automobile Liability Insurance with limits of \$1,000,000 combined single limits covering all owned, non-owned and hired automobiles.
- D. Professional Liability Insurance – Consultant shall maintain 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
Risk Management Office
PO Box 364267
San Juan, Puerto Rico 00936-4267

The additional insurance requirement may be satisfied by a blanket additional insured endorsement. This endorsement must clearly show the policy numbers for the Commercial General Liability Insurance and the Automobile Liability Insurance, respectively. A thirty (30) day cancellation or nonrenewable notice to be sent by certified mail with return receipt to the above address;

Identify on the certificates of insurance that the General Liability Insurance and Automobile Liability Insurance include this Contract under Contractual liability coverage identifying it by number, date, and parties to the Contract;

Waiver of subrogation in favor of PREPA for claims due to Consultant's sole negligence;

Breach of Warranties or conditions: The breach of any of the Warranties or Conditions in this policy by Consultant shall not prejudice PREPA's rights under this policy.

XIV. Modifications and Amendments. No amendment to or modification or other alteration of the Contract shall be valid or binding upon the parties unless made in

writing, signed by the parties and, if applicable, approved by the Commonwealth of Puerto Rico.

XV. Assignment. The Consultant shall not assign, hypothecate, or encumber any interest in this Contract, and shall not transfer any interest or any of its liabilities or obligations under this Contract (whether by assignment or novation) without the prior written approval of PREPA.

XVI. Disputes.

(a) In the event of a disputed or contested billing, the PREPA shall withhold only the contested amount and shall pay any undisputed amount. No interest shall accrue on any unpaid balance.

(b) Any claims or causes of action that may arise out of this Contract must be heard by a court of competent jurisdiction in the Commonwealth of Puerto Rico, and the Consultant hereby irrevocably submits to the exclusive jurisdiction of the United States District Court for the District of Puerto Rico / the courts of the Commonwealth of Puerto Rico in connection with any claims or causes of action that may arise out of this Contract.

XVII. Governing Law. Contract shall be governed by, interpreted and enforced in accordance with, the laws of the Commonwealth of Puerto Rico and any applicable Federal laws and regulations. In the event of conflict between Puerto Rican law and Federal laws and regulations, the latter shall prevail.

XVIII. Severability. In the event that any one or more of the provisions contained in this Contract are for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability will not affect other provisions of this Contract. If any clause is not applicable to the specific type of Contract in no way that will affect the applicability of all applicable clauses within this Contract.

XIX. Certification of Government Agreements: The Consultant hereby certifies that, at the time of execution of this Contract, it does not have any other agreement with any agency, public corporation, municipality, or instrumentality of the Government of Puerto Rico.

XX. Rules of Professional Ethics: The Consultant acknowledges and accepts that it is knowledgeable of the rules of ethics of his/her profession and assumes responsibility for his/her own actions.

XXI. 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

g/SA

business day in the case of express mail or overnight courier service) to the parties
at the following addresses:

If to Contractor:

Ernest B. Abbott Of Counsel
Baker, Donelson, Bearman, Caldwell & Berkowitz
901 K Street NW, Suite 900
Washington, DC 20001

If to PREPA:

José F. Ortiz Vázquez
Chief Executive Officer/Executive Director
Puerto Rico Electric Power Authority PO Box 364267
San Juan, Puerto Rico 00936-4267


IN WITNESS THEREOF, the Parties hereto execute this Contract as of the 23 of
July, 2019.

Puerto Rico Electric Power Authority

**Baker Donelson, Bearman, Caldwell
& Berkowitz, PC**



José F. Ortiz Vázquez
Chief Executive Officer
Tax Id No. 660-43-3747



Ernest B. Abbott
Of Counsel
Tax Id No. 62-1047356

APPENDIX A
HOURLY RATES

NAME	TITLE	RATE
Ernest B. Abbott	Executive Counsel	\$725.00
Wendy Huff Ellard	Deputy Executive Counsel	\$525.00
Danielle Aymond	Lawyer IV	\$475.00
Ivan Boatner	Lawyer IV	\$475.00
Elizabeth Cappiello	Lawyer IV	\$475.00
Amanda Wells	Lawyer IV	\$475.00
Michelle Zaltsberg	Lawyer IV	\$475.00
Nyka Scott	Lawyer III	\$425.00
Macy Climo	Lawyer II	\$375.00
Jordan Corbitt	Lawyer II	\$375.00
Mary Katherine Smith	Lawyer I	\$325.00
Amit Rao	Research/Policy Specialist	\$280.00
Michael Mathews	Paralegal	\$265.00
Mary Beth McDavid	Paralegal	\$265.00
Anastasia Zhitareva	Paralegal	\$265.00

BA