


PUERTO RICO ELECTRIC POWER AUTHORITY

PROFESSIONAL SERVICES CONTRACT

APPEAR

AS FIRST PARTY: The Puerto Rico Electric Power Authority, hereinafter referred to as "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, mister José F. Ortiz Vázquez, of legal age, married, professional engineer, and resident of Caguas, Puerto Rico. -----

AS SECOND PARTY: Iglesias & Iglesias PSC, hereinafter referred to as "IGLESIAS", a professional services corporation organized and existing under the laws of Puerto Rico (Puerto Rico State Department Registration #325887), represented in this act by its  President, mister Carlos Juan Iglesias Colón, of legal age, married, certified public accountant and resident of Vega Alta, Puerto Rico, duly authorized to appear in representation of IGLESIAS by Resolution dated September 30, 2019. -----

Both PREPA and IGLESIAS are herein individuals referred to as a "Party" and collectively referred to as the "Parties". -----

WITNESSETH

WHEREAS, this Contract (together with all attachments hereto, this "Contract") confirms the engagement by PREPA of IGLESIAS to perform professional services in the compliance with the Federal Emergency Management Agency (FEMA) Public Assistance Program and/or Section 428 of the Stafford Act, as described in this Contract ("Services").

WHEREAS, being each party empowered to enter into this Contract and perform their obligations hereunder in consideration of thy premises and the mutual covenants contained herein, PREPA and IGLESIAS agree into this Contract under the following: ---

-----**TERMS AND CONDITIONS**-----

Article 1. Scope of Services

1.1 IGLESIAS will provide to PREPA the following services: -----

A. Support of Category B emergency costs incurred by PREPA's claim

- 1) Project Cost Accounting Compliance Reviews. -----
- 2) Program Funding Request Documentation gathering. -----
- 3) Response to FEMA/Grantee request for information. -----
- 4) Preparation and supporting of Project Payment Requests. -----
- 5) Project Cost Reconciliations including assisting PREPA with assembling, transmitting and developing final actual costs for grant closure related to all projects. -----
- 6) Perform all Project Close Out activities. -----

B. Accounting duties of Disaster Related project costs to ensure compliance with all federal grant management requirements.

- 1) Support PREPA's Finance Office to enable them to comply with 2 CFR 200.302 Financial Management including: -----
 - i. Identification, in its accounts, of all Federal awards received and expended and the Federal programs under which they were received.

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Accurate, current, and complete disclosure of the financial results of each PW. -----

- ii. Obtain records that identify adequately the source and application of funds for federally funded activities. -----
- iii. Document effective control over, and accountability for funds, property, and other assets. -----
- iv. Maintain comparison of expenditures with budget amounts for each Federal award. -----

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C. Support in Managing the 428 Program through Accounting and Financial Monitoring of Cost and forecast for activity cost control.

- 1) Maintain project accounting system and cost accounts for projects and coordinate with PREPA's financial personnel to ensure compliance with 2 CFR 200 requirements. -----
- 2) Maintain and report to PREPA status of control of project cash flows, schedule and budget updates. -----
- 3) Develop and recommend fraud prevention procedures to PREPA related to permanent work projects. -----
- 4) Assist PREPA with coordination and management of Site Visits Inspections and Identification of DDDs. -----

1.2 At the direction of PREPA, IGLESIAS may be required to work with other consulting, legal, investment, or other type of firms. The Parties agree to discuss such assignment in advance, so that all the Parties have a clear understanding as to their responsibilities. IGLESIAS is not responsible for work performed by others firms. --

Article 2. Services Coordination

All the Services of IGLESIAS in relation to the terms and conditions of this Contract will be coordinated through PREPA's Chief Executive Officer, PREPA's Disaster Fund Management Office (DFMO) or the person designated by them. -----

Article 3. Contract Assignment or Subcontract

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IGLESIAS shall not assign nor subcontract its rights and obligations under this Contract, except in the event that PREPA gives written authorization for such actions. Provided, that no subcontract shall be considered for PREPA's approval, except when the following requirements are met: (1) IGLESIAS delivers to PREPA a copy of the subcontract, not less than thirty (30) days prior to the effective date of the proposed subcontract; (2) the subcontract includes, as a condition for its legal validity and enforceability, a provision whereby PREPA has the right to substitute, subrogate or assume IGLESIAS' rights under the subcontract, in the event that PREPA declares the IGLESIAS in breach or default of any of the Contract terms and conditions; and (3) the subcontract includes, as a condition for its validity and enforceability, a provision establishing for the subcontractor the obligation to comply with all of the IGLESIAS' obligations under the Contract (*mirror image clause*), except for such obligations, terms and conditions which exclusively relate to works or services not included under the subcontract. A request to subcontract shall

specify the issues or matters that will be referred to the subcontractor. These services shall be paid as part of the Contract Amount, as stated in Article 6, Payment. -----

Article 4. Contract Term

This Contract shall be in effect from the date of its execution, until June 30, 2020 (Contract Period). The Contract may be extended, for an additional annual fiscal period, at the exclusive option of PREPA and subject to the availability of funds, only by written amendment agreed upon by both Parties. -----

Article 5. Contract Termination

5.1 PREPA shall have the right to terminate this Contract, at any time, with thirty (30) days prior written notice by registered mail, return receipt requested, or overnight express mail to IGLESIAS. If notice is given, the Contract shall terminate upon the expiration of the 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. IGLESIAS shall have no further right to compensation except for what has been accrued for services rendered and expenses incurred under the Contract until said date of effective termination. -----

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

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5.3 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 IGLESIAS'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 IGLESIAS no later than thirty (30) days before the effective date of any such Transfer. -----

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IGLESIAS 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. -----

Article 6. Payment

6.1 In accordance with the terms and conditions contained herein, PREPA agrees and IGLESIAS accepts, that the total amount to be paid under the Contract shall not exceed a cumulative amount of three hundred seventy-five thousand dollars (\$375,000) ("Contract Amount"). PREPA will pay IGLESIAS for his services, according the following hourly rates: -----

a. Managing Director	\$150 -----
b. Manager	\$125 -----
c. Senior Accountant	\$100 -----
d. In Charge Staff	\$85 -----

- 6.2 During this contract, PREPA will issue to IGLESIAS "Task Order" requesting and approving specific services and personnel, according to the established categories and rates mentioned 4 above. Before the beginning of services under this Contract, IGLESIAS shall present to PREPA the resume of all IGLESIAS' employee or expected employee to be used to provide services to PREPA. After receive of those resumes, PREPA will have the right to reject any of such IGLESIAS employee or expected employee, without present, orally or written, any reason for such rejection.
- 6.3 All payments to be made under this Contract will be charged to account number 01-1747-17556-555-664. PREPA will only pay for Services already rendered before the submitted invoice date. PREPA will not be required to make advance payments for any future service to be rendered by IGLESIAS under the Contract. -----
- 6.4 Nothing herein shall preclude the Parties from agreeing to increase said amount in writing and signed by both Parties. -----
- 6.5 IGLESIAS shall immediately notify PREPA when the billing under the Contract amounts to seventy-five percent (75%) of the Contract Amount. Once this notification has been issued, IGLESIAS, in coordination with PREPA, will ensure that no services will be rendered in excess of the Contract Amount, except that a

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written amendment is agreed upon by both Parties. In addition, IGLESIAS shall present an itemized list of the remaining billable Services under the Contract. -----

Article 7. Invoices

7.1 IGLESIAS shall submit its invoices on a monthly basis for the work already performed during the preceding month. IGLESIAS will provide to PREPA an invoice for each billing period which will include a description of the services rendered and the number of hours spent in each task. The invoice for professional services shall be itemized and must be duly certified by IGLESIAS. -----

7.2 PREPA will review the invoices upon receipt, and if they are in compliance with the requirements set forth in this Contract, it will proceed with payment. Payment is due sixty (60) days of receipt of the 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. -----

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7.3 All invoices submitted by IGLESIAS shall include the following Certification in order to proceed with its payment:

No Interest Certification:

“We certify under penalty of nullity that no public servant of PREPA 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 performance of the Services provided is the agreed-upon price that has been negotiated with an authorized representative

of the PREPA. The total amount shown on this invoice is true and correct. The Services have been rendered, and no payment has been received”.

IGLESIAS's Signature

This is an essential requirement and those invoices without this Certification will not be processed for payment. In order to comply with the certification requirements set forth above, IGLESIAS shall require that subcontractors, if any approved by PREPA, providing Services also make the certification set forth above in any invoices submitted in connection with the Services. -----

Article 8. Information and Material Facts

8.1 PREPA shall promptly provide to IGLESIAS all information under the control of PREPA and necessary for IGLESIAS to perform the Services under this Contract and those material facts that IGLESIAS may reasonably require in order to provide its Services to PREPA. PREPA will ensure, to the best of its knowledge and belief, that the documents, data, and other information and material facts provided to IGLESIAS, which are under its control, are true and complete, and do not constitute misleading or inaccurate information and IGLESIAS shall be entitled to rely on the accuracy and completeness of the documents, data, and other information and material facts. -----

8.2 PREPA will advise IGLESIAS in writing of any developments of which PREPA becomes aware, and which PREPA considers may have a material effect with respect to the information and/or facts provided to IGLESIAS. -----

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Article 9. Information Disclosure and Confidentiality

9.1 The Parties shall take all reasonable steps to keep confidential and use only for the purposes contemplated by the terms of the Contract the information provided by PREPA and/or IGLESIAS, and take all reasonable steps to ensure that such information is not disclosed or distributed by its employees or agents in violation of the terms of this Contract. -----

9.2 The Parties also agree that, except as agreed to in writing by both Parties, they will not, at any time after termination of this Contract, disclose any confidential information to any person whatsoever, or permit any person whatsoever to examine and/or make copies of any reports prepared by IGLESIAS or under its control by reason of its consulting services, and that upon termination of this Contract each Party will turn over to the other all documents, papers, and other matters in its possession or under its control that relate to the other Party. IGLESIAS may retain one file copy for its records. -----

9.3 The term “confidential information” shall include, but not be limited to, all information provided to IGLESIAS by PREPA or at PREPA’s direction regarding its facilities or operations and any and all information gathered or developed by IGLESIAS regarding the same. The Parties further agree that proprietary records and documents related to IGLESIAS’s business operations are confidential to IGLESIAS and will not be disclosed to PREPA or other Parties, except as ordered by the court. The Parties agree that PREPA will resist any attempt by opposing

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counsel or other Parties to obtain IGLESIAS's proprietary information. The term "confidential information", however, will not include information that: -----

- (i) is or becomes public other than through a breach of this Contract; -----
- (ii) is known to the receiving Party prior to the date of this Contract and with respect to which the receiving Party does not have any obligation of confidentiality; or -----
- (iii) is independently developed by the receiving Party without use of, or reference to, confidential information. -----

9.4 The Parties acknowledge that disclosure of any confidential information by either Party will give rise to irreparable harm to the injured Party inadequately compensable in damages. Accordingly, either Party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies, which may be available. ----

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9.5 If this Contract terminates for any reason, IGLESIAS shall maintain in strictest confidence both; during the term of this Contract and subsequent to termination of this Contract, and shall not during the term of this Contract or thereafter disclose or divulge to any person, firm, or corporation, or use directly or indirectly, for its own benefit or the benefit of others, any information which in good faith and good conscience ought to be treated as confidential information including, without limitation, information relating to PREPA's operations or trade secrets relating to the business or affairs of PREPA which IGLESIAS may acquire or develop in connection with or as a result of the performance of the Services hereunder. In

the event of an actual or threatened breach by IGLESIAS of the provisions of this paragraph, PREPA shall be entitled to injunctive relief for such breach. Nothing herein shall be construed as prohibiting PREPA from pursuing any other legal remedies available, including the recovery of damages from IGLESIAS. -----

9.6 The above provisions do not apply with respect to information, which IGLESIAS is requested to disclose under applicable law and regulations, court order, subpoena or governmental directives, in which case IGLESIAS shall provide PREPA prompt notice of such request in order to procure for PREPA a reasonable opportunity to oppose such disclosure. IGLESIAS agrees to expeditiously notify and submit to PREPA a copy of any court order or subpoena and to the extent possible provide any assistance to PREPA (in the form of documents) regarding the submission of such information. -----

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9.7 With respect to this Contract and any information supplied in connection with this Contract and designated by the disclosing Party as confidential, the recipient agrees to: (i) protect the confidential information in a reasonable and appropriate manner and in accordance with applicable professional standards; (ii) use confidential information only to perform its obligations under this Contract; and (iii) reproduce confidential information only as required to perform its obligations under this Contract. -----

Article 10. Rights and Titles

10.1 IGLESIAS will submit any reports reasonably required by PREPA regarding the Services performed under this Contract. If required by PREPA, at the completion

of any assigned task, the IGLESIAS will submit a final written report describing the work it has performed. This requirement shall not be interpreted as a waiver by PREPA of IGLESIAS's ethical obligation and responsibility of keeping PREPA informed of the progress of the assigned matters. -----

10.2 All rights, titles and interest in any reports, documents, analysis, investigations and any other by-product conceived or developed by the IGLESIAS exclusively for PREPA as a result of performing its obligations under this Contract shall be the exclusive property of PREPA. The IGLESIAS shall retain all right, title, and interest in and to proprietary works of authorship, pre-existing or otherwise, that have not been created specifically for PREPA under this Contract. With the exception of items marked as "CONFIDENTIAL" by the IGLESIAS, PREPA shall retain the right to use, refer, share, or provide to any third party, as PREPA may determine, the results of any reports, documents, analyses, investigations or any other by-product of the Services performed by the IGLESIAS under this Contract. -----

Article 11. Copyright

IGLESIAS and PREPA shall jointly defend any suit or action brought against either party based on a claim that any document, report, study, analysis, copyrighted composition, article or any by-product of those, either used in the performance of the Services by IGLESIAS or provided to PREPA by IGLESIAS as part of its Services, or used in the performance of this Contract, including their use by PREPA, constitutes an infringement of any patents or copyrights of the United States. The Party of this Contract subject to

the claim or that becomes aware of a potential claim shall promptly notify in writing the other Party of this Contract, and give the authority, information, and assistance reasonable and necessary for the defense of such claim. -----

Article 12. Warranty

12.1 IGLESIAS warrants that he shall perform the Services in accordance with the applicable standards of care and diligence at the time of performance of the Services, and which are normally practiced and recognized in performing services of a similar nature (the "Standard"). Should any of the Services provided by IGLESIAS not fulfill the above established Standard, IGLESIAS shall take all necessary corrective measures to rectify such deficient Services, at its own and exclusive cost, whenever such course of action is possible or desirable. The rectification of deficient Services by IGLESIAS shall not be understood as a waiver by PREPA to any other remedy it may have under this Contract or under the law or equity for any damages that IGLESIAS's may have caused to it by rendering such deficient Services. -----

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12.2 No other warranty, express or implied, is made or intended by this Contract, by furnishing oral or written reports of findings made, or by any other act of IGLESIAS.

Article 13. Responsibility for Damages

The appearing Parties agree that their responsibilities for damages under this Contract will be governed by the Puerto Rico Civil Code and its case law, as dictated by the Supreme Court of Puerto Rico. -----

Article 14. Independent Contractor

14.1 IGLESIAS shall be considered as an independent contractor, for all material purposes under this Contract, and all persons engaged or contracted by IGLESIAS for the performance of its obligations herein, shall be considered as its employees or agents, and not as employees or agents of PREPA. -----

14.2 As an independent contractor, IGLESIAS shall not be entitled to any fringe benefits, such as, but not limited to vacation, sick leave, and to which PREPA's employees are entitled. -----

Article 15. Employees not to Benefit

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No officer, employee or agent of PREPA, nor of the Government of the Commonwealth of Puerto Rico or its Municipal Governments shall be admitted to any share or part of this Contract or to any benefit that may arise therefrom. -----

Article 16. Conflict of Interest

16.1 IGLESIAS certifies that none of its representatives under this Contract receive payment or compensation of any nature, for the services regularly rendered through an appointment in another government agency, body, public corporation or municipality of Puerto Rico. IGLESIAS also certifies that it may have other consulting services contracts with other governmental agencies or bodies, but such condition does not constitute a conflict of interest for IGLESIAS. -----

16.2 IGLESIAS acknowledges that in executing its services pursuant to this Contract it has a duty of complete loyalty towards PREPA which includes not having conflict

of interest. "Conflict of Interest" means representing clients who have or may have interests that are contrary to PREPA, but does not include rendering services that are unrelated to the services covered in this Contract. Also, IGLESIAS shall have the continuous obligation to disclose to PREPA all information and circumstances of its relations with clients and third persons that would result in a conflict of interest which would influence the IGLESIAS when performing its responsibilities under this Contract. If the IGLESIAS is required to provide services to another entity of the Executive Branch under the provisions of Article 27 and such services could result in a conflict of interests, IGLESIAS will notify PREPA in writing as provided in this Article. -----

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16.3 The Parties understand and agree that a conflict of interest exists when IGLESIAS must advocate a position or outcome on behalf of any existing or future client that is contrary to PREPA's interests. Also, any conduct defined in the Rules of Professional Conduct regarding conflict of interests shall apply to IGLESIAS and its personnel. -----

16.4 In the event that any of the partners, directors, agents or employees of IGLESIAS engaged in providing services under this Contract should incur in the conduct described herein, said conduct shall constitute a violation of the prohibitions provided herein. -----

16.5 IGLESIAS's partners, directors, agents or employees and personnel shall avoid even the appearance of the existence of conflicting interests. -----

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16.6 IGLESIAS acknowledges that PREPA's Chief Executive Officer shall have the power to intervene with the acts of IGLESIAS and/or its agents, employees, and subcontractors regarding the enforcement of the prohibitions contained herein. In the event that the existence of adverse interests is discovered, the PREPA's Chief Executive Officer shall inform IGLESIAS in writing of PREPA's intention to terminate this Contract within a thirty (30) day period. During said period, IGLESIAS may request a hearing with the Chief Executive Officer to present its arguments regarding the alleged conflict of interests. In the event that IGLESIAS does not request such hearing during the specified thirty (30) day period or the controversy is not satisfactory settled during the hearing, this Contract shall be canceled. -----

16.7 IGLESIAS certifies that, at the time of the execution of this Contract, it does not have nor does it represents anyone who has Conflict of Interests with PREPA. If such Conflict of Interest arises after the execution of the Contract, IGLESIAS shall notify PREPA immediately. -----

Article 17. Notices

All notices and other communications hereunder shall be in writing and shall be deemed given when delivered personally or sent by telecopy, or 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 tele copied, or if mailed, three days after mailing (one business day in the case of express mail or overnight courier service) to the Parties to the following addresses: -----

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

Attention: José F. Ortiz Vázquez
Chief Executive Officer

To IGLESIAS: Iglesias & Iglesias PSC
Roosevelt Ave.
1510 Triple S Plaza
Office 703
Guaynabo, Puerto Rico 00968

Attention: Carlos J. Iglesias Colón
President

Article 18. 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 courts 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. -----

Article 19. Change in Law

During the term of this Contract, any change in law, including, but not limited to changes in applicable tax law, which cause an increase in IGLESIAS's costs when providing the services, shall be IGLESIAS's responsibility and PREPA shall not be obligated to increase the Contract Amount. -----

Article 20. Force Majeure

20.1 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. -----

20.2 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. -----

20.3 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. -----

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Article 21. Novation

21.1 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. ----

21.2 The previous provision shall be equally applicable in such other cases where PREPA gives IGLESIAS 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. -----

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Article 22. Severability

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

Article 23. Save and Hold Harmless

IGLESIAS agrees to save and hold harmless and to indemnify PREPA for all expenses and costs of any nature (including reasonable attorneys' fees) incurred by PREPA arising out of any third party claim made by any person for bodily injuries, including death, or for property damage, to the extent directly caused by IGLESIAS by the negligent act or omission, in the performance or nonperformance of its obligations under the Contract, but not to the point directly caused by negligence or tort of PREPA or a third party, which is not an employee or subcontractor of IGLESIAS. -----

With respect to any indemnity set forth in this Contract, each indemnity 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. -----

Article 24. Insurance

IGLESIAS shall secure and 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: -----

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A. Commonwealth of Puerto Rico Workmen’s Compensation Insurance – IGLESIAS shall provide Workmen’s Compensation Insurance as required by the Workmen’s Compensation Act 45-1935, as amended, of the Commonwealth of Puerto Rico. IGLESIAS shall also be responsible for compliance with said Workmen’s Compensations Act by all its subcontractors, agents, and invitees, if any. -----

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

B. Employer’s Liability Insurance – IGLESIAS shall provide Employer’s Liability Insurance with a minimum bodily injury limits of at least \$1,000,000 for each employee and at least \$1,000,000 for each accident covering against the liability imposed by law upon IGLESIAS 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.

C. Commercial General Liability Insurance – IGLESIAS shall provide a Commercial General Liability Insurance with limits of at least \$1,000,000 per occurrence and at least \$1,000,000 aggregate. -----

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

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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, PR 00936-4267

A thirty (30) day cancellation or nonrenewable notice to be sent to the above address. --

An endorsement including this Contract under Contractual Liability Coverage and identifying it by number, date, and Parties to the Contract. -----

Waiver of subrogation in favor of Puerto Rico Electric Power Authority (PREPA). -----

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

Furnishing of Policies

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

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

Article 25. Compliance with the Commonwealth of Puerto Rico Contracting Requirements

IGLESIAS 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. IGLESIAS shall provide, within seven (7) days after the execution of this Contract the following documents and certifications, except the sworn statement in accordance with the Anti-Corruption Code, which shall be provided by IGLESIAS at the execution of the Contract: -----

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- A. Executive Order Num. OE-1991-24 of June 18, 1991 to require certification of compliance with the Internal Revenue Services of the Commonwealth of Puerto Rico: Pursuant to Executive Order Number OE-1991-24 of June 18, 1991, IGLESIAS will certify and guarantee that it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last five (5) years. IGLESIAS further will certify that it has complied and is current with the payment of any and all income taxes that are, or were due, to the Government of Puerto Rico. IGLESIAS shall provide, to the satisfaction of PREPA, and whenever

requested by PREPA during the term of this Contract, the necessary documentation to support its compliance with this clause. IGLESIAS will be given a specific amount of time to produce said documents. During the term of this Contract, IGLESIAS agrees to pay and/or to remain current with any repayment plan agreed to by IGLESIAS with the Government of Puerto Rico. -----

B. Executive Order No. OE-1992-52 of August 28, 1992 to require certification of compliance with the Department of Labor of the Commonwealth of Puerto Rico. Pursuant to Executive Order Number 1992-52, dated August 28, 1992 amending OE-1991-24, IGLESIAS will certify and warrant 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. IGLESIAS accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every consultant and subcontractor, if any, whose service IGLESIAS 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. -----

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C. Government of Puerto Rico Municipal Tax Collection Center: IGLESIAS will certify and guarantee that it does not have any current debt with regards to property taxes that may be registered with the Government of Puerto Rico's Municipal Tax Collection Center (known in Spanish as *Centro de Recaudación de Ingresos Municipales* ("CRIM")). IGLESIAS further will certify to be current with the payment of any and all

property taxes that are or were due to the Government of Puerto Rico. IGLESIAS shall provide, to the satisfaction of PREPA and whenever requested by PREPA during the term of this Contract, Certification issued by the Municipal Revenues Collection Center (MRCC), assuring that IGLESIAS does not owe any tax accruing to such governmental agency. To request such Certification, IGLESIAS will use the form issued by the MRCC (called "*CRIM-Certificados, Radicación, Estado de Cuenta y Todos los Conceptos*" in the website). IGLESIAS will deliver upon request any documentation requested by PREPA. During the Term of this Contract, the IGLESIAS agrees to pay and/or to remain current with any repayment plan agreed to by IGLESIAS with the Government of Puerto Rico with regards to its property taxes.

IGLESIAS shall provide a Personal Property Tax Filing Certification, issued by the MRCC which indicates that IGLESIAS has filed its Personal Property Tax Return for the last five (5) contributory terms or Negative Debt certification issued by the MRCC with respect to real and property taxes and a sworn statement executed by IGLESIAS indicating that (i) its revenues are derived from the rendering of professional services, (ii) during the last five (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.

D. IGLESIAS shall furnish a Certification issued by the Treasury Department of Puerto Rico which indicates that IGLESIAS does not owe Puerto Rico Sales and Use

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taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan and is in full compliance with its terms. -----

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

F. IGLESIAS shall provide a copy of IGLESIAS's Certificate of Merchant's Registration issued by the Treasury Department of Puerto Rico. -----

G. Puerto Rico Child Support Administration (*ASUME*): IGLESIAS shall present, to the satisfaction of PREPA, the necessary documentation certifying that IGLESIAS nor any of its owners, affiliates of subsidiaries, if applicable, have any debt, outstanding debt, or legal procedures to collect child support payments that may be registered with the Puerto Rico Child Support Administration (known in Spanish as the *Administración Para El Sustento de Menores (ASUME)*). IGLESIAS will be given a specific amount of time to deliver said documents. 3 L.P.R.A. § 8611 et seq.; -----

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H. IGLESIAS shall provide a Good Standing Certificate issued by the Department of State of Puerto Rico. -----

I. IGLESIAS shall provide a Certification of Incorporation, or Certificate of Authorization to do business in Puerto Rico issued by the Department of State of Puerto Rico. -----

J. IGLESIAS shall provide the certification, license and/or authorization, issued by the Government of Puerto Rico to practice its profession, with no more than 60 days of the date that was issued. -----

K. 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. -----

L. Social Security and Income Tax Retentions: In compliance with Executive Order 1991 OE- 24; and C.F.R. Part 404 et. Seq., IGLESIAS 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. -----

M. 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, PREPA 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*). IGLESIAS will request PREPA not to make such withholdings if, to the satisfaction of PREPA, IGLESIAS timely provides a release from such obligation by the Government of Puerto Rico's Treasury Department. Act 1-2011, section 1062.03. -----

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N. Compliance with Governmental Ethics, Act 1-2012: IGLESIAS 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.; -----

O. Law 168-2000: Law for the Strengthening of the Family Support and Livelihood of Elderly People: IGLESIAS 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. -----

P. 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. -----

Q. 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. -----

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R. 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. -----

S. 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. -----

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T. 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. -----

U. 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. -----

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

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

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If any of the previously required Certifications shows a debt, and IGLESIAS has requested a review or adjustment of this debt, IGLESIAS 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, IGLESIAS will provide, immediately, to PREPA a proof of payment of this debt; otherwise, IGLESIAS accepts that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments. -----

Article 26. Anti-Corruption Code for a New Puerto Rico

IGLESIAS 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. IGLESIAS hereby certifies that it does not represent particular interests in cases or matters that imply a conflicts of interest, or of public policy, between the executive agency and the particular interests it represents. -----

IGLESIAS shall furnish a sworn statement to the effect that neither IGLESIAS 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 IGLESIAS 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. IGLESIAS 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. -----


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PREPA shall have the right to terminate the Contract in the event IGLESIAS 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: IGLESIAS 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 IGLESIAS shall reimburse the PREPA all moneys received under this Contract. -----

Article 27. Termination by the Chief of Staff of the Governor of Puerto Rico and Interagency Agreements

 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 IGLESIAS 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, IGLESIAS 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, and public corporations. -----

Article 28. Amendments

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IGLESIAS and PREPA expressly agree that no amendment or change order which may be made to the Contract, during its term, shall be understood as a contractual novation, unless both Parties agree to it, specifically and in writing. The previous provision shall be equally applicable in such other cases where PREPA gives IGLESIAS a time extension for the compliance with any of its obligations under the Contract or where PREPA does not enforce any of its credits or rights under the Contract. -----

Article 29. Representations

29.1 PREPA represents and warrants to IGLESIAS that (a) PREPA's execution and delivery of this Contract has been duly authorized, and (b) the person signing this Contract is expressly authorized to execute it on behalf of, and to bind, PREPA.

29.2 Except for a claim limited solely to seeking non-monetary or equitable relief, any dispute or claim arising out of or relating to the Services, this Contract or any other services provided by or on behalf of IGLESIAS or any of its subcontractors or agents to PREPA or at PREPA's request (including any matter involving any third

party for whose benefit any such services are provided), shall be resolved by the state courts of Puerto Rico. -----

Article 30. Compliance with Applicable Federal Laws, Regulations and Executive Orders

30.1 Contract Work Hours and Safety Standards Act (40 U.S.C. 3701–3708)

A. Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek. -----

B. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (A) of this section IGLESIAS and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (A) of this section, in the sum of \$27 for each calendar day on which such individual was required or permitted to work in

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excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (A) of this section.

C. Withholding for unpaid wages and liquidated damages. The Government of Puerto Rico shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by IGLESIAS or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (B) of this section. -----

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D. Subcontracts. IGLESIAS or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (A) through (D) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (A) through (D) of this section. -----

30.2 Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended). Contractor certifies 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 the recipient (COR3). Contractor shall also submit to PREPA the required certification regarding lobbying at Appendix A, 44 C.F.R. Part 18 attached to this Contract as Appendix. -----

COR3

30.3 Remedies. Any violation or breach of terms of this Contract on the part of IGLESIAS 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. Upon a material breach by Contractor, PREPA may utilize any remedy available by law, including precluding Contractor from further work with PREPA in the future and recommend suspension and debarment. -----

30.4 Clean Air Act and the Federal Water Pollution Control Act.

A. IGLESIAS 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. -----

B. IGLESIAS 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 COR3, Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office. -----

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C. IGLESIAS agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance. -----

30.5 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 Contractor'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 ineligible for, unallowable or not allocable under, outside the scope of, or not reasonable for the completion of, Federal grant awards from FEMA or any other U.S. federal agency. -----

30.6 Sufficiency of Funds. IGLESIAS 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 Contract, Contractor shall ensure

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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. PREPA shall not be obligated to pay nor shall be held financially liable if any work performed by Contractor under this Contract is deemed ineligible by any Federal agency. 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 Contract. -----

30.7 FEMA Disaster Assistance Survivor/Registrant Data

- A. If IGLESIAS has access to Disaster Assistance Survivor/Registrant data or any other personally identifiable information, IGLESIAS 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-Government of Puerto Rico Contract for FEMA-4339-DR-PR. -----
- B. IGLESIAS shall indemnify, defend, and hold harmless PREPA and the Government 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 IGLESIAS's failure to comply with the requirements under this Contract. -----

30.8 Costs. All costs incurred by IGLESIAS in performance of this Contract must be in accord with the cost principles of 2 C.F.R. pt. 200, Subpart E. PREPPA shall not be required to make payments to IGLESIAS for costs which are found to be contrary to the cost principles 2 C.F.R. pt. 200, Subpart E. -----

30.9 Financial Management System. IGLESIAS's financial management system shall provide for the following: -----

- A. accurate, current and complete disclosure of the financial results of this Contract and any other contract, grant, program, or other activity administered by IGLESIAS; -----
- B. records adequately identifying the source and application of all Contractor funds and all funds administered by IGLESIAS 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 IGLESIAS 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 IGLESIAS; -----
- E. accounting records supported by source documentation; -----

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- F. procedures to minimize elapsed time between any advance payment issued and the disbursement of such advance funds by IGLESIAS; and -----
- G. procedures consistent with the provisions of any applicable policies of the Federal Government and the Government of Puerto Rico and procedures for determining the reasonableness, eligibility, allowability and allocability of costs under this Contract. -----

30.10 Penalties, Fines, and Disallowed Costs. In the event that any U.S. Federal agency or the Government 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 IGLESIAS, IGLESIAS 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 IGLESIAS pursuant to this provision shall not relieve IGLESIAS of liability to PREPA for damages sustained by PREPA by virtue of any other provision of this Contract. -----



30.11 Debarment, Suspension, and Ineligibility

- A. This Contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such IGLESIAS represents and warrants that none of IGLESIAS, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935). IGLESIAS further 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, IGLESIAS will periodically review SAM.gov and local notices to verify the continued accuracy of this representation. IGLESIAS shall require all subcontractors at every tier to comply with this requirement. -----

B. IGLESIAS must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into. -----

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

30.12 Reporting Requirements. IGLESIAS shall complete and submit all reports, in such form and according to such schedule, as may be required by PREPA. -----

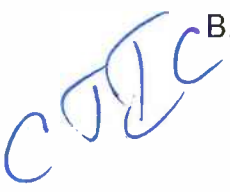
30.13 Review of Laws. IGLESIAS certifies that it will access online and read each law that is cited in the aforementioned clauses and that, in the event it cannot access the online version, it will notify PREPA in order to obtain printed copies of the laws. Not requiring a printed copy of the laws to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

30.14 Notice of Federal Emergency Management Agency (FEMA) Reporting Requirements and Regulations

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- A. PREPA is using Federal grant funding awarded or administered by FEMA to the Government 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 Government of Puerto Rico PREPA to provide various financial and performance reporting. IGLESIAS agrees to provide all information, documentation, and reports necessary to satisfy these reporting requirements. Failure by IGLESIAS 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: -----
- i. 2 C.F.R. § 200.327 (Financial Reporting); -----
 - ii. 2 C.F.R. § 200.328 (Monitoring and Reporting Program Performance); -----
 - iii. Performance and financial reporting requirements set forth in 2 C.F.R. Part 206. -----

30.15 Access to Records

- A. IGLESIAS agrees to provide PREPA, the Government 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 IGLESIAS which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts, and transcriptions. -----
-  B. IGLESIAS agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed. -----
- C. IGLESIAS agrees to provide the FEMA Administrator or his authorized representatives access to work sites pertaining to the work being completed under the Contract. -----

30.16 Record Retention Requirements. IGLESIAS 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 closeout 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. -----

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

30.18 Procurement of Recovered Materials. In the performance of this Contract, IGLESIAS 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>.

30.19 Energy Efficiency. IGLESIAS 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. -----

30.20 Equal Employment Opportunity. During the performance of this Contract, IGLESIAS agrees as follows: -----

- A. IGLESIAS will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. IGLESIAS will take affirmative action to ensure that

applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment, or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. IGLESIAS agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause. -----

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- B. IGLESIAS will, in all solicitations or advertisements for employees placed by or on behalf of IGLESIAS, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin. -----
- C. IGLESIAS will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in

furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with IGLESIAS's legal duty to furnish information. -----

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- D. IGLESIAS will send to each labor union or representative of workers with which it has a collective bargaining Contract or other contract or understanding (if any) a notice advising the labor union or workers' representative of IGLESIAS's commitments under section 202 of the US Executive Order 11246 of September 24, 1965, as amended, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
 - E. IGLESIAS will comply with all provisions of Executive Order 11246, and of the rules, regulations, and relevant orders of the Secretary of Labor. -----
 - F. IGLESIAS will furnish all information and reports required by Executive Order 11246, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the Government Entity, the Government of Puerto Rico, and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders. -----
 - G. In the event of IGLESIAS's non-compliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations, or orders, this Contract may be canceled, terminated or suspended in whole or in part and IGLESIAS may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246, and such other sanctions

may be imposed and remedies invoked as provided in Executive Order 11246, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law. -----

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H. IGLESIAS will include the provisions of paragraphs (1) through (8) in every subcontract or purchase order, unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246, so that such provisions will be binding upon each subcontractor or vendor. IGLESIAS will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event IGLESIAS becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, IGLESIAS may request the United States to enter into such litigation to protect the interests of the United States. -----

30.21 Age Discrimination Act of 1975. IGLESIAS 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. -----

30.22 Americans with Disabilities Act. IGLESIAS 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. -----

30.23 Title VI of the Civil Rights Act of 1964. IGLESIAS 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. -----

CTIC

30.24 Section 504 of the Rehabilitation Act of 1973, as Amended. IGLESIAS 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. -----

30.25 Drug-Free Workplace. IGLESIAS 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. -----

30.26 Compliance with Laws, Regulations, and Executive Orders. IGLESIAS acknowledges that FEMA financial assistance will be used to fund this Contract. IGLESIAS shall comply will all applicable Federal and Government 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, and 2 C.F.R. Part 200. -----

30.27 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. -----

COIC

30.28 Agreement to Execute Other Required Documents. Contractor 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, Contractor agrees to execute such amendments or further agreements as may be necessary to ensure that PREPA receive Federal funding for this Contract. -----

30.29 U.S. Department of Homeland Security Seal, Logo, and Flags. IGLESIAS 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. -----

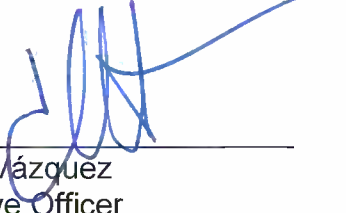
30.30 No Obligation by the Federal Government. The Government Entity and IGLESIAS acknowledge and agree that the Federal Government is not a party to this Contract and is not subject to any obligations or liabilities to PREPA, Contractor, or any other party pertaining to any matter resulting from the Contract. -----

Article 31. Complete Agreement

The terms and conditions contained herein constitute the entire agreement between PREPA and IGLESIAS with respect to the subject matter of this Contract, and supersede all communications, negotiations, and agreements of the Parties, whether written or oral, other than these, made prior to the signing of this Contract. -----

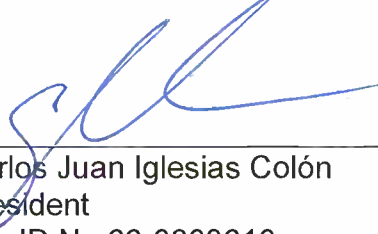
IN WITNESS THEREOF, the Parties hereto sign this Contract in San Juan, Puerto Rico this 3 day of October, 2019. -----

**PUERTO RICO ELECTRIC POWER
AUTHORITY**



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

IGLESIAS & IGLESIAS PSC



Carlos Juan Iglesias Colón
President
Tax ID No.66-0803610