

CONTRACT FOR THE PROVISION OF A FULLY INSURED HEALTH INSURANCE
PLAN CONTRACT FOR RETIRED EMPLOYEES OF PUERTO RICO ELECTRIC
POWER AUTHORITY WHO ARE ELIGIBLE FOR MEDICARE ADVANTAGE (the
"Contract")
2020-P00067

PREPA

DATE: _ _ _

GROUP NUMBER:
GROUP NUMBER:
COVERAGE:

AS FIRST PARTY: The Puerto Rico Electric Power Authority (PREPA), a public corporation and government instrumentality of the Commonwealth of Puerto Rico, created by Act 83 of May 2, 1941, as amended, represented in this act by its Chief Executive Officer/Executive Director, José F. Ortiz Vázquez of legal age, married, executive, and resident of San Juan, Puerto Rico.

AS SECOND PARTY: Triple-S Advantage, Inc. (hereinafter "TSA" or the "Medicare Advantage Organization" or "MAO"), a corporation organized and existing under the laws of the Commonwealth of Puerto Rico, herein represented by its President, Madeline Hernández Urquiza, of legal age, single, executive and a resident of San Juan, Puerto Rico, duly authorized to appear in representation of TSA.

Both PREPA and TSA are herein individually 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; and PREPA desires to provide a health plan for its Retired Employees who are eligible for Medicare Advantage, and their eligible dependents.

WHEREAS, in compliance with the Specifications of the RFP 97716 submitted its Proposal, which was accepted by PREPA, for the provision of their health insurance products to PREPA Retired Employees, and for the administration of the Health Plan that PREPA offers to its Active Employees.

WHEREAS, the provision of the health insurance coverage for PREPA Retired Employees who are eligible for Medicare Advantage are governed by the terms of TSA's Evidence of Coverage, a copy of which are appended hereto for reference purposes,

WHEREAS, through this Contract and the terms of the policies which are appended hereto for references purposes, the Parties set forth the terms under which TSA will provide health insurance coverage to PREPA's Retired Employees who are eligible for Medicare Advantage, and their eligible dependents (hereinafter referred to as "the Plan"),

NOW, THEREFORE, in consideration of the terms and conditions set forth in this Contract, and for good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

TERMS AND CONDITIONS

ARTICLE 1. CONTRACT FOR RETIRED EMPLOYEES

The following documents are made part of this Contract:

1. The Specifications of the RFP # 97716 applicable to Retired Employees who are Eligible for Medicare Advantage;
2. The offer submitted by TSA on November 25, 2019.
3. Attachment #1-Evidence of Coverage for Retired Employees who are eligible for Medicare Advantage.
4. Attachment #2- Summary of Benefits and Annual Notification of Changes
5. Detailed Eligibility Files
6. Any other document issued by PREPA as part of the process of RFP #97716, as well as any document incorporated therein, which contains terms, conditions and contractual obligations applicable to the contracting parties under this Contract.
7. Any document that PREPA issues in the exercise of its contractual rights hereunder after the Contract was awarded, so long as it does not affect the economic arrangements and TSA's rights and obligations under this Contract.

This Contract will be governed by said documents, and in case of conflict between the provisions of these, the provisions of the Specifications of RFP# 97716 will prevail, unless the Parties agree any change or amendment in writing, which will be in compliance with the regulation of the Centers for Medicare and Medicaid Services (CMS).

ARTICLE 2: MEDICARE ADVANTAGE PROGRAM

TSA is a health services organization that has a Contract with the Centers for Medicare and Medicaid Services (CMS) to offer Medicare Advantage Products and is committed to extending the benefits established in the Evidence of Coverage, as set forth in **Attachment 1** to this Contract. The Medicare Advantage coverage includes: Hospitalization, Medical-Surgical, Pharmacy, Dental, Vision and Outpatient Services to the eligible beneficiaries 65 years old or older of PREPA, with Medicare Part A and Part B entitlement or Beneficiaries who are under the age of 65 but have Medicare Parts A and B and the benefits established in the terms and conditions of the Evidence of Coverage, as applicable, which is attached as **Attachment 1**. Eligibility to receive such services is defined in **Attachment 2** to this Contract.

ARTICLE 3. RESPONSIBILITIES OF TSA

TSA, through this Contract, undertakes to provide the services detailed below:

1. For the group of people over 65 years of age or beneficiaries who are under the age of 65, including those who are disabled with Medicare Parts A and B, beneficiaries of the Medicare Advantage, submit to PREPA, evidence or certification of the shipment of the documentation required by the federal regulation and that includes (i) for new Beneficiaries: the Evidence of Coverage, Prescription Drug Formulary, and Over the Counter Drug Formulary (OTC); and (ii) for renewed Beneficiaries: the Annual Notice of Changes with a notice of the availability of the Evidence of Coverage, Prescription Drug Formulary, and Over the Counter Drug Formulary. According to the federal regulations, these documents must be sent to the Beneficiary fifteen (15) days before the group's open enrollment period, which includes January 1 to January 31 of the year 2020.
2. Establish a group enrollment process in which beneficiaries will enroll into the Plan offered under this Contract in compliance with CMS enrollment requirements. To that extent, CMS allows TSA to accept enrollment requests into the Plan under this Contract using an advance notice. Beneficiaries participate in this process through advance notification that provides each individual with all the information necessary to make an informed choice.
3. Maintain the updated Evidence of Coverage, when necessary, in accordance with what is established by CMS.
4. Issue and deliver to each Beneficiary, prior to the effective date of the Plan (January 1, 2020), a durable, pocket-sized identification card with the basic information on it. Subsequently, whenever there is a need to issue a new identification card, the TSA will issue it within five (5) business days following the receipt of the request. It is PREPA's responsibility to provide eligibility maintenance



to TSA. In turn, TSA will notify any changes performed by the Centers for Medicare and Medicaid Services regarding enrollment and eligibility of any Beneficiaries.

5. Provide the reports required by PREPA during the term of the Contract in electronic format or in the one that is required.
6. Prepare and send by e-mail and have available a Claim Expenses Report paid to the Beneficiaries, on a quarterly basis and in accordance with the requirements of the federal Health Insurance Portability and Accountability Act (HIPAA). The Beneficiary, in turn, may choose to use another shipping mechanism for the Claims Expense Reports paid, provided that it complies with the security and privacy mechanisms required by the HIPAA law. In the event that TSA changes the mechanism in which the Report of Paid Claims Expenses will be available, it will provide PREPA with prior notification of the change. In the case of Medicare Advantage Beneficiaries, TSA will provide the Evidence of Coverage, in accordance with the terms and requirements of the applicable laws and regulations.
7. TSA will coordinate benefits with other health organizations or insurance companies in accordance with the applicable statutes. This information may be disclosed by PREPA, subject to the provisions of the HIPAA law.

ARTICLE 4. PROVIDER NETWORK

TSA will keep an updated directory of Participating Providers and will make available to PREPA and/or Beneficiaries, as requested. TSA will have Participating Providers and will have available at all times the following services: doctors, emergency rooms, X-rays, clinical laboratories, pharmacies and dentists in all municipalities of Puerto Rico, in accordance with applicable adequacy standards as established by the Centers for Medicare and Medicaid Services (CMS). If TSA does not Contract with Participating Providers for any type of service included in the Plan, it will be responsible for reimbursing the Beneficiary for the total amount paid to the provider for such services, only if said Providers are Medicare Certified Providers.

ARTICLE 5. DEDICATED SERVICE UNIT

TSA will have a dedicated service unit located in the facilities provided by PREPA. For this unit, TSA will assign personnel to work on the premises of PREPA. The representatives will be authorized to receive correspondence, documents from PREPA and manage daily activities between PREPA and TSA. All transactions and operations performed in the dedicated service unit will be protected by the security and confidentiality provisions of HIPAA regarding the handling of identifiable patient information. The staff of this unit will manage and coordinate all processes and services so that the retiree can

use the Plan effectively. Services hours for the dedicated service unit will be in accordance to the schedule established by the Parties.

ARTICLE 6. PAYMENT

PREPA shall pay TSA, the monthly premiums as agreed upon by the Parties, including those stipulated for the eligible dependents. For the corresponding payment of premiums for eligible spouses, PREPA, through an agreement with the Employees Retirement System of the Puerto Rico Electric Power Authority, will make the deductions of the contribution of the eligible spouses to the premium of their coverage. This Plan is prepaid insurance and PREPA undertakes to pay TSA the amount of the premiums billed no later than the tenth (10th) day of each month.

TSA agrees that it must insert in all of its invoices to be submitted to PREPA, a certification, that includes the following terms. Any invoice that does not contain the Certification will not be processed for payment.

"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 delivery of goods or for 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".



<Signature>

PREPA, will not process the payment until TSA complies with all requirements applicable to this Contract. TSA will issue and submit monthly invoices supplemented by the required documentation to support the invoices. If the submitted invoices are approved by PREPA's consultant, PREPA will pay the net amount of each monthly invoice thirty (30) days after it has been received by the Division of Occupational Health of PREPA. The date in which PREPA will initiate the payment process will be the date in which TSA sends the invoice in full (with all the documentation required in this Contract). All disbursement made by PREPA under the provisions of this Contract will be paid from account 01-2283-22839-000-000.

ARTICLE 7. TERMINATION BY TSA


In addition to other termination rights throughout the Contract, the Evidence of Coverage and those in law and equity, TSA may terminate its Contract with PREPA for just cause upon prior notification to PREPA in writing and by certified mail with no less than one hundred and twenty (120) days prior to the effective date of termination.

Notwithstanding, TSA shall have the right to terminate this Contract upon sixty (60) days' prior written notice to PREPA in the event PREPA fails to remit payment of premiums due hereunder. TSA shall have the right to exercise this right upon PREPA's default to pay premiums for two consecutive months. PREPA's non-payment of negotiated premiums shall not be considered a default of payment if PREPA's reason for non-payment is based on the TSA's non-compliance with its obligation to present the required certifications and keep up to date the documentation required by Articles 6, 15, and 22, of this Contract.

ARTICLE 8. TERMINATION BY PREPA

PREPA shall have the right to terminate the Contract for just cause with thirty (30) days prior written notice to TSA sent by certified mail. Said termination will be effective once TSA has complied with a 21-day written advance cancellation notice to all impacted beneficiaries, informing contract termination. PREPA shall have the right to terminate this Contract immediately in the event of a material breach or material non-compliance by TSA, as determined in the reasonable discretion of PREPA. In the event the Contract is terminated by PREPA, PREPA shall be obligated to pay all premiums incurred up to the day of effective termination, in accordance with the terms of this Contract. TSA shall have no further right to compensation except for what has been accrued for services rendered under the Contract until said date of effective termination.

Additionally, PREPA shall have the right to terminate this Contract for just cause, upon forty-five (45) days prior written notice to TSA (sent by certified mail), in any event which impairs PREPA's ability to comply with the certified budget and fiscal plan approved by the Financial Oversight and Management Board for Puerto Rico.

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

ARTICLE 9. WARRANTY

TSA guarantees that it will provide the services under this Contract in accordance with the legal and professional standards that govern the health insurance plans industry. TSA, upon receipt of any written notification by PREPA of any professional negligence or

omission will remediate, free of charge, any defect that occurs in the provision of its services. However, PREPA reserves the right to cancel the Contract for breach of this guarantee, in accordance with the terms herein. The Performance Bond will cover this guarantee.

ARTICLE 10. BANKRUPTCY

If TSA declares bankruptcy or insolvency, PREPA may terminate this Contract, upon thirty (30) days written notice to TSA sent by registered mail with acknowledgment of receipt.

ARTICLE 11. RESPONSIBILITY

The Parties agree that their respective responsibilities for damages in this Contract will be as established by the Civil Code of Puerto Rico and the jurisprudence of the Supreme Court of Puerto Rico.

ARTICLE 12. INDEPENDENT CONTRACTOR

TSA will be considered an independent contractor, for the purposes of this Contract, and all persons engaged or contracted by TSA for the fulfillment of its obligations herein shall be considered as employees, agents or subcontractors and not as employees or agents of PREPA. TSA, as an independent contractor, will not be entitled to sick leave, benefits from the State Insurance Fund Corporation, vacations, Retirement System, nor will he enjoy other fringe benefits granted by PREPA to its employees under of the current laws.

ARTICLE 13. RESPONSIBILITY FOR THE ACTION OF THIRD PARTIES

Neither PREPA nor TSA shall be liable for negligent or malicious acts or omissions on the part of physicians, hospitals, as well as other service providers or their employees, or for negligent or malicious acts or omissions on the part of the subscriber or any other beneficiary.

ARTICLE 14. 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 TSA 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, TSA shall immediately discontinue all services affected and deliver to PREPA all information, files studies and other materials property of PREPA. In the event of a termination, 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 all instrumentalities and public corporations.

ARTICLE 15. COMPLIANCE WITH THE COMMONWEALTH OF PUERTO RICO CONTRACTING REQUIREMENTS

TSA and PREPA will comply will all applicable State Law, Regulations or Executive Orders that regulate the contracting process and requirements of the Commonwealth of Puerto Rico.

A. Filing of Puerto Rico Income Tax Returns

In compliance with Executive Order Number OE-1991-24 of June 18, 1991, the TSA hereby certifies that it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last five (5) years. As evidence thereof, TSA has delivered to PREPA an Income Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that TSA has filed his Income Tax Return for the last five (5) tax years (Form SC 6088).

B. Payment of Puerto Rico Income Taxes

In compliance with Executive Order Number OE-1991-24 of June 18, 1991, the TSA, hereby certifies 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. As evidence thereof, TSA has delivered to PREPA a certification issued by the Treasury Department of Puerto Rico indicating that TSA does not owe taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan in full compliance with its terms (Form SC 6096). During the term of this Contract, TSA agrees to pay and/or to remain current with any payment plan agreed to by TSA with the Government of Puerto Rico. TSA accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every contractor and subcontractor whose service TSA 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.

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

Pursuant to Executive Order Number 1992-52, dated August 28, 1992 amending OE-1991-24, TSA certifies and warrants that it has made all payments required for unemployment benefits, workmen's compensation and social security for chauffeurs, whichever is applicable, or that in lieu thereof, has subscribed a payment plan in

connection with any such unpaid items and is in full compliance with the terms thereof.

As evidence thereof, TSA has delivered to PREPA:

1. A certification issued by the Bureau of Employment Security (Negociado de Seguridad de Empleo) of the Puerto Rico Department of Labor and Human Resources certifying that TSA does not owe taxes regarding Unemployment or Disability Insurance.
2. A certification issued by the Program for Social Security for Chauffeurs and Other Employees of the Puerto Rico Department of Labor and Human Resources certifying that TSA has no debt with respect to such program n Income Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that TSA has filed his Income Tax Return for the last five (5) tax years (Form SC 6088).

D. Real and Personal Property Taxes

TSA hereby certifies and guarantees that it does not have any current debt with regard 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")). TSA further certifies to be current with the payment of any and all property taxes that are or were due to the Government of Puerto Rico. TSA shall provide:

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

E. Sales and Use Taxes

TSA has delivered to PREPA:

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

3. a copy of TSA's Certificate of Merchant's Registration issued by the Treasury Department of Puerto Rico.

F. Puerto Rico Child Support Administration (ASUME)

TSA hereby certifies that it is not duty bound to pay child support, or if so, that TSA is up to date or has a payment plan to such effects. As evidence thereof, TSA has delivered to PREPA a certification issued by the Puerto Rico Child Support Administration (known in Spanish as the Administración Para El Sustento de Menores (ASUME) certifying that TSA have any debt, outstanding debt, or legal procedures to collect child support payments that may be registered with ASUME.

G. Organization Documents

TSA shall provide:

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

H. Compliance with Act No. 1 of Governmental Ethics

TSA will certify compliance with Act 12012, 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 immediate family (spouse, dependent children, or other members of his 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 under this Contract will not be made until this Contract is properly registered in the Office of the Comptroller of the Government of Puerto Rico pursuant to Law Number 18 of October 30, 1975, as amended.

PREPA agrees to comply and present to TSA evidence of compliance with the presentation and filing of this Contract with the Office of the Comptroller of the Government of Puerto Rico, in accordance with Regulation No. 33 (Registro de Contratos, Escrituras y Documentos Relacionados, y Envío de Copias a la Oficina del Contralor del Estado Libre Asociado de Puerto Rico). PREPA's non-compliance with this Section I shall constitute just cause for the immediate cancellation of this Contract.

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 works may execute a Contract between the agency for which he 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 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 or any member of his 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 officer's 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

TSA acknowledges and accepts that it is knowledgeable of the rules of ethics of its profession and assumes responsibility for its own actions.

Q. Anti-Corruption Code for a New Puerto Rico

1. TSA 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.
2. TSA hereby certifies that it does not represent interests in cases or matters that imply a conflict of interest, or of public policy, between the executive agency and the interests it represents.

3. TSA shall furnish a sworn statement to the effect that neither TSA or 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 TSA has been convicted of or has pled guilty to any of the crimes listed in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico or any of the crimes included in Act 2-2018.
4. TSA hereby certifies that it has not been convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3, or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.
5. PREPA shall have the right to terminate this Contract in the event TSA 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.

 **R. Provisions Required under Act 14-2004:**

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

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

TSA 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.

T. Consequences of Non-Compliance

TSA expressly agrees that the conditions outlined throughout this Section are essential requirements of this Contract. Consequently, should any of these representations, warranties or certifications be incorrect, inaccurate or misleading, in whole or in part, there shall be sufficient cause for PREPA to terminate this Contract as provided herein. If any of the certifications listed in items A through F of this Article 15 shows a debt, and TSA requested a review or adjustment of this debt, TSA hereby certifies that it has made such request at the time of this Contract execution. If the requested review or adjustment is denied and such determination is final, TSA will provide, immediately, to PREPA a proof of payment of this debt; otherwise, TSA accepts that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments.

ARTICLE 16. APPLICABLE LAW

Choice of Law; Venue & Jurisdiction. Both PREPA and TSA agree and acknowledge that all state standards, including those established through case law, are preempted to the extent that they would specifically regulate Medicare Advantage health plans (including the MA plans offered under this Contract), with the exceptions of State licensing and solvency laws. Other applicable state health and safety standards, or generally applicable standards, that are not specific to health plans are not preempted. To that extent the law of the Commonwealth of Puerto Rico, without regard to its internal law on the conflict of laws, controls only those aspects relating to licensure and solvency. Each Party consents and submits to the jurisdiction of the State Court of Puerto Rico, and hereby waives any defense based upon venue, inconvenience of forum, or lack of personal jurisdiction in any action or suit brought in connection with or relating to this Contract or related matter. Additionally, each Party consents to: accept service of process by mail, that a decision in any such jurisdiction will be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law and agree that each party hereto shall be responsible for its own costs and expenses including legal fees related to any litigation related to or arising out of this Contract. Each Party shall bring any action or suit concerning this Contract or related matters in the State Court with appropriate subject matter jurisdiction in San Juan County, Puerto Rico. Each Party acknowledges that it has read and understands this clause and agrees willingly to these terms.

ARTICLE 17. CHANGE IN APPLICABLE LAW

At the request of either Party, both PREPA and TSA will evaluate any enacted federal, state or local legislative or regulatory changes with applicability to the Plan provided by TSA hereunder, to determine if such legislative or regulatory changes materially impact any negotiated rates and fees. If after a process of actuarial evaluation, using credible

data, the Parties determine that the enacted legislative and/or regulatory changes materially impact any negotiated rates and fees, PREPA will adjust any impacted rates and fees to reflect the above-referenced changes. Under no circumstances may a legislative or regulatory change serve to modify any negotiated rate or fee on a retroactive basis. "Materially impact" shall mean that a recalculation of current and agreed upon rates and fees, is required in order to remain actuarially sound.

If the Parties are unable to reach an agreement, TSA at its sole discretion, will have the right to terminate the Contract, upon 60-day written notice prior to the effective date of termination.

ARTICLE 18. FORCE MAJEURE

The Parties hereto shall be excused from performing hereunder and shall not be liable in damages or otherwise, if and only to the extent that they shall be unable to perform, or are prevented from performing by a Force Majeure event. For purposes of this Contract, Force Majeure means any cause without the fault or negligence, and beyond the reasonable control of, the party claiming the occurrence of a Force Majeure event. Force Majeure may include, but not be limited to, the following: Acts of God, industrial disturbances, acts of the public enemy, war, blockages, boycotts, riots, insurrections, epidemics, earthquakes, storms, floods, civil disturbances, lockouts, fires, explosions, interruptions of services due to the acts or failure to act of any governmental authority, provided that these events, or any other claimed as a Force Majeure event, and/or its effects, are beyond the reasonable control and without the fault or negligence of the party claiming the Force Majeure, and that such Party, within ten (10) days after the occurrence of the alleged Force Majeure event, 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.

ARTICLE 19. NOVATION

PREPA and TSA expressly agree that no amendment or change order which could be made to this Contract, during its term, shall be understood as a contractual novation, unless both Parties agree to the contrary, specifically and in writing. This provision shall also be applicable in such cases where PREPA gives TSA time extension for the compliance of any of its obligations under this Contract or where PREPA exonerates TSA from any claim or demand of any of its credits or rights under this Contract.

ARTICLE 20. NOTICES

All notices and other communications hereunder shall be in writing and shall be deemed given when delivered personally or sent by fax, 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 confirmed receipt by fax, or if mailed, three (3) days after mailing (one business day in the case of express mail or overnight courier service) to the Parties at the following addresses:

If to TSA:
Madeline Hernández Urquiza
President
Po Box 363628
San Juan, Puerto Rico 00938-3628

If to PREPA:
José F. Ortiz Vázquez
Chief Executive Officer
Puerto Rico Electric Power Authority
PO Box 364267
San Juan, Puerto Rico 00936-4267

ARTICLE 21. SEPARABILITY

If any court with competent jurisdiction declares any of the clauses of this Contract invalid, it will not affect the validity and effectiveness of the remaining clauses of this Contract and the contracting parties undertake to fulfill their obligations under such clauses not affected by the determination of judicial nullity or invalidity.

ARTICLE 22. INSURANCE AND BOND

TSA 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 allows:

1. Commonwealth of Puerto Rico Workmen's Compensation Insurance:

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

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

2. Employer's Liability Insurance:

TSA shall provide Employer's Liability Insurance with a minimum bodily injury limits of \$1,000,000 for each employee and \$1,000,000 for each accident covering against the

liability imposed by Law upon TSA as result of bodily injury, by accident or disease, including death arising out of and in the course of employment, and outside of and distinct from any claim under the Workmen's Compensation Act of the Commonwealth of Puerto Rico.

3. Commercial General Liability Insurance:

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

4. Commercial Automobile Liability Insurance:

TSA shall provide a Commercial Automobile Liability Insurance with limits of \$1,000,000 combine single limit covering all owned, non-owned, and hired automobiles.

5. Professional Liability Insurance:

TSA shall provide a Professional Liability Insurance with limits of \$1,000,000 per claim and \$1,000,000 aggregate.

Requirements under the Policies:

The Commercial General Liability and Commercial Automobile Liability Insurance required under this Contract shall be endorsed to include:

a. As Additional Insured:

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

b. A 30-day cancellation or nonrenewable notice to be sent to the above address.

c. An endorsement including this Contract under contractual liability coverage and identifying it by number, date and parties to the Contract.

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

e. Breach of Warranties or Conditions:

"The Breach of any of the Warranties or Conditions in this policy by the Insured shall not prejudice PREPA's rights under this policy."

Performance Bond:

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

A Performance Bond in the amount of \$951,240 with good and sufficient surety satisfactory to PREPA guaranteeing that TSA will faithfully well perform this Contract of

health benefits plan that PREPA offers to its Retired Employees who are eligible for Medicare Advantage.

This bond shall be issued in the official form of PREPA.

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

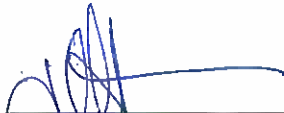
ARTICLE 23. ENTIRE CONTRACT.

This Contract and its attachments, constitute the entire Contract between the Parties and supersedes all prior agreements and understandings, oral or written, with respect to the subject matter hereof. This Contract will inure to the benefit of, and be binding upon, the Parties and their respecting successors and assigns.

IN WITNESS WHEREOF, the Parties have accepted and agreed to this Contract as of the Agreement Effective Date. In San Juan, Puerto Rico December 27, 2019.

Puerto Rico Electric Power Authority

Triple-S Advantage, Inc.



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

Madleine Hernández Urquiza
President
Tax Id Number: 660-65-0587