

**COMMONWEALTH OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY**

FIRST AMENDMENT

PROFESSIONAL SERVICES CONTRACT

2020-P00089 A

APPEAR

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

AS SECOND PARTY: The Claro Group, L.L.C. (Consultant), a corporation organized and existing under the laws of Illinois and registered to do business in Puerto Rico, represented in this act by its Managing Director, Jacob S. Parsons, of legal age, married, and resident in Virginia, authorized by virtue of Corporate Resolution dated January 1, 2020. _____

RECITALS

WHEREAS: PREPA, by virtue of Act 83, has the authority to engage those professional, technical and consulting services necessary and convenient for its activities, programs, and operations. _____

WHEREAS: The appearing Parties executed Professional Services Contract 2020-P00089 (Contract) on March 17, 2020, to provide PREPA services of quantification and preparation of insurance claims, among others, regarding the damages caused by the Earthquake that affected Puerto Rico on January 7, 2020. The Contract had a

maximum amount of four hundred eighty-one thousand three hundred twenty-five dollars (\$481,325) (Contract Amount) through June 30, 2020. _____

WHEREAS: The COVID-19 pandemic has affected the insurance claim progress due to the delays in the performances of the insurance adjusters' visits to the affected facilities. Due to these circumstances, the completion of the claims, which would have been finished on June 30, 2020, will not be completed by said date. PREPA needs to continue receiving the Consultant's services in order to complete the claims process regarding all damages. _____

WHEREAS: For the abovementioned situation the Risk Management Office (RMO), requested a time extension for the Contract, from July 1, 2020 to June 30, 2021, with an increase in the Contract Amount of one million four hundred forty-five thousand three hundred forty-five dollars (\$1,445,345) for Fiscal Year 2020-2021. _____

WHEREAS: The Amendment was previously approved by PREPA's Governing Board by Resolution _____ on June 24, 2020. _____

THEREFORE: In order to continue receiving the Consultant's services the Parties hereby agree to enter into this First Amendment under the following: _____

TERMS AND CONDITIONS

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

SECOND: The Parties agree to amend Article 6 Payment, to increase the Contract Amount by one million four hundred forty-five thousand three hundred forty-five dollars

P

(\$1,445,345) for Fiscal Year 2020-2021. The Parties recognize that the total Contract Amount will be one million nine hundred twenty-six thousand six hundred seventy dollars (\$1,926,670). The remaining language of Article 6, as amended, shall remain unaltered and fully enforceable. -----

All payments performed under this Amendment will be charged to PREPA's budget account number 01-1748-17556-550-152. -----

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

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

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

P

- agency. _____
5. Certificate issued by the Department of Labor and Human Resources of Puerto Rico, that indicates that Consultant has paid to the Department of Labor and Human Resources of Puerto Rico its employee contributions in accordance with the Puerto Rico Employment Security Act (unemployment, temporary disability or sickness), or is paying such contributions by an installment plan and is in full compliance with its terms. _____
 6. Certificate issued by the Department of Labor and Human Resources of Puerto Rico, that indicates that Consultant has paid to the Department of Labor and Human Resources of Puerto Rico its employee contributions in accordance with the Puerto Rico Employment Security Act (social security for chauffeurs), or is paying such contributions by an installment plan and is in full compliance with its terms. _____
 7. Certificate issued by the Puerto Rico Child Support Administration (ASUME) assuring that Consultant is in compliance with the collection of child support payments. _____
 8. A copy of the Merchant Registration Certificate. _____
 9. Puerto Rico Sales and Use Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico, Area of Internal Revenues, assuring that Consultant is in compliance with it. _____
 10. Good Standing Certificate issued by the State Department of Puerto Rico. _____

P

Consequences of Non-Compliance

Consultant expressly agrees that the conditions outlined throughout this Section A are essential requirements of the Contract. Consequently, should any one of these representations, warranties or certifications be incorrect, inaccurate or misleading, in whole or in part, there shall be enough cause for PREPA to render the Contract null and void. If any of the certifications listed in this Section A shows a debt, and Consultant has requested a review or adjustment of this debt, Consultant hereby certifies that it has made such request at the time of the Amendment execution. If the requested review or adjustment is denied and such determination is final, Consultant will provide, immediately, to PREPA a proof of payment of this debt; otherwise, Consultant accepts that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments. Consultant accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each subcontractor, if any approved by PREPA, whose service Consultant has secured in connection with the Services to be rendered under the Contract and shall send evidence to PREPA to demonstrate its compliance with this requirement. _____

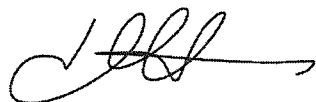
FOURTH: Consultant understands and agrees that those certifications and documents are needed to process any payment under the Contract. _____

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

9

In WITNESS WHEREOF, the Parties hereto have agreed to execute this
First Amendment to the Contract in San Juan, Puerto Rico, on this 28 day of
June, 2020. _____

Puerto Rico Electric Power Authority



José F. Ortiz Vázquez
Chief Executive Officer

The Claro Group, LLC



Jacob S. Parsons
Managing Director