



GOVERNMENT OF PUERTO RICO

Puerto Rico Electric Power Authority

Governing Board

RESOLUTION 4696 FIRST AMENDMENT O'MELVENY

- WHEREAS:** The Puerto Rico Electric Power Authority (PREPA) is a public corporation and an instrumentality of the Government of Puerto Rico created by Act 83 of May 2, 1941 (Act 83), as amended. PREPA was created to provide electrical energy in a reliable way, contributing to the general welfare and sustainable future of the people of Puerto Rico, maximizing benefits and minimizing social, environmental and economic impacts. In addition, PREPA provides a service based on affordable, fair, reasonable and non-discriminatory cost that is consistent with environmental protection, non-profit, and focused on citizen participation and its clients.
- WHEREAS:** Act 83 authorizes PREPA, in the management of its purposes, to grant contracts and formalize all the instruments that are necessary or convenient in the exercise of any of its powers.
- WHEREAS:** Section 15(1)(a) of Act 83 states that all purchases made and contracts for supplies or services, except professional services, entered into by PREPA, including its capital construction contracts, shall be made by a bid process.
- WHEREAS:** Section 15(2) of Act 83 lists the instances in which a bid process shall not be required, and Section (d) specifically includes professional services in the best interests of PREPA.
- WHEREAS:** On August 10, 2018, PREPA and O'Melveny & Myers, LLP (OMM), signed Professional Services Agreement 2019-P00007 (Agreement), with a maximum amount of \$8,000,000 until June 30, 2019. This Agreement was previously authorized by PREPA's Governing Board's Resolution 4628, dated July 13, 2018.
- WHEREAS:** OMM advises and assists PREPA on various critical matters relating to the restructuring of PREPA, including legal issues arising from PREPA's ongoing operational and financial restructuring, litigation, Title III matters, mediation, fiscal plan issues, plan of adjustment development, finance, securities and corporate matters.



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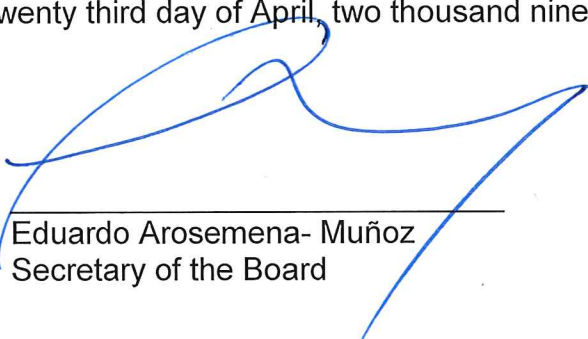
WHEREAS: Mr. Fernando Padilla-Padilla, Restructuring and Fiscal Affairs Administrator, requests a First Amendment to the Agreement to increase its maximum amount by four million two hundred thousand dollars (\$4,200,00), for a total amount of twelve million two hundred thousand dollars (\$12,200,000), until June 30, 2019. Mr. Padilla Padilla indicates that OMM's billing under the Agreement has increased in the last months due to the number of additional claims that have been brought forth in the Title III case (such as the Monoliners' request for a receivership), which require an increase in the amount of the Agreement in order to cover OMM's services until its expiration.

WHEREAS: PREPA's Chief Financial Officer, Mr. Nelson Morales-Rivera, certified the availability of the funds for the First Amendment of the Agreement, for services to be rendered until June 30, 2019.

WHEREAS: PREPA's General Counsel evaluated Mr. Padilla-Padilla's request and concluded that there is no legal impediment for the execution of the proposed amendment according to the faculty granted to PREPA by Act 83, subject to the approval of PREPA's Governing Board and the Fiscal Oversight and Management Board for Puerto Rico (FOMB).

THEREFORE: In accordance with Act 83, PREPA's Governing Board resolves to: Authorize the First Amendment of Agreement 2019-P00007, between PREPA and O'Melveny & Myers, LLP, for an additional amount of \$4,200,000, for a total amount of \$12,200,000 until June 30, 2019, subject to the approval of the FOMB.

Approved in San Juan, Puerto Rico, in twenty third day of April, two thousand nineteen.



Eduardo Arosemena- Muñoz
Secretary of the Board