

AGREEMENT FOR PROFESSIONAL SERVICES

AS PARTY OF THE FIRST PART: The **PUERTO RICO FISCAL AGENCY AND FINANCIAL ADVISORY AUTHORITY** (hereinafter, the "Authority"), a public corporation of the Government of Puerto Rico created by Act No. 2-2017 ("Act 2"), represented herein by its Director of the Office of Administrative Affairs, Guillermo Camba Casas, of legal age, single, and resident of Guaynabo, Puerto Rico, duly authorized and empowered to execute this Agreement pursuant to Resolution No. 2022-03 of the Board of Directors of the Authority.

AS PARTY OF THE SECOND PART: PIETRANTONI MÉNDEZ & ÁLVAREZ LLC, a limited liability company organized and existing under the laws of Puerto Rico (hereinafter, the "Consultant" and, collectively with the Authority, the "Parties"), with offices at Popular Center 19th Floor, 208 Ponce de León Ave., San Juan, Puerto Rico, 00918, represented herein by its Managing Member, Jaime E. Santos Mimoso, of legal age, married, and a resident of Guaynabo.

WITNESSETH

WHEREAS, the Authority was created for the purpose of acting as fiscal agent, financial advisor, and reporting agent for all the entities comprising the Government of Puerto Rico and to assist them in facing the serious fiscal and economic crisis that Puerto Rico is currently undergoing; and

WHEREAS, the Authority was empowered to collaborate in conjunction with the Governor of Puerto Rico and his representatives in the creation, execution, supervision, and oversight of any Fiscal Plan and any Budget, as such terms are defined in the Puerto Rico Oversight, Management, and Economic Stability Act, known as PROMESA, Pub. L. 114–187, June 30, 2016, 130 Stat. 549; and

WHEREAS, the Authority is the entity of the Government of Puerto Rico in charge of supervising, executing, and administering the Fiscal Plan certified in accordance with PROMESA, and shall ensure that all the entities comprising the Government of Puerto Rico comply with the duly certified Fiscal Plan and Budget; and

WHEREAS, the Authority is the only entity of the Government of Puerto Rico authorized to, on behalf of the Government of Puerto Rico or any component thereof, negotiate, restructure, or enter into agreements with creditors in connection with any debt of the Government of Puerto Rico, whether present or future debt; and

WHEREAS, the Authority was also empowered to negotiate and execute any type of contract, including all those instruments and agreements necessary or convenient to exercise the powers and functions conferred to the Authority by Act 2; and

WHEREAS, on November 2021, the Financial Oversight and Management Board for Puerto Rico filed a proposed Eighth Amended

Commonwealth Plan of Adjustment ("POA"), which was confirmed by the U.S. District Court for Puerto Rico on January 18, 2022, to proceed to end the bankruptcy process under Title III of PROMESA.

WHEREAS, the Consultant is a full service law firm that specializes in multiple practice areas and provides a wide range of legal services to its clients from both the public and private sectors. The Consultant has previously provided services to the Authority in connection with a various legal matters, including the restructuring of the outstanding indebtedness of certain entities of the Government of Puerto Rico under Title III of PROMESA and other ancillary matters.

WHEREAS, the Consultant submitted to the Authority its proposal to provide legal services and serve as special Puerto Rico Bond Counsel in connection with the new General Obligation Bonds ("New GO Bonds") and Contingent Value Instruments ("CVIs") to be issued in accordance with the provisions of the POA; and

WHEREAS, in addition to the above, by means of Resolution No. 2022-01 adopted by the Board of Directors of the Authority on January 20, 2022, the Authority is authorized to engage the services of the Consultant as described in this Agreement for Professional Services (this "Agreement").

WHEREAS, the Authority wishes to engage the Consultant to provide such services and the Consultant is willing to provide them on and subject to the terms and conditions set forth below.

NOW, THEREFORE, the Authority and the Consultant enter into this Agreement under the following:

TERMS AND CONDITIONS

FIRST - SERVICES: The Authority hereby engages the Consultant, and the Consultant hereby agrees, to provide legal services and serve as special Puerto Rico Bond Counsel in connection with the issuance of the New GO Bonds and CVIs of the Commonwealth of Puerto Rico under the provisions of the POA (the “GO Bonds Issuance”) (as the same may be amended from time to time, the “Services”). The Services will be provided on and subject to the terms and conditions set forth in this Agreement and in accordance with the Proposal letter dated January 25, 2022 (the “Proposal”), a copy of which is incorporated and made part hereof as an appendix to this Agreement. If any part of the Proposal is found to be inconsistent with the terms and conditions set forth herein, the terms and conditions set forth herein shall take precedence over the Proposal and govern the matter in question.

Both Parties acknowledge and accept that all or some of the Services may be rendered to any entity of the Executive Branch with which the Authority enters into an interagency agreement with or as determined by the Office of the Chief of Staff of the Governor of Puerto Rico. The Services shall be rendered under the same terms and conditions with respect to work hours and compensation as set forth in this Agreement. For purposes of this provision, the term “entity of the

Executive Branch” includes all agencies of the Government of Puerto Rico, as well as instrumentalities, public corporations and the Governor’s Office.

In connection with the above, both Parties acknowledge and accept that the Consultant may be requested by the Authority to provide Services related to any present or potential case and/or claim reasonably related to the debt of any entity of the Executive Branch subject to the POA and that, in such cases, the Authority will not be required to enter into an interagency agreement with such entity, provided that the Authority shall be responsible for the payment of Services rendered by the Consultant to such entity in accordance with the terms of this Agreement. The Parties acknowledge and accept that this faculty of the Authority is consistent with those powers and faculties conferred by Act 2-2017, including its Section 5(d) and (d)(vi), and its Section 8(q).

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The Parties hereby acknowledge the requirements and procedures set forth in Administrative Bulletin No. OE-2021-029 issued by the Governor of Puerto Rico, Hon. Pedro R. Pierluisi, on April 27, 2021 (“OE-2021-29”) and Circular Letter No. 013-2021 issued on June 7, 2021 by the Office of Management and Budget (“CC 013-2021”), applicable to professional services agreements with a maximum amount of \$250,000 or more per fiscal year. However, the Services engaged under this Agreement constitute the continuation of debt restructuring matters in which the Consultant has previous knowledge and experience. Consequently, in accordance with the exceptions authorized in OE-2021-29 and

CC 013-2021, the execution of this Agreement is exempt from the requirements and procedures established in the abovementioned provisions.

SECOND - TERM OF AGREEMENT: This Agreement shall be in effect from the date of its execution until the earlier of closing of the GO Bond Issuance and **June 30, 2022**, unless earlier terminated as provided herein or extended by amendment executed in writing by both Parties.

THIRD - TERMINATION: Notwithstanding any provision to the contrary in this Agreement, the Authority shall have the right to terminate this Agreement at any time, for convenience, by providing the Consultant thirty (30) day's prior notice either by registered mail, return receipt requested, overnight express mail, hand delivery or to the electronic mail address provided by the Consultant. This Agreement shall terminate on the date indicated in the notice, which shall be at least thirty (30) days following the date of such notice.

3E S Likewise, the Consultant shall have the right to terminate this Agreement by providing the Authority thirty (30) day's prior written notice to the attention of the Executive Director of the Authority, or to the person designated for the management of this Agreement, by registered mail, return receipt requested, overnight express mail, hand delivery or by electronic mail to the address provided by the Authority.

The rights, duties, and responsibilities of the Authority and the Consultant shall continue in full force and effect during the applicable notice period. The Authority shall be obligated to pay all fees and applicable expenses incurred up to the date of termination, in accordance with the terms of this Agreement. The

Consultant shall have no further right to compensation except for amounts accrued for Services rendered under this Agreement until said date.

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The Consultant's failure to comply with its duties and responsibilities and to perform the Services as set forth herein, or failure to abide to its ethical or professional standards, or its negligence or unlawful behavior (including, without limitation, conviction in a Puerto Rico or United States Federal court under Articles 4.2, 4.3 or 5.7 of Act No. 1-2012, as amended, known as the "Enabling Act of the Office of Government Ethics of Puerto Rico", of any of the crimes listed in Articles 250 through 266 of Act No. 146-2012, as amended, known as the "Puerto Rico Penal Code", any of the crimes typified in Act No. 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 No. 8-2017, as amended, known as the "Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico"), shall constitute a breach of the Agreement by the Consultant that shall entitle the Authority to terminate this Agreement immediately and shall, without limitations as to any other rights, release and discharge the Authority from any further obligations and liabilities hereunder, and without having to comply with the notice requirements set forth in first paragraph of this THIRD Clause.

The Consultant also acknowledges that the Office of the Chief of Staff of the Governor of Puerto Rico shall have the authority to terminate this Agreement at any time.

The assignment of this Agreement by either Party shall be sufficient cause to terminate it immediately, unless the assignment is made by the Authority to (i) a successor entity of the Authority, in which case, such assignment shall be considered effective with only a written notice to the Consultant, or (ii) any entity of the Executive Branch as permitted pursuant to this Agreement. Upon such occurrence, this Agreement shall be binding and inure to the benefit of the Authority's successors and assigns.

FOURTH - INVOICE: Upon completion of the GO Bonds Issuance transactions, the Consultant will submit an invoice to the Authority that shall identify and include itemized details describing the Services provided under this Agreement. Such invoice must be duly certified by an authorized representative of the Consultant as provided below.

If the GO Bonds Issuance transactions are not consummated, the Consultant will submit to the Authority one or more invoices identifying and including itemized details for each undertaking complying with the Authority's billing guidelines attached hereto as an appendix of this Agreement. Such invoices must be duly certified by an authorized representative of the Consultant as provided below and, if applicable in accordance with the terms and conditions of this Agreement, any invoice submitted for reimbursement of expenses must be

duly certified by the Consultant and must be accompanied by copies of the receipts for expenses for which the Consultant seeks reimbursement as required under the SIXTH Clause of this Agreement. If such required receipts are not provided with the invoice, the Authority will not pay the same.

The Authority will not accept invoices for Services rendered that are submitted more than one hundred twenty (120) days after the Services covered thereby have been rendered. The Consultant agrees and waives all right to payment for Services rendered that are not invoiced within one hundred twenty (120) days.

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The Authority reserves the right to review the invoices, and if they are in compliance with the requirements set forth in this Agreement, it will proceed with payment.

Invoices must also include a written certification stating that no officer or employee of the Authority will derive or obtain any benefit or profit of any kind from this Agreement. Invoices that do not include this certification will not be accepted. This certification must read as follows:

“We certify under penalty of nullity that no public servant of the Puerto Rico Fiscal Agency and Financial Advisory Authority 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 Agreement. 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 Puerto Rico Fiscal Agency and Financial Advisory Authority. The total

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

All invoices shall be signed by an authorized representative of the Consultant and send by email to the following address: invoice@aafaf.pr.gov.

If requested by the Authority, the Consultant shall also send its signed invoices via mail to the following address or personally deliver them to the attention of:

MAILING ADDRESS

**PUERTO RICO FISCAL AGENCY AND
FINANCIAL ADVISORY AUTHORITY
PREINTERVENTION
PO Box 42001
San Juan, PR 00940-2001**

PHYSICAL ADDRESS

**PUERTO RICO FISCAL AGENCY AND
FINANCIAL ADVISORY AUTHORITY
PREINTERVENTION
De Diego Avenue No. 100
Roberto Sánchez Vilella
Government Center – Central Building
Ground Floor
Santurce, PR 00907-2345**

Yes

The Consultant agrees to submit checking account transfer data to the Authority in order to facilitate future payments by means of electronic transfers.

The Authority certifies that the funds for the payment of Services rendered under this Agreement come from budgetary allocations. All disbursements for such payments shall be made from account 580906-7000-006-2022.

FIFTH - PAYMENT: The Authority will pay the Consultant for the Services rendered a one-time fixed fee of Two Million Two Hundred Fifty Thousand Dollars (\$2,250,000.00) upon successful completion of the GO Bond Issuance. In such event, the Authority will not reimburse any out of pocket

expenses incurred by the Consultant in relation to the Services rendered under this Agreement.

However, and alternatively, in the event that the GO Bond Issuance transactions are not consummated, the Authority will pay the Consultant for Services rendered on an hourly rate basis as stipulated in the schedule attached hereto as an appendix to this Agreement. The Authority will also reimburse any out of pocket expenses incurred by the Consultant in relation to the Services rendered pursuant to the terms and conditions established in the SIXTH Clause of this Agreement. The Consultant agrees to maintain the hourly rates as set forth in said schedule during the term of this Agreement. Should the Consultant assign an attorney not included in the hourly rates schedule attached as an appendix hereto to attend the Authority's matters, the Consultant shall promptly send the Authority an amended schedule to include such person's name, position and hourly rate, and request written approval from the Authority for such amended schedule. Invoices for hourly billed Services must identify entries for fractions of an hour based on tenths of an hour (.10).

The total amount payable by the Authority to the Consultant under this Agreement shall not exceed **TWO MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS (\$2,250,000.00)** (the "Maximum Amount"), including applicable reimbursable expenses pursuant to the provisions of this Agreement.

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The Consultant acknowledges and agrees that retroactive contracting is contrary to government contracting requirements and that the Authority will not issue retroactive payments. The Consultant acknowledges and agrees that Services rendered before the date of execution or before the effective date of the Agreement, as applicable, will not be paid by the Authority.

365 The Consultant further acknowledges and agrees that the Authority has the right to recover any erroneous payment, including but not limited to, any overpayment, duplicate payment and/or any other payment not authorized by law, regulation, and/or this Agreement. The Consultant agrees to promptly return any erroneous payment to the Authority upon receipt of a written notice. In addition, if the Consultant becomes aware of an erroneous payment made by the Authority, the Consultant shall immediately notify the Authority's management and request instructions to proceed accordingly. The Consultant acknowledges and agrees 37 that the Authority reserves the right to make the necessary adjustments in any remaining payments to the Consultant until any erroneous amount paid is recovered.

SIXTH - EXPENSES: In the event that the GO Bond Issuance transactions are not consummated, the Authority may reimburse the Consultant for out of pocket expenses directly related to the Services and not considered part of the usual overhead of a professional office. The out of pocket expenses may include costs directly associated with rendering the Services, including travel and

lodging, filing fees, printing, delivery expenses, overnight mail, courier and messenger charges.

Any expense for which a reimbursement is requested shall be reasonable and necessary, and any extraordinary expenses shall be authorized in writing and in advance by the Authority. The Authority will not reimburse expenses which do not comply with this provision. Under no circumstances will expenses for alcoholic beverages be reimbursed.

Any petition for reimbursement of expenses must be accompanied by the corresponding invoice or receipt and shall specify the relation of the expense to the Services rendered. All reimbursements shall be for actual expenses incurred and shall be billed at cost. The total amount invoiced as expenses during the term of this Agreement shall not exceed five percent (5%) of the Maximum Amount. 3ES The Consultant may not exceed such amount without the prior written authorization of the Authority's Executive Director or any authorized representative of the Authority and a corresponding written amendment to this Agreement executed by the Parties.

When traveling outside of Puerto Rico is required to provide the Services under this Agreement, only the Consultant's Approved Persons for Travel mentioned in the list attached hereto as an appendix to this Agreement shall be authorized to travel, unless otherwise authorized by the Authority's Executive Director or an authorized representative responsible for the management of this Agreement. If the Consultant needs to assign another person to travel and such

person is not included in the Consultant's Approved Persons for Travel list, the Consultant shall promptly send the Authority an amended and updated said appendix, including such person's name and/or position and requesting written approval from the Authority prior to incurring any travel and lodging costs. In order for the Authority to reimburse travel and lodging costs, they shall be authorized in writing and in advance by the Authority.

For travel to places outside of Puerto Rico, the Authority will notify the Consultant the lodging allowances applicable to the place of travel, which shall be those published by the U.S. General Services Administration and the Defense Travel Management Office of the Department of Defense. Reimbursement for air travel expenses is restricted to the lowest economy class or coach fares available to the place of travel. In the event a scheduled trip is cancelled for reasons not attributable to the Consultant, the Authority will assume the cost of any penalty. The Authority shall not pay for travel time, unless specific Services are rendered during travel time. Payment for travel time shall be made only if the invoice details the Services rendered and the time billed on each matter, as required in this Agreement.

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SEVENTH - SUBCONTRACTING: The Consultant shall not subcontract the Services under this Agreement, or contract third-party experts or other persons to render the Services under this Agreement, without prior written authorization from the Authority. A request to hire a subcontractor shall specify the issues in which such subcontractor would take part. The professional fees earned by these

persons will be deducted from the Maximum Amount that the Consultant can receive under this Agreement.

From time to time, the Consultant may utilize the Services of personnel from its affiliates, if any, in providing Services under this Agreement, at its own cost, without the need to seek the consent of the Authority. However, the Consultant shall remain primarily responsible for providing the Services hereunder. The Authority agrees that none of the Consultant's affiliates, or their respective partners, principals or employees, who perform work under this Agreement, will have any liability to the Authority in connection with the Services or this Agreement. Nevertheless, the Consultant assumes all liability as to the work performed by its affiliates, their respective partners, principals or employees under this Agreement, subject to the limitation on liability contained in the FIFTEENTH Clause of this Agreement.

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The confidentiality covenants set forth in the TENTH Clause of this Agreement and the other requirements established in the THIRTEENTH Clause of this Agreement shall apply to these persons.

EIGHTH - REPORTS: The Consultant shall submit in writing any reports required by the Authority regarding the Services performed under this Agreement. If required by the Authority, at the completion of the assigned tasks, the Consultant will submit a final written report regarding the work it has performed. This requirement shall not be interpreted as a waiver by the Authority of the Consultant's ethical obligation and responsibility of keeping the Authority

informed of the progress of the assigned matters. This obligation includes the Consultant's commitment to submit status and progress reports of all assigned matters as required by the Authority and preparing and delivering to the Authority's external auditors, in a timely manner, the legal letters periodically requested in connection with pending or threatened litigation, claims and assessments or loss contingencies, as part of the financial statements audit process for the Authority. The Consultant shall not invoice the time spent in preparing these status reports and letters to auditors, as it is understood that both are administrative obligations complementary to the services rendered hereunder. The Authority will provide to the Consultant all the documentation necessary for the adequate fulfillment of the Consultant's obligations under this Agreement.

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In accordance with the provisions of the FOMB's Policy for Review of Contracts effective as of November 6, 2017, as modified on April 30, 2021 (the "FOMB's Policy"), the Parties hereby certify that the professional services rendered under this Agreement are specialized professional services and that, pursuant to said provisions of the FOMB's Policy, the requirement to transfer the skills and/or technical knowledge does not apply.

NINTH - OWNERSHIP OF DATA: All rights, title and interest in and to any data, information and other materials furnished to Consultant by the Authority hereunder (the "Authority Information") are and shall remain the Authority's sole and exclusive property. The Authority hereby grants to the Consultant a revocable, limited and non-exclusive license to use such Authority Information to the extent

required to provide the Services described herein. Except as provided below, upon full and final payment to the Consultant hereunder, all Consultant's work product created in connection with the Services (the "Deliverables") shall become the property of the Authority.

The Authority acknowledges the proprietary and confidential nature of Consultant's ideas, methods, methodologies, procedures, processes, know-how, and techniques (including, without limitation, function, process, system and data models), templates, software systems, user interfaces and screen designs, general purpose consulting and software tools, websites, benefit administration systems, and data, documentation, and proprietary information that the Authority may have access to or receive under this Agreement (collectively, "Consultant Information"). To the extent that any Consultant Information is contained in any of the Deliverables, subject to the terms of this Agreement, Consultant hereby grants to the Authority a paid-up, perpetual, royalty-free, nonexclusive license to use such Consultant Information for the Authority's use in connection with the Deliverables. To the extent that Consultant utilizes any of its intellectual property or know-how, including, without limitation, the Consultant Information, in connection with the performance of Services, such property shall remain the property of Consultant and, except for the limited license expressly granted in the preceding paragraph, the Authority shall acquire no right or interest in such property. The Authority will honor Consultant's copyrights, patents, and trademarks relating to Services,

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Deliverables and Consultant Information, and will not use Consultant's name or other intellectual property without Consultant's prior written consent.

The Authority will use reasonable efforts to cause its employees to minimize distribution and duplication and prevent unauthorized disclosure of the Consultant Information. Subject to applicable freedom of information act requirements, the Authority will not disclose Consultant Information to a third party without the prior written consent of Consultant.

TENTH - CONFIDENTIAL INFORMATION: The Consultant acknowledges the proprietary and confidential nature of all internal, non-public, information systems, financial, and business information now or hereafter provided to the Consultant relating to the Authority, the Government of Puerto Rico, its agencies, corporations and municipalities, (collectively, "Confidential Information"). The term "Confidential Information," however, shall not include information within the public domain or that is furnished to the Consultant by a third party who is under no obligation to keep the information confidential.

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The Consultant and its employees, affiliates and authorized subcontractors agree to keep in strict confidence all Confidential Information provided by the Authority, its personnel, subsidiary corporations and affiliates and their personnel, the Government of Puerto Rico, its municipalities, agencies, and corporations, in connection with the execution of this Agreement. The Consultant further agrees, in connection with all Confidential Information, that, it (i) shall

not make public or disclose any Confidential Information without the previous written consent of the Authority, (ii) shall use such Confidential Information only to perform its obligations under this Agreement; and (iii) will reproduce the Confidential Information only as required to perform its obligations under this Agreement.

In addition, the provisions of this Clause shall not prohibit the Consultant from making any disclosure pursuant to any subpoena or order of a court, or a governmental, administrative tribunal or authority which may assert jurisdiction over the Consultant or pursuant to applicable professional standards; provided that the Consultant shall promptly notify the Authority of any such disclosure obligations and reasonably cooperate with the Authority's efforts to lawfully avoid and/or minimize the extent of such disclosure.

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The Consultant may divulge Confidential Information to the persons who need to know such Confidential Information to fulfill the purposes of this engagement, provided that such persons (i) shall have been advised of the confidential nature of the information and the Consultant shall direct them, and they shall agree in writing, to treat such information as Confidential Information and to return all divulged materials to the Consultant upon request but for one copy for record purposes only; and (ii) in each case, such persons shall be bound by obligations of confidentiality and non-use consistent with and at least as stringent as those set forth in this Agreement.

In connection with the Services, the Consultant will furnish the Authority any necessary reports, analyses or other such materials as the Authority may request. The Authority, however, acknowledges that the Consultant may develop for itself, or for others, problem solving approaches, frameworks or other tools and processes developed in performing the Services, and nothing contained herein precludes the Consultant from developing or disclosing such materials and information provided that the same do not contain or reflect Confidential Information.

Furthermore, the Consultant shall return all Confidential Information to the Authority within thirty (30) days following the date of termination of this Agreement or, at the Authority's election, destroy such information, certifying that all the information has been returned to the Authority or destroyed, but for one copy for record purposes only and other than electronic information held in archive and/or backup files to the extent such files cannot be deleted without unreasonable effort or expense and created in the ordinary course pursuant to established data backup/archive procedures. The Consultant shall not invoice the time spent to gather and deliver such information, as it is understood that this is an administrative obligation complementary to the Services rendered hereunder. During this thirty (30) day period, these documents shall be available for inspection by the Office of the Comptroller of Puerto Rico.

This provision shall survive the expiration or earlier termination of this Agreement.

ELEVENTH - CONFLICT OF INTERESTS: The Consultant acknowledges that, in performing the Services pursuant to this Agreement, it has the obligation to exhibit complete loyalty towards the Authority, including having no adverse interest to this government entity.

The Consultant certifies that is not currently aware of any relationship that would create a conflict of interest with the Authority or those parties-in-interest of which the Authority has made the Consultant aware. The Parties acknowledge that no public officer or employee of the Authority with the power to execute or authorize this Agreement has knowledge that the Consultant represents particular interests in cases or issues involving conflict of interest or public policy between the Authority and the particular interests represented by the Consultant.

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The project team members of the Consultant providing Services under this Agreement will not provide similar products and/or Services to any of the agencies, public corporations, municipalities or instrumentalities of the Government of Puerto Rico, as well as to any other private or public party that are deemed by Consultant to have an adverse interest to the Authority, during the term of this Agreement and for six (6) months after its expiration or earlier termination, in connection with matters relating to the Authority, without the express written consent of the Authority, which, unless prohibited by applicable law, will not be unreasonably withheld.

The Consultant represents conflicting interests when, on behalf of one client it must support that which it is its duty to oppose to comply with its obligations with

another previous, present or potential client. Also, it represents conflicting interests when its conduct is described as such in the standards of ethics applicable to its profession or industry, or in Puerto Rico's laws and regulations. The conduct herein described by one of Consultant's directors, partners, employees or subcontractors shall constitute a violation of this prohibition. The Consultant shall avoid even the appearance of the existence of conflicting interests.

The Consultant certifies that at the time of the execution of this Agreement, it does not have nor does it represent particular interests in cases or matters that imply a conflict of interests, or of public policy, between the Authority and the particular interests it represents. If such conflicting interests arise after the execution of this Agreement, the Consultant shall notify the Authority immediately.

SES Both Parties hereby declare that, to the best of their knowledge, no public officer or employee of the Authority, the Government of Puerto Rico, or any of its agencies, instrumentalities, public corporations or municipalities, or employee of the Legislative or Judicial branches of the Government has any direct or indirect interest in the present Agreement. The Parties further acknowledge that no public officer or employee is a party to or has any interest in any profits or benefits produced by this Agreement and that no public officer or employee of the Authority with the power to approve or authorize contracts on behalf of the Authority, or any member of his or her family unit, has or has had any direct or

indirect economic interests with the Consultant during the last four (4) years prior to said public officer or employee holding office.

The Consultant certifies that neither it, nor any of its directors, executives, officers or employees, offered or paid, directly or indirectly, any commissions, referrals, contracts, or any other consideration having an economic value, to a third party as a condition for obtaining this Agreement or to influence in any way its execution. In addition, the Consultant certifies that it shall not pay any commissions, make any referrals, execute any contracts, or provide any other consideration having an economic value, to a third party for the Services to be rendered under this Agreement, except for any subcontracts authorized by the Authority in accordance with the provisions established herein.

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The Consultant also certifies that none of its partners, directors, executives, officers and employees receives salary or any kind of compensation for the rendering of regular services by appointment (or otherwise) in any agency, instrumentality, public corporation, or municipality of the Government of Puerto Rico. The Parties acknowledge that this Agreement is not executed with or for the benefit of persons who have been public officers or employees of the Authority.

TWELFTH - INDEPENDENT CONTRACTOR STATUS: The Authority and the Consultant agree that the Consultant's status hereunder, and the status of any agents, employees, affiliates and approved subcontractors engaged by the Consultant, shall be that of an independent contractor only and not that of an employee or agent of the Authority or any entity of the Executive

Branch. The Consultant shall not have any power or right to enter into agreements on behalf of the Authority.

THIRTEENTH - CONTRACTING REQUIREMENTS OF THE GOVERNMENT OF PUERTO RICO: The Consultant will comply will all applicable laws, regulations and executive orders that regulate the contracting process and requirements of the Government of Puerto Rico, including *Act No. 73-2019*, as amended, known as the “2019 General Services Administration Act for the Centralization of Purchases of the Government of Puerto Rico” (“Act 73-2019”).

In compliance with the provisions of Act 73-2019, the Consultant has provided the Authority the Certification of Eligibility of the Unique Registry of Professional Services Providers (known in Spanish as “*Certificado de Elegibilidad del Registro Único de Proveedores de Servicios Profesionales*”, and hereinafter referred to as the “RUP Certification”), issued by the General Services Administration. It is hereby acknowledged that pursuant to the provisions of Article 42 of Act 73-2019, a valid RUP Certification serves as evidence of compliance with the documentation requirements necessary for contracting professional services with the Government of Puerto Rico, particularly those required under *Act No. 237-2004*, as amended, which establishes uniform contracting requirements for professional and consultant services for the agencies and governmental entities of the Commonwealth of Puerto Rico (3 L.P.R.A. §

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8611 et seq.), the Puerto Rico Department of Treasury Circular Letter Number 1300-16-16 issued on January 22, 2016, as amended, which is available at: <http://www.hacienda.pr.gov/publicaciones/carta-circular-num-1300-16-16>, and the sworn statement before notary public required pursuant to Article 3.3 of *Act 2-2018*, (3 L.P.R.A. § 1883b), as amended, known as “Anti-Corruption Code for a New Puerto Rico”. In addition, the RUP Certification substitutes the Single Debt Certification (“Certificación Única de Deuda”), issued pursuant to Act 85-2009, as amended, known in Spanish as “*Ley de Certificados y Comprobantes Electrónicos*”, which serves as evidence of compliance with certifications issued by the Department of Treasury of Puerto Rico, the Department of Labor and Human Resources of Puerto Rico, the Municipal Revenue Collection Center, and ASUME (as defined below).

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Further, the Consultant hereby certifies, guarantees, acknowledges and agrees to the following:

- A. **Department of Treasury of Puerto Rico:** Pursuant to Executive Order Number OE-1991-24 of June 18, 1991 (“EO-1991-24”) and Act No. 237-2004, as amended, the Consultant hereby certifies and guarantees that it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last five (5) years. The Consultant, further 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. During the term of this Agreement, the Consultant agrees to pay and/or to

remain current with any repayment plan agreed to by the Consultant with the Government of Puerto Rico. For these purposes, absent a valid RUP Certification, the Consultant shall present to the Authority a debt certification issued by the Department of Treasury or a Single Debt Certification (as defined above), together with the last invoice to be submitted for Services rendered. The Consultant agrees to cancel any debt that cannot be clarified or cleared with the Department of the Treasury of Puerto Rico, by withholding from the payments entitled to receive under this Agreement. *Executive Order 1991OE24.*

SES B. **Department of Labor and Human Resources of Puerto Rico:** Pursuant to Executive Order Number 1992-52 of August 28, 1992, which amends EO-1991-24, the Consultant hereby certifies and warrants that it has made and will continue to make 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. *Executive Order 1992OE52.*

C. **Department of State of Puerto Rico:** If applicable, the Consultant certifies that it is duly authorized to do business in Puerto Rico and has complied with its annual filing obligations before the Department of State of Puerto Rico.

D. Municipal Revenue Collection Center (known in Spanish as “Centro de Recaudación de Ingresos Municipales”, and hereinafter referred to by its acronym “CRIM”): The Consultant hereby certifies and guarantees that it does not have any current debt with regards to real and personal property taxes that may be registered with CRIM. The Consultant further certifies that it is current with the payment of any and all property taxes that are or were due to the Government of Puerto Rico or any instrumentality thereof. The Consultant agrees to pay and/or to remain current with any payment plan agreed to by the Consultant with the Government of Puerto Rico with regards to its property taxes. 3 L.P.R.A. § 8611 et seq.; 21 L.P.R.A. § 5001 et seq.

E. Child Support Administration (known in Spanish as “Administración para el Sustento de Menores”, and hereinafter referred to by its acronym, “ASUME”): The Consultant certifies that neither the Consultant nor any of its owners, affiliates or subsidiaries, if applicable, have any debt or legal procedures to collect child support payments registered with ASUME. 3 L.P.R.A. § 8611 et seq.

F. Social Security and Income Tax Withholdings: In compliance with EO-1991-24 and C.F.R. Part 404 et. seq., the Consultant will be responsible for paying the Federal Social Security and Income Tax Contributions for any amount owed as a result of the income from this Agreement. *Executive Order 1991OE24*; C.F.R. Part 404 et. seq.

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G. Income Tax Withholdings Law: The Consultant is an independent contractor and, as such, agrees and acknowledges that it has sole responsibility and liability for any and all taxes, contributions, penalties, interest, licenses, fees or other sums payable in connection with the fees and applicable expenses paid pursuant to this Agreement, including, without limitation, any Commonwealth, federal and local income taxes, tax withholdings, excise taxes, sales and use taxes, payroll taxes, municipal taxes and any other taxes applicable under the tax laws of Puerto Rico, the United States, or any other jurisdiction, as such laws may be amended from time to time. Notwithstanding the foregoing, unless the Consultant provides to the Authority a waiver or exemption certificate issued by the Department of the Treasury, the Parties hereby agree that the Authority shall withhold and submit to the Department of the Treasury all amounts required to be withheld pursuant to the Puerto Rico Internal Revenue Code of 2011, as amended from time to time, and any other taxes required to be withheld under any applicable laws, as amended from time to time. In addition to the foregoing, if applicable, the Authority shall also withhold the special contribution of one point five percent (1.5%) of the gross amounts paid under this Agreement as required by Act No. 48-2013, as amended, and shall forward such withholdings to the Department of Treasury. The Authority will also notify the Department of Treasury of all

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payments and reimbursements made to the Consultant. 2011 L.P.R. 232; 3 L.P.R.A. §8611.

- H. **Enabling Act of the Office of Government Ethics of Puerto Rico, Act No. 1-2012, as amended:** The Consultant certifies that it is in compliance with Act No. 1 of January 3, 2012, as amended, known as the Enabling Act of the Office of Government Ethics of Puerto Rico ("Act No. 1-2012").
- I. **Act for the Improvement of Family Assistance and for the Support of the Elderly, Act. No. 168-2000, as amended:** The Consultant hereby certifies that if there is any judicial or administrative order demanding payment or any economic support under the Act for the Improvement of Family Assistance and for the Support of the Elderly (known in Spanish as "*Ley de Mejoras al Sustento de Personas de Edad Avanzada de Puerto Rico*"), Act. No. 168-2000, as amended, the same is current and in all aspects in compliance. 8 L.P.R.A. §711 et seq.
- J. **Agreement Registration in the Office of the Comptroller of Puerto Rico, Act No. 18 of October 30, 1975, as amended:** No party shall be obliged to comply with the provisions of this Agreement until it is duly registered in the Office of the Comptroller of Puerto Rico pursuant to Act No. 18 of October 30, 1975, as amended.
- K. **Code of Ethics for Contractors, Suppliers, and Applicants for Economic Incentives of the Government of Puerto Rico, Chapter III of Act No. 2-2018:** The Consultant hereby recognizes and agrees that it

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shall be bound by and comply with all applicable provisions of the Code of Ethics for Contractors, Suppliers, and Applicants for Economic Incentives of the Government of Puerto Rico (known in Spanish as “*Código de Ética para Contratistas, Suplidores y Solicitantes de Incentivos Económicos del Gobierno de Puerto Rico*”), Chapter III of Act No. 2-2018. The Consultant acknowledges that it has received a copy of Act 2-2018, and agrees to abide and comply with its dispositions.

L. **Authority’s Workplace Harassment Guidelines:** The Consultant hereby recognizes and agrees that it shall be bound by and comply with the Authority’s Workplace Harassment Guidelines (known in Spanish as “*Guías sobre Acoso Laboral de la Autoridad de Asesoría Financiera y Agencia Fiscal de Puerto Rico*”). The Consultant acknowledges that it has received a said guidelines, and agrees to abide and comply with its provisions.

JCS M. **Authority’s Administrative Order OA-2021-005 regarding COVID-19 vaccination requirements:** The Consultant hereby recognizes and agrees that it shall be bound by and comply with the Authority’s Administrative Order OA-2021-005 regarding COVID-19 vaccination requirements, which shall be applicable to contractors, employees of the contractors and visitors to the Authority’s facilities. The Consultant acknowledges that it has received a copy of said Administrative Order OA-2021-005, and agrees to abide and comply with its provisions.

N. **Certification of other government agreements:** The Consultant hereby certifies that, at the time of execution of this Agreement, it does not have any other agreement with any agency, public corporation, municipality, or instrumentality of the Government of Puerto Rico, except for:

1. Puerto Rico Public-Private Partnerships Authority,
2. Puerto Rico Sales Tax Financing Corporation, and
3. Government Development Bank for Puerto Rico.

The Consultant certifies that said agreements are not in conflict with the Services provided hereunder.

O. **Negative Certification of Criminal Procedures:** The Consultant certifies and guarantees that, at the execution of this Agreement, neither the Consultant, nor any of its partners, associates, officers, directors, employees, agents or subcontractors have been convicted or have been found guilty in any Puerto Rico or United States Federal court for any of the crimes included under Articles 4.2, 4.3 or 5.7 of Act No. 1-2012, any of the crimes listed in Articles 250 through 266 of Act No. 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes under Act No. 2-2018 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 No. 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico ("Act No. 8-2017"). The Authority shall have the right to terminate

YES

this Agreement in the event the Consultant is convicted in a Puerto Rico or United States federal court for any of the aforementioned crimes.

Furthermore, neither the Consultant, nor any of the aforementioned persons, has knowledge of any of the foregoing being the subject of any investigation in either a civil or a criminal procedure in a state or federal court, for criminal or civil charges related to the public treasury, the public trust, a public function, or a fault that involves public funds or property. If the status of the Consultant or any of its partners, associates, officers, directors, employees, agents or subcontractors, with regards to the charges previously mentioned should change at any time during the term of the Agreement, the Consultant shall notify the Authority immediately. The failure to comply with this responsibility constitutes a violation of this Clause.

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- P. **Investment Act for the Puerto Rican Industry, Act No. 14-2004, as amended:** In compliance with the dispositions of Act No. 14-2004, known as the Investment Act for the Puerto Rican Industry, the Consultant shall use articles extracted, produced, assembled, packaged or distributed by companies with operations in Puerto Rico or distributed by agents established in Puerto Rico while rendering the Services, provided such articles are available.
- Q. **Financial Oversight and Management Board for Puerto Rico's ("FOMB") Policy for Review of Contracts:** The Parties acknowledge

that the Consultant has presented to the Authority the certification entitled “Contractor Certification Requirement” required pursuant to FOMB’s Policy, signed by the Chief Executive Officer of the Consultant (or other officer with equivalent position or authority to issue such certifications). A copy of the signed “Contractor Certification Requirement” is included herein as an appendix to this Agreement. The Consultant represents and warrants that the information included in the “Contractor Certification Requirement”, is complete, accurate and correct, and that any misrepresentation, inaccuracy or falseness in such certification will render this Agreement null and void and the Consultant will have the obligation to reimburse immediately to the Authority any amounts, payments or benefits received hereunder.

3E S R. **Consequences of Non-Compliance:** The Consultant expressly agrees that the conditions outlined throughout this THIRTEENTH Clause are essential requirements of this Agreement. Consequently, should any one of these representations, warranties, and certifications be incorrect, inaccurate or misleading, in whole or in part, there shall be sufficient cause for the Authority to render this Agreement null and void and to require that the Consultant reimburse to the Authority all moneys received under this Agreement.

The Consultant accepts and acknowledges its responsibility for requiring and obtaining a similar warranties and certifications required under this Clause

from each and every approved subcontractor whose service the Consultant has secured in connection with the Services and shall forward such evidence to the Authority as to its compliance with this requirement.

Any person engaged by the Consultant in accordance with the conditions herein established who dedicates twenty-five percent (25%) or more of his or her time over a fiscal year to provide Services related to this Agreement shall be considered subcontractors for the purposes of this Clause. Notwithstanding anything herein to the contrary, the Consultant shall have the right to rely conclusively on the certifications issued by the corresponding government agencies in making the representations in this Clause.

For the purposes of this Agreement, 'tax debt' shall mean any debt that the Consultant, or other parties which the Authority authorizes the Consultant to subcontract, may have with the Government of Puerto Rico for income taxes, real or personal property taxes, including any special taxes levied, license rights, tax withholdings for payment of salaries and professional services, taxes for payment of interest, dividends and income to individuals, corporations and non-resident accounting firms, unemployment insurance premiums, workers' compensation payments, Social Security for chauffeurs, and ASUME.

FOURTEENTH - INSURANCE: The Consultant represents that as of the date of execution of this Agreement, it maintains professional liability insurance coverage for errors, omissions and negligent acts that may arise from the Services

rendered under this Agreement in the minimum amount of Five Million Dollars (\$5,000,000.00).

The Consultant also represents that as of the date of execution of this Agreement, it maintains Commercial General Liability insurance in the minimum amount of One Million Dollars (\$1,000,000.00).

With respect to the Commercial General Liability insurance policy, the certification to be provided by the Consultant must include an endorsement identifying the Authority as Additional Insured and provide Hold Harmless Agreement Clause. Also, the certificates should include the following cancellation notice:

“CANCELLATION CLAUSE: It is understood and agreed that in the event of cancellation of this policy at the request of the insurance company, thirty (30) days written notice shall be given to the above mentioned additional insured, **PUERTO RICO FISCAL AGENCY AND FINANCIAL ADVISORY AUTHORITY**. However, it is agreed that if cancellation is due to non-payment of premium, ten (10) days written notice will be given”.

It shall be the Consultant's obligation to submit to the Authority the corresponding certifications from its insurance company evidencing the abovementioned insurance coverage. The insurance policies required herein must remain in effect during the term of this Agreement, including any amendments to extend said term.

FIFTEENTH - LIABILITY FOR LOSSES OF THE AUTHORITY: If the Authority suffers any damages, losses, liabilities, and expenses (including

reasonable attorneys' fees and expenses) (collectively, a "Loss" or "Losses") (regardless of whether such Loss is based on breach of contract, tort, strict liability, breach of warranties, failure of essential purpose, statutory liability or otherwise) as a result of Consultant's breach of its obligations hereunder, the Consultant shall defend, indemnify and hold harmless the Authority and any entity of the Executive Branch from and against such Losses. If the Consultant incurs any costs or expenses as a result of a subpoena or request for production of documents or request to testify in connection with the Services provided pursuant to this Agreement, the Authority shall defend, indemnify and hold harmless the Consultant from and against such costs or expenses.

DES In no event will either Party be liable to the other Party for incidental, consequential, special, or punitive damages (including loss of profits, data, business or goodwill, or government fines, penalties, taxes, or filing fees), regardless of whether such liability is based on breach of contract, tort, strict liability, breach of warranty, failure of essential purpose, statutory liability or otherwise, and even if advised of the likelihood of such damages. The Consultant hereby agrees to use reasonable efforts to mitigate any and all damages and other Losses to the Authority and any entity of the Executive Branch. To the extent permitted by law, all claims and Losses relating to, directly or indirectly, or arising from this Agreement (including the Services), however caused, regardless of the form of action and on any theory of liability, including contract, strict

liability, negligence or other tort, shall be brought under and shall be subject to the terms of this Agreement.

SIXTEENTH - INFORMATION PROVIDED BY THE AUTHORITY: The Authority will submit to Consultant all information in Authority's control necessary for Consultant to perform the Services covered by this Agreement. The Authority is responsible for the accuracy and completeness of the information submitted to the Consultant in order to perform the Services and agrees to notify the Consultant, as soon as possible, of any problems or errors in such information that the Authority becomes aware of.

SEVENTEENTH - CONSULTANT NOT ENTITLED TO RIGHTS: The execution of this Agreement shall not generate any rights for the Consultant, its employees, officers, directors, agents, successors, assignees or subcontractors to receive any benefits that the officers or employees of the Authority, the Government of Puerto Rico or of any agency, instrumentality or municipality may be entitled as officers or employees of the Authority and the Government of Puerto Rico pursuant to law or regulation including, but not limited to, vacation and sick leave, workmen's compensation, or any other such benefits.

EIGHTEENTH - WAIVERS: The Consultant certifies that it is not required to obtain a waiver from any Puerto Rico government entity prior to or in connection with the execution of this Agreement or that, to the extent any such waiver is required, the same has been obtained by the Consultant prior to the execution of this Agreement.

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NINETEENTH - SEVERABILITY: Both Parties agree that the illegality of any of the provisions of this Agreement shall not invalidate it as a whole. In such case, if any clause or condition of this Agreement is declared null and void by a competent court of law, the remaining parts of this Agreement shall remain in full force and effect.

TWENTIETH - GOVERNING LAW AND VENUE: This Agreement and any dispute relating to the Services will be governed by and construed, interpreted and enforced in accordance with the laws of Puerto Rico. The court and authorities of Puerto Rico shall have exclusive jurisdiction over all controversies that may arise with respect to this Agreement. The Parties hereby waive any other venue to which they might be entitled by virtue of domicile or otherwise. Should either Party initiate or bring suit or action before any other court, it is agreed that upon application, any such suit or action shall be dismissed, without prejudice, and may be filed in accordance with this provision. The Party bringing the suit or action before a court not agreed to herein shall pay to the other Party all the costs of seeking dismissal including reasonable attorney's fees.

TWENTY-FIRST - SOLE AGREEMENT: It is understood that this Agreement is the sole agreement between the Parties with regard to the Services covered hereby and supersedes any prior agreements, written or verbal. For the avoidance of doubt, the Parties acknowledge and agree that the Consultant may continue to provide to the Authority services not covered by this Agreement under the Agreement for Professional Services No. 2022-000071 by and between the

Consultant and the Authority dated as of July 30, 2021. The Agreement may not be changed orally, but may be amended in writing by mutual agreement of the Parties.

TWENTY-SECOND - COUNTERPARTS: This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original instrument, but all of which taken together shall constitute one instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto set their hands in San Juan, Puerto Rico, as of this 16 day of February 2022.

**PUERTO RICO FISCAL
AGENCY AND FINANCIAL
ADVISORY AUTHORITY**



Guillermo Camba Casas
Director of the Office of
Administrative Affairs

**PIETRANTONI MÉDEZ &
ÁLVAREZ LLC**



Jaime E. Santos Mimoso
Managing Member
Tax Id. Numbe

Popular Center 19th Floor
208 Porree de León A ve.
San Juan, Puerto Rico 00918
Tel.: (787) 274-1212
Fax: (787) 274-1470

APPENDIX INDEX

1. Service Description/Proposal
2. Consultant's hourly rates schedule
3. AAFAF billing guidelines for outside counsel
4. Consultant's Approved Persons for Travel
5. Contractor Certification Requirement

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January 25, 2022

Puerto Rico Fiscal Agency and Financial Advisory Authority
Roberto Sánchez Vilella Government Center
De Diego St., Stop 22
San Juan, Puerto Rico 00940-1089

Attention: Julian Bayne, Esq.

Re: Proposal for Legal Services in Connection with Proposed Issuance of New General Obligation Bonds and Contingent Value Instruments of the Commonwealth of Puerto Rico (the "Commonwealth") under the *Modified Eighth Amended Title III Joint Plan of Adjustment of the Commonwealth of Puerto Rico, et al.* (the "Plan of Adjustment")

Ladies and Gentlemen:

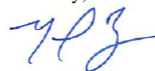
We have been asked to act as local counsel in connection with the issuance (the "Issuance") of new general obligation bonds (the "New GO Bonds") of the Commonwealth in an original principal amount of \$7,414,063,543 and new contingent value instruments (the "CVIs") of the Commonwealth in a notional amount of \$8,739,002,764. The New GO Bonds and the CVIs would be issued in connection with the proposed restructuring (the "Proposed Restructuring") of approximately \$35 billion in aggregate principal amount of publicly-traded municipal securities of the Commonwealth, the Puerto Rico Public Buildings Authority, the Puerto Rico Infrastructure Financing Authority and the Puerto Rico Convention Center District Authority in the pending debt restructuring proceedings under Titles III and VI of the Puerto Rico Oversight, Management and Economic Stability Act.

We have been providing legal services to the Puerto Rico Fiscal Agency and Financial Advisory Authority ("AAFAP," for its Spanish acronym) in connection with this matter under our existing Professional Services Agreement with AAFAP (the "Existing Agreement"). Our work has included significant research and analysis, negotiations with various parties, and drafting and review of legislation, solicitation documents, and contracts. The additional work required to be performed in connection with the Issuance includes, among other things, the delivery of legal opinions, as well as the drafting, review, negotiation and/or completion of bond documents and ancillary agreements.

As you are aware, there are significant risks related to the Issuance, particularly given its unprecedented nature, size and complexity. Given these risks and consistent with industry practice, we propose to charge a fixed fee for the successful completion of the Issuance. Our fixed fee would consist of one payment in the amount of \$2,250,000 (the "Fixed Fee"), payable on the effective date of the Plan. We propose to enter into an amendment to the Existing Agreement (the "Amendment") to cover the services related to the Issuance and provide for the payment of the Fixed Fee. We would not bill AAFAP under the Existing Agreement for services provided after the execution of the Amendment related to the Proposed Restructuring or the Issuance, unless such transactions are not consummated. In the event such transactions are not consummated, we would bill AAFAP based on the legal services rendered in connection with such transactions at the discounted hourly rates set forth in the Existing Agreement.

We are proud to represent AAFAP in connection with these transactions. If you have any questions regarding our firm or our services, please contact us at your convenience.

Sincerely,



CERTIFICATION

The undersigned, Jaime E. Santos, in my capacity as Managing Member of Pietrantoní Méndez & Alvarez LLC, hereby certify that the names and title of the attorneys and paralegals currently working at our firm and their rates (including a 15% discount) are:

Name	Title	AFFAF's Proposed Rate
Aguiló, Jason	Limited Member	\$195.50
Annoni, Carmen T.	Senior Paralegal	\$ 97.75
Arias, Eduardo J.	Member	\$263.50
Bautista, Sofia	Associate	\$127.50
Bertólez, Maria D.	Counsel	\$216.75
Betancourt, Irma	Associate	\$136.00
Billoch, Amanda	Limited Member	\$182.75
Camacho, Karina	Member	\$208.25
Cara, Patricia G.	Counsel	\$246.50
Carrasquillo, Erika M.	Counsel	\$182.75
Cestero, José R.	Counsel	\$289.00
Colberg, Herman G.	Member	\$233.75
Cruz, Edwin	Member	\$250.75
Cruz, Liz Arelis	Associate	\$174.25
De Félix, Rocio	Associate	\$153.00
Del Valle, Manuel	Member	\$229.50
Feliciano, Isaac	Associate	\$136.00
Fernández, Felicia	Paralegal	\$ 93.50
Fernández, Maria A.	Associate	\$136.00
Figueroa, Alicia	Counsel	\$221.00
Figueroa, Viviana	Associate	\$170.00
Fraguada, Sofia	Associate	\$144.50
Gavin, James	Associate	\$178.50
González, Guillermo	Paralegal	\$ 93.50
Goyco, Fernando	Counsel	\$297.50
Hernández, Arturo L.	Limited Member	\$178.50
Hull, Donald E.	Member	\$310.25
Laurido, Marcia	Associate	\$144.50
Marchese, Luis	Associate	\$136.00
Marrero, Iván	Member	\$242.25
Martínez, José C.	Associate	\$136.00
Martínez, María E.	Associate	\$153.00
Meléndez, Ricardo O.	Counsel	\$208.25
Méndez, Néstor M.	Counsel	\$314.50
Molina, Antonio R.	Member	\$242.25
Muñoz, Christian	Associate	\$170.00

Murgia, Diego	Member	\$204.00
Nadal, Néstor R.	Counsel	\$216.75
Ochoa, Margaret	Associate	\$127.50
Padró, Sandra	Paralegal	\$ 97.75
Peirats, Jorge I.	Member	\$280.50
Pérez Otero, Juan C.	Counsel	\$229.50
Pesquera, Frances	Limited Member	\$187.00
Pietrantonì, Antonio J.	Limited Member	\$187.00
Pietrantonì, Manuel R.	Member	\$318.75
Ramirez, Priscilla M.	Limited Member	\$182.75
Ramos, Francis	Paralegal	\$ 89.25
Ramos, Oreste	Member	\$238.00
Rey, María I.	Counsel	\$212.50
Reyes, Melinda	Paralegal	\$ 93.50
Rios, Edgar	Member	\$263.50
Rivera, Dianette	Member	\$208.25
Rivera, Melvin J.	Limited Member	\$216.75
Rivera, Saritza	Associate	\$144.50
Rodríguez, Julian R.	Associate	\$153.00
Rodríguez, Manuel	Member	\$242.25
Román, Viviana	Paralegal	\$ 93.50
Santaella, Héctor	Counsel	\$178.50
Santos, Antonio J.	Member	\$310.25
Santos, Jaime E.	Member	\$289.00
Souss. Jorge E.	Limited Member	\$216.75
Trelles, María D.	Member	\$225.25
Vélez, Sara L.	Limited Member	\$212.50
Villate, Ana S.	Associate	\$144.50

In Witness Whereof, I sign this Certification in San Juan, Puerto Rico, today, February 16, 2022.

Name: Jaime E. Santos
Title: Managing Member



GOVERNMENT OF PUERTO RICO

Puerto Rico Fiscal Agency and Financial Advisory Authority

Rev. 08/2020

Billing Guidelines for Outside Counsel

Introduction

The Puerto Rico Fiscal Agency and Financial Advisory Authority ("FAFAA") may engage the services of law firms or sole practitioner attorneys (collectively and hereinafter "Outside Counsel") to provide certain legal services for managing its legal risks and affairs (the "Legal Services").

The Outside Counsel shall be committed to providing Legal Services with the highest quality standards and in the most reasonable, prompt, efficient and cost-effective manner. Therefore, FAFAA expects Outside Counsel to stress integrity and to uphold the highest standards of professionalism and ethical conduct in ensuring timely, responsive, and cost-effective legal services by complying with these billing guidelines (the "Guidelines").

The Guidelines set forth FAFAA's expectations relative to the Legal Services being provided and the nature of the working relationship with Outside Counsel. Through the Guidelines, FAFAA hereby provides Outside Counsel with an understanding of what legal fees and expenses FAFAA will pay and reimburse. Furthermore, these Guidelines shall constitute a written agreement by the parties for any matter to which the Outside Counsel is engaged on behalf of FAFAA. These Guidelines shall govern the billing terms of the professional relationship between FAFAA and Outside Counsel.

FAFAA considers Outside Counsel's invoices for services rendered (the "Invoices") as a certification by Outside Counsel that the billing for services, as reflected on the Invoices, is reasonable for the legal matters involved, and necessary for the proper rendering of the Legal Services relative thereto.

FAFAA expects Outside Counsel to strictly adhere to the Guidelines and to charge for actual legal services rendered, at the rates established and agreed in advance by the parties, and to refrain from billing non-billable work or expenses. Compliance with the Guidelines will avoid delays in processing Invoices or the possible nonpayment of the services provided. Please note that the Guidelines may be modified and amended from time to time and in the event of any amendment or modification, Outside Counsel will be notified accordingly. FAFAA expects Outside Counsel to become familiar with the Guidelines and if there are any questions relative thereto then Outside Counsel should contact FAFAA's Legal Department.

The following rules shall govern Outside Counsel's billing for the Legal Services and its presentation of the Invoices:

A. Billing Rates and Fee Arrangements

- i. FAFAA expects to be charged reasonable fees for the Legal Services, pursuant to the applicable code of professional conduct. A reasonable fee is considered to be the product of: a) the amount of time reasonably necessary to devote to the matter by appropriately qualified legal professionals, and b) the customary or previously agreed to billing rates (the "Billing Rates") of those legal professionals involved in the rendering of the Legal Services. Furthermore, FAFAA expects Outside Counsel to use prudence and reasonableness in rendering the Legal Services, refraining from providing more legal services than are actually needed to complete the same.
- ii. Under no circumstance will FAFAA pay for Outside Counsel's overhead expenses, as they are generally categorized in accordance to applicable accounting principles.
- iii. Legal Services will be billed in increments of 6 minutes or 1/10 of an hour.
- iv. Unless otherwise agreed upon in advance, all hourly billing rates shall be solely on the basis of the Billing Rates. Absent a specific agreement for an alternative fee arrangement for a specific legal service, Outside Counsel's fees shall be computed by applying the Billing Rates to the reasonable time actually incurred in rendering the Legal Services.
- v. The level of expertise of the lawyer assigned to a matter referred by FAFAA shall be appropriate to the complexity of the legal issue therein. Therefore, partners in the law firm shall not bill for tasks that can be performed by an associate at a lower cost. Furthermore, FAFAA requires Outside Counsel to assign less demanding legal tasks to less senior lawyers in order to minimize legal expenses. Additionally, for matters of similar nature occasionally referred to Outside Counsel, FAFAA expects Outside Counsel to assign an attorney with prior experience with such matter. Outside Counsel shall ensure that the worked performed by the assigned lawyer(s) is reasonable, useful, and done efficiently.
- vi. In the event that Outside Counsel anticipates incurring in significant billable hours or expenses in excess of the normal amount within a particular month, Outside Counsel shall contact FAFAA to notify of the anticipated excess amount of billable hours or expenses during that month and shall include a reasonably detailed explanation of the reasons for such additional costs.

B. Referrals and Budgets

- i. Unless otherwise agreed by the parties, FAFAA expects Outside Counsel to prepare and provide FAFAA's Legal Department with a brief written legal strategy or case plan for all

litigation legal matters, as well as a budget for the handling of such matter, within the first fifteen (15) days following its referral to Outside Counsel. The case plan, when applicable, should include:

- a. An estimated budget of the legal fees and expenses that could potentially be incurred;
 - b. A preliminary assessment of FAFAA's exposure and possible liability;
 - c. a plan for the discovery process;
 - d. Potential defenses for FAFAA, and the practicability and potential for early disposition of the case by reaching a favorable settlement with the other party. Outside Counsel should seek a dispositive resolution or early settlement, where possible, if such course of action is in the best interests of FAFAA;
 - e. Written instructions regarding who should be covered by any applicable litigation hold, and the type of data that should be preserved by the different areas of the FAFAA, Outside Counsel should be responsible for ensuring that litigation holds are diligently placed on potentially relevant documents and those potentially relevant employees are notified of these holds as soon as possible. Furthermore, Outside Counsel should make sure that the holds are periodically reiterated so that all potentially relevant employees are aware of and remember the holds, and all potentially relevant documents are included in the holds.
- ii. FAFAA may refer to Outside Counsel a particular matter which may require extended work or research or may seek the advice or assistance of Outside Counsel in special projects. In any such case, Outside Counsel shall prepare and provide FAFAA with an estimated budget of the legal fees and expenses that could potentially be incurred FAFAA for the handling of such matter. It is expected of Outside Counsel to reflect its best judgment as of the time the budget is prepared in order to avoid deviating from the estimated budget initially submitted.
 - iii. Prior to undertaking any extended research on a particular matter, Outside Counsel should previously consult with FAFAA in order to get approval to proceed with the extended research project. FAFAA will not to pay for research of general or background nature and no legal research that requires more than four (4) hours of work should be undertaken without obtaining FAFAA's written authorization. FAFAA will reimburse Outside Counsel for necessary computerized research at the actual cost of the service after volume discounts, only if prior written approval from FAFAA's Legal Department is obtained. FAFAA encourages Outside Counsel to seek and obtain volume discounts for electronic research. Outside Counsel is expected to be familiar with the basic substantive law at issue in the matter for which Outside Counsel was retained, and FAFAA should not generally be charged for this type of research.

- iv. When requested, Outside Counsel shall provide FAFAA with monthly status reports of all pending matters (the “Monthly Status Reports”). The form of the Monthly Status Report shall be previously agreed upon by Outside Counsel and FAFAA.

C. Staffing Matters

- i. FAFAA will not pay for or authorize:

- a. Administrative charges such as:

i. Scheduling or review of personnel;

. Preparation and review of billing statements;

i. Preparation of budgets of time litigation case strategy or plan, staffing of total costs of projected legal work;

ii. Preparation of the Monthly Status Reports;

iii. Preparation of Audit Letters to our external auditors;

iv. Preparation of any other status report; or

v. Negotiation, review, and/or drafting of retention or engagement agreement between FAFAA and the Outside Counsel.

- b. Grazing: FAFAA will not pay for billed time for getting up to date with any legal matter. This includes:

i. Time spent by newly assigned attorneys/paralegals to familiarize themselves with a matter.

ii. Time spent for file reviews if an event does not precipitate that file review or it does not result in the creation of any tangible work product.

- c. Block billing: All tasks must be billed separately. No payment will be made for entries that consist of two or more task descriptions.

- d. Vague, confusing or otherwise undetailed time entries.

e. Time associated with research on general client or industry trends, and time expended on “canned” research, such as research of a generic nature or for a prior case or issue.

f. Intra-office conferences that deal with substantive issues are reimbursable when a thorough description of the purpose is provided. No more than two attorneys shall bill for an intra-office conference.

g. Overstaffing: One attorney should be assigned to each matter. FAFAA's written authorization is required should more than one attorney be necessary to perform a legal

service. Such written authorization may be provided by e-mail for Outside Counsel's various billing matters. The approval of Outside Counsel's invoices by the supervising FAFAA personnel will also constitute such written authorization. Overstaffing includes:

- i. More than one attorney attending a trial, motion hearing, conference, meeting, conference call or deposition;
- ii. More than one attorney billing for reading or reviewing internal written communication (including email); or
- . Inclusion of associates at meetings or hearings for the purpose of associate development.

Outside Counsel should explain why the circumstances warrant an exception from this general rule. FAFAA reserves the right of not paying the hours billed by any additional lawyer if FAFAA's written approval is not obtained by Outside Counsel.

h. Payment of associate/partner fees for clerical or secretarial tasks that are not otherwise considered part of Outside Counsel's overhead. Please have paralegals perform these tasks.

. The review, execution and processing of agreements with FAFAA.

a. Any time spent at seminars or other training, unless otherwise specifically approved in writing.

i. Summer associate, temporary or contract attorney, or other intern time unless it has previously been identified as part of the approved staffing in the Billing Rates approved by FAFAA.

ii. If a previously drafted pleading or standard form is available, FAFAA will pay only for the amount of time necessary to modify the document for use in the specific legal matter and not the time originally incurred to draft the standard document.

iii. Subject to the provisions of subsection (i) of this Section C, FAFAA will not pay for administrative work performed by attorneys, such as managing or supervising other attorneys, nor will pay for in-firm meetings, conferences, consultations and communications among attorneys.

iv. FAFAA shall not pay for duplication of time caused by:

- a. Transfer of a legal matter to a new attorney for internal reasons;
- b. Double teaming; or
- c. One attorney or paralegal redoing the work of another.

v. Prior to any meeting or conference call, Outside Counsel may provide FAFAA team members with an agenda for said meeting or conference call detailing the matters to be discussed, as well as a guideline for suggested next steps after any such meeting or conference call.

D. Billing and Invoicing

i. The Invoices shall be in a consistent format that complies with the ABA's Uniform Task-Based Management System. Hours shown in the Invoices must accurately reflect the actual time spent on the described activity and must either be the exact amount of time or the exact time rounded to the nearest six (6) minutes or 1/10 of an hour.

ii. Each task or activity shall be separately itemized on the Invoices, including a breakdown thereof that at a minimum shall include:

a. A chronological listing of all services;

b. A description of the service being billed. The description shall include (i) the type of work being performed and (ii) the subject matter;

c. The name of each attorney or legal professional whose work is being billed;

d. The date of the service;

e. The amount of time spent by each person on each item in the interval increments defined herein; and

f. The Billing Rate at which the service is being billed.

iii. Entries for telephone conversations, conferences, meetings and court conferences must specifically describe all parties involved and the subject matter or purpose of the task.

iv. FAFAA will not pay for billed services whose descriptions lack specificity.

v. If requested by FAFAA, the Invoices shall include a summary thereof, including:

a. Name and initials of each time keeper;

b. Staff classification including for each category of legal personnel (Partner, Junior Partner, Associate, Paralegal, Law Clerk, and Summer Associate);

c. Hourly billing rate of each time keeper; and

d. Total time and fees billed for each time keeper by subject matter.

vi. If requested by FAFAA, the Invoices shall also include an overall summary by staff classification, including for each category of legal personnel (partner, Junior Partner, Associate, Paralegal, Law Clerk, and Summer Associate), the number of individuals in each category, the total number of hours by each category, and the total fees by category.

vii. If requested by FAFAA, the Invoices shall also include a billing history or summary of all fees and expenses incurred in a particular matter up to the invoicing date along with a comparison to the total budgeted or contracted amounts.

i. FAFAA reserves the absolute right to make any changes, at its sole discretion, to the fees included in the Invoices if it reasonably believes that the amount of time devoted to the matter by the legal professional or the timekeeper should be reduced.

viii. Any Invoices without the required information included or attached will not be processed for payment and will be returned to Outside Counsel for the corresponding corrections or modifications.

ix. The Outside Counsel's partner in charge of the FAFAA account (the "Account Partner") shall review the Invoices prior to submitting them to FAFAA and should be able to explain all of its time charges if so requested.

x. Furthermore, the Account Partner shall certify the accuracy and reasonableness of the Invoices and their compliance to the Guidelines and all applicable ethical rules. FAFAA reserves the right to withhold or deny approval of the Invoices in the event the Guidelines are not complied with.

E. Expense Reimbursement

i. FAFAA will not pay and will not separately reimburse Outside Counsel for overhead costs. Expenses that are considered Outside Counsel's overhead are part of the professional's hourly rate and are not reimbursable. The term overhead includes, but is not limited to all administrative or general costs incidental to the operation of the Outside Counsel including without limitation office rent, conference rooms, equipment, computer software, office supplies, transportation, telephone and mobile charges, books, meals, routine postage, the services of librarians, file clerks, data entry clerks, photocopy operators, secretaries, overtime or utilities, word processors, docket clerks, other support personnel, or any other overhead expense as recognized by applicable accounting standards.

ii. Non reimbursable tasks include photocopying, binding, scanning, indexing, collating, coding, filing, transmitting and preparing letters, mailing, faxing, emailing, word processing, proofreading, case tracking, scheduling, events, deliveries, data entry, library usage, internal conference call charges, invoicing, billing, staffing, or other similar clerical or ministerial functions.

iii. The Invoices may also include additional legal expenses to be charged by Outside Counsel as previously authorized by FAFAA, with a total for those legal expenses charged at a reasonable market price. Each such additional legal expense item shall be:

a. Separately itemized;

b. Show the date the expense was incurred;

c. Include a descriptive explanation of the charge;

d. Indicate the amount of the charge; and

e. Indicate the timekeeper who incurred the charge.

iv. All expenses will be reimbursed at actual cost and Outside Counsel shall not upcharge any of the expenses incurred in providing services to FAFAA. FAFAA will not pay for normal transportation costs incurred in travel to and from the office or for overtime transportation. Car services during travel are limited to taxicab or transportation network companies' fares.

v. FAFAA will reimburse Outside Counsel for reasonable and necessary delivery charges. However, charges for time spent preparing mail packages are considered as part of the Outside Counsel's overhead and are not reimbursable. Third party courier and express delivery services should be used cautiously. Photocopying will be reimbursed at the actual cost to Outside Counsel and which under no circumstances shall exceed ten (10) cents per page.

vi. When using court reporters, FAFAA will reimburse Outside Counsel for actual costs incurred for court reporters and transcripts, but will only pay for one copy of a transcript, both electronic and hard. Outside Counsel shall make reasonable efforts to obtain the lowest possible charge for court reporting fees, including all possible volume discounts, if available. Transcription expenses must identify the court reporter and the services provided such as the number of transcripts or pages, hard copies, files or tapes.

vii. Disbursements for pre-approved reimbursable expenses will be compensated at actual cost with the appropriate documentation to substantiate the expenses such as actual vendor receipts, which shall be included in the Invoices as an attachment. Actual cost is defined as the amount paid to a third-party service provider, net of any discounts.

viii. FAFAA expects Outside Counsel to immediately provide any back up documentation for a particular disbursement charge if it so requires. FAFAA will not pay for unsupported charges.

F. Third Party Subcontracting

i. If Outside Counsel deems it necessary to use any other law firm, attorney, or other third party providers (the "Third Party") in providing a service in a matter it is handling for FAFAA, then such request shall be made to FAFAA's Legal Department prior to the retention or hiring thereof.

ii. Unless a different billing arrangement is authorized by FAFAA, Outside Counsel shall directly pay the Third Party for work performed in connection with services rendered on behalf of FAFAA.

ix. Payments to the Third Party should be included as a disbursement on Outside Counsel's next subsequent invoice to FAFAA and said invoice shall be accompanied by the Third Party's corresponding billing detail which shall also be in full compliance with the Guidelines.

x. Outside Counsel shall not upcharge or surcharge any of the Third Party's billings or expenses incurred in providing services to FAFAA. FAFAA will only reimburse the actual cost of only pre-approved Third Party's services.

v. All Third Party invoices paid by Outside Counsel shall be included in the Invoices as an attachment and as an itemized expense must, absent specific prior approval to the contrary, also comply with the Guidelines.

OUTSIDE COUNSEL ACKNOWLEDGMENT

The Outside Counsel through its Account Partner, or representative noted herein, acknowledges the receipt and review of FAFAA's Billing Guidelines for Outside Counsel. Kindly indicate your acceptance and agreement to adhere to the above guidelines by signing a copy thereof and returning the same to FAFAA.

By signing this acknowledgment, you further certify that you will only remit invoices to FAFAA that fully comply with all terms and conditions contained in the Guidelines.

This document may be signed in counterparts and a copy of the execution signature shall be as effective as an original. Furthermore, all fully executed copies shall be considered duplicate originals.

So acknowledged and accepted by:



Jaime E. Santos

Pietrantoní Méndez & Alvarez LLC

This 16 day of February 2022.

Consultant's Approved Persons for Travel

1. Manuel R. Pietrantoni
2. Manuel Rodríguez Boissen
3. Eduardo J. Arias
4. Amanda Billoch
5. María Fernández

Contractor Certification Requirement

In accordance with the Financial Oversight and Management Board for Puerto Rico's ("FOMB") Policy for Review of Contracts effective as of November 6, 2017, as modified on April 30, 2021, the following certification is provided in connection with the proposed contract for professional services submitted to the FOMB for review (the "**Contract**") and to be executed between Puerto Rico Fiscal Agency and Financial Advisory Authority and Pietrantoní Méndez & Alvarez LLC (the "**Contractor**"):

1. The Contractor certifies that the Contractor's subcontractor(s) that may provide services in connection with the Contract¹ are the following:

- i. MRP Advisors LLC
- ii. Mendez LLC
- iii. Cestero Calzada LLC
- iv. FGC Legal Services, LLC

The owner of the subcontractors are Manuel R. Pietrantoní - MRP Advisors LLC, Néstor Méndez Gómez - Mendez LLC, José R. Cestero Calzada - Cestero Calzada LLC and Fernando L. Goyco Covas - FGC Legal Services, LLC, each a former member of the Contractor that is no longer an employee of the Contractor, but continues to provide services to the Contractor on a contract basis, as required from time to time, for all of the Contractor's clients, including Puerto Rico Fiscal Agency and Financial Advisory Authority. We pay to each subcontractor for the time worked on each matter assigned to them from time to time, when such amount is paid by the applicable client. The Contractor retains a percentage of the fees billed and collected for the work performed by each subcontractor to cover overhead expenses.

2. Neither the Contractor nor any of its owners², partners, directors, officials or employees, has agreed to share or give a percentage of the Contractor's compensation under the Contract to, or otherwise compensate, any third party, whether directly or indirectly, in connection with the procurement, negotiation, execution or performance of the Contract.

3. To the best knowledge of the signatory (after due investigation), no person has unduly intervened in the procurement, negotiation or execution of the Contract, for its own benefit or that of a third person, in contravention of applicable law.

4. To the best knowledge of the signatory (after due investigation), no person has: (i) offered, paid, or promised to pay money to; (ii) offered, given, or promised to give anything of value to; or (iii) otherwise influenced any public official or employee with the purpose of securing any advantages, privileges or favors for the benefit of such person in connection with the Contract (such as the execution of a subcontract with the Contractor, beneficial treatment under the Contract, or the written or unwritten promise of a gift, favor, or other monetary or non-monetary benefit).

¹ As used herein, the term "Contract" is inclusive of any amendments, modifications or extensions.

² For purposes of this certification, a contractor's "owner" shall mean any person or entity with more than a ten percent (10%) ownership interest in the contractor.

5. Neither the Contractor, nor any of its owners, partners, directors, officials or employees or, to the best of its knowledge (after due investigation), its representatives or sub-contractors, has required, directly or indirectly, from third persons to take any action with the purpose of influencing any public official or employee in connection with the procurement, negotiation or execution of the Contract.

6. Any incorrect, incomplete or false statement made by the contractor's representative as part of this certification shall cause the nullity of the proposed contract and the contractor must reimburse immediately to the Commonwealth any amounts, payments or benefits received from the Commonwealth under the proposed contract.

I hereby certify under penalty of perjury that the foregoing is complete, true and correct.



By: Jaime E. Santos
Title: Managing Member of
Pietrantoní Méndez & Alvarez LLC
Date: February 16, 2022