

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

CALL CENTER SERVICES AGREEMENT

AS FIRST PARTY: The Puerto Rico Electric Power Authority (hereinafter referred to as "PREPA"), a public corporation and government instrumentality of the Commonwealth of Puerto Rico, created by Act No. 83 of May 2, 1941, as amended, represented herein by its Chief Executive Officer/Executive Director, José F. Ortiz Vázquez, of legal age, married and resident of San Juan, Puerto Rico.

AS SECOND PARTY: Insight Communications, Corp. (hereinafter referred to as "the Contractor"), a corporation organized and existing under the laws of Commonwealth of Puerto Rico, with offices at 342 San Luis Street Suite 304 New Port IV Building, San Juan, Puerto Rico 00920, herein represented by its, President, Neftali Bernard, of legal age, single, accountant and a resident of San Juan, Puerto Rico, duly authorized to appear in representation of the Contractor by Resolution dated May 13, 2019.

WITNESSETH

WHEREAS, PREPA, by virtue of its enabling act (Act 83), has the authority to engage those professional, technical and consulting services necessary and convenient to the activities, programs, and operations of PREPA;

WHEREAS, Pursuant Section 205 (2) (f) of Act No. 83 a competitive bidding shall not be necessary when in the judgment of the Governing Board, a competitive request for proposal (RFP) process for the acquisition of goods, equipment, materials or services must be carried out to encourage greater competition, reduce the risk of collusion and

promote the best possible terms and conditions in benefit of greater savings and reduction of costs and operational expenses of PREPA.


WHEREAS, on January 30, 2019, PREPA's Governing Board authorized an RFP process to contract the services of a Call Center by Resolution 4667.

NOW, THEREFORE, PREPA and Contractor enter into this Agreement under the following:

TERMS AND CONDITIONS


ARTICLE 1 – Scope of Services

1.1 The services to be provided by Contractor will be (all of the following, the "Services"):



A. Contractor shall provide services for receiving and handling all inbound calls from PREPA's customers. The types of inbound calls includes customers that either desire to perform payments, request service reconnection, report outages, request maintenance such as tree trimming, public lighting, report emergencies related to the electric grid, follow-up work requests or for additional customer service requests previously coordinated with PREPA. Contractor shall provide such services in accordance with the following procedure:

- (i) Receive inbound calls from the IVR for all call queues and route to the next available Customer Service Representative ("CSR").
- (ii) Have the capability to provide call center services on a 24 x 7 basis, 365 days per year using both IVR and live Customer Service Representatives based solely in Puerto Rico.

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- (iii) Provide high-quality customer service, focusing on accuracy, the completeness of information, timeliness, adherence to privacy laws, and administer a positive, efficient consumer experience.
 - (iv) Support inbound calls in both English and Spanish.
 - (v) Provide a full service operation including, but not be limited to, staff, work space, equipment, software, phones, all computer and telephone related lines and cable.
 - (vi) Manage and maintain a staff of qualified, trained CSRs capable of responding to the volume and type of calls outlined in the RFP 83673 Call Center Services. All CSRs shall be employees of Contractor and skilled, experienced, properly trained, fully qualified and fit for their respective assignments. The management team and number of live operators must be sufficient to provide timely responses to all inbound calls, as well as responses to administrative concerns and inquiries posed by PREPA.
 - (vii) Provide quality assurance tools to PREPA to monitor caller satisfaction including ability to visit call center offices and operation, listen to recorded phone calls and investigate service issues.
 - (viii) Contractor will be responsible for all training costs. PREPA will make available employees to provide training.
 - (ix) Maintain and provide performance metrics reporting on a daily basis that includes at a minimum, the number of Inbound Calls

answered, abandoned and the percentage of calls answered, the average speed of answer and the number of agents staffed at any given time interval.


(x) Comply with all applicable federal and local laws and regulations.

B. Contractor shall notify PREPA on a daily basis of any information required by PREPA's customers.

C. Contractor shall maintain full and detailed books and records, logs, records, daily reports, accounts, schedules, payroll records, receipts, statements, electronic files, correspondence and other pertinent documents as necessary for proper management under this Agreement, including as required under Applicable Law and in any way relating to this Agreement, and shall cause its vendors and subcontractors likewise to maintain such records related to the Services (the "Books and Records"). As part of the Books and Records, Contractor shall provide PREPA with such information and reports related to Services performed by Contractor and created by its systems. After three (3) months of the start of training, Contractor shall provide reports for the Services on a daily basis, which must include, at a minimum, the number of Inbound Calls answered, abandoned and percentage of calls answered, average speed of answer, number of agents staffed in the Contractor Call Center at any given time interval, or any other information provided by the Contractor systems as PREPA deems appropriate to evaluate Contractor's performance. These reports will be



broken down in (i) 30 minutes increments with a day's total, (ii) a daily basis by week and month in Puerto Rico local time in respect of the prior day's Services,(iii) a weekly basis in daily increments until 11:59 p.m. Puerto Rico local time of each Saturday, and (iv) a monthly basis in daily increments Daily SLA) until 11:59 p.m. (Puerto Rico local time of the last day of each month, and prior to the invoice of monthly fees by Contractor. Additional reports, as agreed to by the parties, shall be provided by Contractor and shall be deemed as part of the Books and Records effective as of the date agreed to by the Parties.

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- D. Contractor shall allow PREPA, through reasonable mechanisms to be made available by Contractor to PREPA, to monitor Contractor's service receiving and handling of calls from clients. Contractor shall provide PREPA with any and all information, reports, or feedback related to Service quality, which are created by the monitoring of the receiving and handling of calls from customers. Contractor assumes all expenses related to the provision of telecommunication lines and the bearing of network costs associated with routing Inbound Calls to the Contractor's facility. Contractor is responsible for the properly equipping of Contractor's facility with the necessary hardware to receive and handle Inbound Calls as required by this Agreement.

1.2 The Services will meet or exceed the following Service Levels (SLA):

- A. Abandoned calls: Equal or less than 10%.

- B. Average speed of answer: 95% of calls responded in 5 minutes or less.
- C. Other Service Levels may be added to the above at the request of PREPA and in agreement with Contractor, with 30 days' notice.
- D. Meet security and compliance guidelines – Payment Card Industry (PCI), Data Security Standard (DSS), Phase-Locked Loop (PLL), Physical and Logical access, etc.
- E. Provide vulnerability and penetration testing certification by a 3rd party.

1.3 Contractor shall commence performance of the Services immediately upon the date specified in a Notice to Proceed issued by PREPA (the "Commencement Date"), and shall perform the Services in strict conformity with the specifications and requirements contained herein. Contractor specifically acknowledges that time is of the essence in the performance of all of Contractor's obligations under this Agreement.

1.4 Contractor shall consult with PREPA the use of project management tools, including productivity aids and project management systems. Contractor shall use mutually acceptable project management tools and employ a regular reporting mechanism to identify project tasks, present current status reports and identify potential problems.

1.5 Except as otherwise established in the Agreement, Contractor shall utilize its facility at 342 San Luis Street Suite 304 New Port IV Building, San Juan, Puerto Rico 00920 for the performance of Services. The facility will be equipped with telephone systems, computer systems, and various Contractor's support



and call monitoring tools to be used in the delivery services. Contractor shall bear all expenses of operating the Facility, including all expenses for equipment and systems necessary to connect to any telecommunications circuits or facilities utilized by Contractor to bring calls to the Facility.

- 1.6 The connection from Contractor to PREPA computer systems shall be through PREPA's server. It must also meet security and compliance guidelines – PCI, DSS, PLL, physical & logical access. Contractor must provide vulnerability & penetration testing or certification by third party.
- 1.7 PREPA shall have the right to implement an extensive monitoring program. PREPA may perform remote and on-site CSR monitoring. Contractor shall monitor at least 4 calls per CSR per month.
- 1.8 The following shall be considered "Deliverables" for purposes of the Agreement (i) any and all reports prepared and/or delivered pursuant to the Agreement, [(ii) the Training and Script Manual, (iii) the Disaster Recovery Plan, and (iv) the Transition Plan].
- 1.9 Contractor shall provide adequate training to the CSRs regarding the operation of the applicable equipment and technology, assuring that such training does not interfere with Contractor's performance of the Services. This training must be free of any additional charge. In addition, Contractor shall provide to the CSRs the training required by PREPA from time to time (including, without limitation, training regarding PREPA's scripted call flows that CSRs will follow). All CSRs



utilized for the services will be fully trained in PREPA's procedures and call handling scripts.

- 1.10 In the event of the expiration or termination of all or of part of the Services being provided under the Agreement, Contractor shall cooperate with PREPA to facilitate the transfer of the affected Services to PREPA or a third party service provider, as applicable, or PREPA's designee. Prior to the expiration or termination date, Contractor shall assist PREPA in developing a plan which must specify the tasks to be performed by the parties in connection with the transfer of the affected Services for the performance of such tasks.
- 1.11 Voice Calls Volume Forecasts: PREPA shall provide Contractor with a forecast of the voice calls volume expected to be received during a month period. Ten (10) days before the end of month, PREPA shall also provide Contractor a voice call volume forecast, for the next three (3) months. The forecast submitted by PREPA, for the following month, will be considered as final. Contractor will provide, within seven (7) days before the end of month, the "measurement" staffing of said forecast, which will be considered as the final staffing, after the approval from PREPA.
- 1.12 During the current month, a call volume forecast must be submitted for the remaining full weeks of the month. PREPA and Contractor shall conduct weekly meetings with the purpose of coordinating the necessary adjustments, if any, in order to comply with the service level and quality required in the Agreement.



- 1.13 Contractor shall be responsible to maintain, and not exceed, the hours included in the Final Staffing, as approved by the parties. If any extension of hours is required, Contractor shall request in writing an authorization from PREPA before the performance of any adjustment. Final Staffing is the official document, approved by the parties, where the hours (staff time) are established for the following month. The approval of the Final Staffing must be submitted via email, by the authorized representatives of the parties. During the weekly meetings, the parties can amend the Final Staffing, in writing.
- 1.14 Performance – Contractor shall perform the Services in a good and workmanlike manner and in accordance with accepted industry practices for such Services prevailing at the time and place where the Services are being rendered. Contractor shall comply with all health, safety, environmental and other company policies and procedures of PREPA that are applicable to the performance of the Services as may be communicated by PREPA to Contractor from time to time. Contractor shall furnish all materials, labor, supplies, tools, equipment, facilities, services and transportation necessary to perform the Services. All personnel furnished by Contractor or any subcontractor shall be duly qualified and experienced in their respective capacities. All tools and equipment provided by Contractor shall be repaired and maintained by Contractor at its cost.
- 1.15 Warranty of Licensing, Compliance with Law, Qualification, Compliance with Rules, Nondiscrimination – Contractor shall obtain and maintain during the performance of the services hereunder all permits, licenses and authorizations



required by all applicable authorities to perform such services. Furthermore, Contractor hereby represents, warrants, and agrees that its performance hereunder will conform to all applicable laws and regulations. Contractor warrants that all employees utilized by Contractor pursuant to this Agreement will be fully trained, equipped and competent and will perform their duties in a safe, courteous manner and will work harmoniously with PREPA's personnel. Contractor will also comply with all applicable laws pertaining to nondiscrimination in employment and facilities.

- 1.16 Equipment – Contractor will be responsible for the acquisition, maintenance, inventory, storage, and control of all equipment, materials, supplies, and any special equipment required to perform the Services.
- 1.17 Service provided to others - PREPA acknowledges and agrees that Services may be provided to PREPA in conjunction with Services that Contractor may provide to third parties. Notwithstanding anything contained in any other agreement to the contrary, Contractor agrees that Services provided for PREPA, its employees and agents, will be provided pursuant to and in accordance with the provisions of this Agreement.
- 1.18 [Service Level Performance Credits – Will be incurred by Contractor when Service Level Performance falls below the target over a one (1) week period. For every day when Service Level Performance is below the target, PREPA will receive credit for such day's charges in Contractor's monthly invoice]. [Three (3)] or more instances of Contractor incurring Service Level Performance Credits

within any [six (6) month] period shall constitute material breach by Contractor for all purposes of this Agreement.

1.19 Performance Credit Exclusions – Contractor will not incur in Service Level Performance Credits in the following cases:

- A. When call volume for a given day exceeds the call volume baseline agreed between PREPA and Contractor.
- B. The failure of any PREPA circuits or equipment that impacts the performance of Contractor's Call Center Services.
- C. Force Majeure as defined in Article 8.

1.20 Additional Provisions Regarding the Services. Any and all changes and/or modifications to the scope of the Services shall be implemented via an amendment of this Agreement in writing signed by both Parties. The Contractor represents that it has or shall obtain, or cause to be obtained, all personnel necessary to undertake and provide the Services in a manner satisfactory to PREPA. The Contractor may not subcontract any of the Services that it has committed to perform or provide pursuant to this Agreement without the prior written approval of the Chief Executive Officer of PREPA or any of his or her authorized representatives. Such consent to subcontract shall not relieve the Contractor of its full responsibilities under this Agreement. Consent to the subcontracting of any part of the services shall not be construed to be an approval of said subcontract or of any of its terms, but shall operate only as an approval of the Contractor's request for execute a contract with its chosen



subcontractor (hereinafter a "Subcontractor"). The Contractor shall be responsible for all services performed by the Subcontractor and all such services shall conform to the provisions of this Agreement.

ARTICLE 2 - CONSIDERATION AND PAYMENT

2.1 In accordance with the terms and conditions contained herein, from and after the Commencement Date, PREPA will pay Contractor the rates specified in this Article 2.1. PREPA shall have no payment obligations prior to the Commencement Date. The total amount to be paid under this Agreement shall not exceed a cumulative amount of \$2,925,500.00 subject to the terms and conditions contained in Article 6, Term/Termination and Article 12.7, Novation, providing for possible written amendment (s) if agreed upon by both Parties.

All payments to be made under this Agreement will be charged to account number 01-4017-90500-550-382 and 01-4019-92106-556-675. The rate per hour for the services until June 30, 2020 is \$16.35 per CSR.

In case PREPA exercises its option to extend the term of the Agreement, as provide in Article 6, for the second year of the contract the rate per hour for the services will be \$16.35 per CSR and for the third year of the contract the rate per hour for the services will be \$16.00 per CSR. Except as expressly set forth in this Article 2.1, PREPA shall not be liable for any other payment compensation for Services performed by Contractor hereunder.

2.2 Contractor shall submit monthly invoices within the first thirty (30) days following each month during which the Services were performed, which will include a description of the services rendered and the number of hours spent by each person. Each invoice shall be itemized and must be duly certified by an authorized representative of the Contractor.

PREPA will review the invoices within thirty (30) days of receipt and if they are in compliance with the requirements set forth in the Agreement, it will proceed with payment. Payment is due within sixty (60) days of receipt. PREPA reserves the right to conduct the audits any portion of the Books and Records it deems necessary for any reason, including to ascertain payment information, and it will not be subject to finance charges regarding invoice payments subject to an audit. In the event of a dispute over the invoice, PREPA will pay the amount of the invoice not in dispute, and withhold the disputed amount until the dispute is resolved.

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

No Interest Certification:

Under penalty of absolute nullity, I hereby certify that no employee, official or director of PREPA is a party or has been granted any interest or payment by Contractor in the profits or benefits to be obtained under this Agreement by Contractor or if any employee, official or director of PREPA has any interest in the profits or benefits under this Agreement a waiver has been previously obtained.



I, also certify that the only consideration to provide the services under this Agreement to Contractor is the payment agreed with PREPA's authorized representative. The total amount of this invoice is fair and correct. The services were provided and no payment has been received for said concept.


Contractor's Representative

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


The Contractor shall immediately notify PREPA when the billing under the Agreement amounts seventy-five percent (75%) of the maximum amount under the Agreement. Once this notification has been issued, the Contractor, in coordination with PREPA, will ensure that no services will be rendered in excess of the contract price, except that a written amendment is agreed upon by both parties. In addition, the Contractor shall present an itemized list of the remaining billable works under the Agreement.

All invoices have to be sent to the following address:

Puerto Rico Electric Power Authority
Attn: Noriette Figueroa Meléndez
Customer Service Director
PO Box 364267
San Juan, Puerto Rico 00936-4267

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- 2.3 In addition to disputed amounts set forth in an invoice, PREPA may, in addition to any other rights under this Agreement, at law or in equity, withhold payment on an invoice or portion thereof, in an amount and to such extent as may be reasonably necessary to protect Contractor from loss due to: (i) Services failing to meet Service Level and not remedied in accordance with this Agreement; (ii) third party liens, stop notices or other encumbrances on all or a portion of PREPA's facilities or equipment, if applicable; (iii) any breach by Contractor of any term or provision of this Agreement; (iv) a discovery that Services associated with a prior payment was not performed as reported; (v) failure of Contractor to make payments to subcontractors as required under their respective subcontracts; (vi) any other costs or liabilities which PREPA has incurred or, in PREPA's reasonable judgment, will incur for which Contractor may be responsible; or (viii) failure of Contractor to comply with its reporting or scheduling obligations under this Agreement. PREPA shall pay the amount withheld if Contractor (a) pays, satisfies or discharges the applicable claim of PREPA against Contractor under or by virtue of this Agreement and provides PREPA with reasonable evidence of such payment, satisfaction or discharge, (b) cures all such breaches and defaults in the performance of this Agreement, or (c) provides PREPA with a letter of credit reasonably satisfactory to PREPA in the amount of the withheld payment.
- 2.4 In addition to the amount withheld pursuant to Article 2.3, PREPA will deduct and withhold at the source to the Contractor the equivalent of ten percent (10%) from

payment for services rendered under this Agreement in Puerto Rico, in compliance with the New Puerto Rico Internal Revenue Code, Law 1 2011, Section 1062.03, as amended. Notwithstanding the aforementioned, the withholding to be done by PREPA as herein stated could be increased to twenty percent (20%) in the event that the Contractor is a non-resident individual, which is a U.S. citizen, as provided by the New Puerto Rico Internal Revenue Code, section 1062.08; or twenty-nine percent (29%) in the event that the Contractor is a non-resident and non U.S. citizen individual; or a foreign corporation or partnership which is not dedicated to industry or business in Puerto Rico, as provided by the New Puerto Rico Internal Revenue Code, section 1062.08. PREPA shall provide a certificate stating that such tax withholding was collected.



If a Release Letter has been issued to the Contractor by the Treasury Department, the Contractor shall be responsible to submit a copy of said Release Letter to PREPA for every calendar year; otherwise, payments under the Agreement shall remain subject to withholding at source. All invoices shall be segregated by categories (services, materials, equipment, etc.), to identify the amounts subject to withholding and avoid undue deductions.

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

2.6 The Contractor shall not request any payment for Services rendered under the terms of this Agreement until it has been registered by PREPA at the Office of the Comptroller of Puerto Rico as established in Act 18-1975, as amended. PREPA undertakes to register this Agreement pursuant to such Act within fifteen (15) days after the execution of this Agreement.

ARTICLE 3 - CONTRACTOR'S EMPLOYEES

3.1 PREPA and the Contractor agree that Contractor's status hereunder and the status of any agents, employees and subcontractors engaged by the Contractor shall be that of an independent contractor only and not that of an employee, agent, director or officer of PREPA nor shall they be considered a public servant of neither PREPA nor the Commonwealth of Puerto Rico. The Contractor recognizes that its personnel shall not be entitled to employment benefits such as vacations, sick leave, retirement benefits and other benefits from PREPA because of its condition as an independent contractor. Neither the Contractor nor its personnel shall have any authority or right to enter into contracts on behalf of PREPA. No provision of this Agreement shall be deemed to create an employment relationship between Contractor or his employees and PREPA.

3.2 The employees of Contractor engaged in performing Services hereunder will be considered employees of Contractor for all purposes and will under no circumstances be deemed to be employees of PREPA. PREPA will have no supervisory power or control over any such Contractor's employees and any complaint or change in procedure will be communicated by PREPA to Contractor



who will in turn promptly give any necessary instructions to its personnel.


- 3.3 Contractor will be responsible for the direct supervision of its employees through its designated representative and such representative will in turn, report to and confer with the designated agents of PREPA with respect to the Services.
- 3.4 Contractor agrees to assume full and complete responsibility for any and all liability to its employees on account of injury, disability, and death resulting from, or sustained by said employees in the performance of the Services defined herein.
- 3.5 At PREPA's request, Contractor will immediately remove from service any employee whose acts or omissions will be a violation of applicable law or constitute a breach of this Agreement.
- 3.6 Both parties agree to accept full and exclusive liability for the payment of any and all taxes, contributions, and other payments for unemployment compensation and/or pension benefits, Worker's Compensation, employers liability insurance or annuities now or hereafter imposed upon employers as applicable to them with respect to its employees and each party will make such payments and will make and file any and all reports and returns and take all other actions necessary to comply with the laws imposing such taxes, contributions, or other payments.
- 3.7 Contractor agrees to hold PREPA harmless and to indemnify and defend PREPA in full for any and all damages, claims, assessments, penalties, liabilities, charges, attorney's fees or other losses incurred during or following the term of this Agreement, which result from any assertion, claim, determination or



adjudication that Contractor any of its employees are employees of PREPA, including, but not limited to, any claim, determination or adjudication made pursuant to the Internal Revenue Code, any of Puerto Rico Unemployment laws and regulations, compensation Law, or any other federal, state or local wage, employment, insurance, labor and other laws, statutes, regulations and ordinances.

3.8 Contractor represents and warrants that the employees used in the performance of the Services hereunder will have the qualifications, skills and experience necessary to perform the Services and will have the work records as represented to PREPA.

3.9 In the performance of this Agreement, Contractor will comply with all applicable statutes, regulations, ordinances pertaining to nondiscrimination in employment and facilities.



ARTICLE 4 – INDEMNITY

4.1 PREPA agrees and hereby undertakes to release, indemnify, defend, and hold harmless Contractor, its directors, officers, employees, agents and , successors, and assigns from and against any and all liability, damages, claims, civil penalties, suits, losses, penalties or actions of every name and description, including claims of infringement of any third party's intellectual property rights and any and all costs and expenses related thereto, including the defense thereof, reasonable attorney's fees and court costs arising out of or resulting from any act or omission of PREPA, its directors, officers, employees, agents,

successors, and assigns in connection with PREPA 's performance under this Agreement, except to the extent caused by (a) the gross negligence, recklessness or willful misconduct of Contractor, its directors, officers, employees, agents, successors and/or assigns or (b) arising from or in connection with a violation of applicable law by Contractor, its directors, officers, employees, agents, successors or assigns.

4.2 Contractor agrees and hereby undertakes to release, indemnify, defend, and hold harmless PREPA, its directors, officers, employees, agents, and successors, and assigns from and against any and all direct liability, damages, claims, civil penalties, suits, losses, penalties or actions of every name and description, including claims of infringement of any third party's intellectual property rights and any and all costs and expenses related thereto, including the defense thereof, reasonable attorney's fees and court costs arising out of or resulting from the act or omission of Contractor, its directors, officers, employees, agents, successors, and assigns in connection with Contractor's performance under this Agreement, except to the extent caused by (a) the gross negligence, recklessness or willful misconduct of PREPA, its directors, officers, employees, agents, successors or assigns and/or (b) arising from or in connection with a violation of applicable law by PREPA , its directors, officers, employees, agents, successors or assigns.

Notwithstanding Articles 4.1 and 4.2, in the event that a government entity brings a criminal or civil action against a Party, that Party will have the right to control



the management and settlement of such matter. This does not constitute a waiver of the other Party with respect to any right it may have under the circumstances that gives rise to such criminal or civil action, including, but not limited to, the right to intervene in any action against a Party involving the services provided under the Agreement or initiate any other claim, suit or action. Neither Party will have the right to make any admissions on behalf of the other Party.


Notwithstanding the aforementioned, in the course of any action brought against either Party, each Party, at its own expense, will provide reasonable assistance to the other Party, including but not limited to reasonable access to documents and personnel. Prior to such access, the Parties shall take those precautionary measures including, but not limited to, the execution of any document, that may be necessary to protect and preserve as confidential any information of such nature. Such reasonable assistance will not require a Party to breach or waive any privilege or legal right, including but not limited to the attorney–client privilege applicable to communications between each Party and its respective legal counsel.

ARTICLE 5 - CONFIDENTIALITY

5.1 Contractor will presume that any information, including, without limitation, business plans, customer data, employee data, financial information, or contractual information, whether written, verbal or electronic, provided to or observed by Contractor or developed by Contractor in connection herewith is



confidential information unless Contractor is informed by PREPA to the contrary or, by its nature, it is public or intended to be shared in the course of Contractor's performance hereunder. Contractor will take reasonable precautions, including the same precautions it takes to protect its own confidential information, to ensure that no confidential information is disclosed to any third party. Contractor's obligations under this article will not apply to any of the following: (a) information in the public domain or available to the public; (b) information available from third parties without any non-disclosure obligation to PREPA ; (c) or any disclosure of confidential information required by any court, regulatory order or other service of legal process, in which case Contractor will provide PREPA prompt notice of any such order or process and cooperate with PREPA in responding such requirement.



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

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

5.3 Contractor acknowledges and agrees that in connection herewith, PREPA may provide Contractor with access to several of PREPA's computer and communications systems. Contractor acknowledges and agrees that under no circumstances will it permit the systems to be used for any purpose other than those required in connection with its performance under this Agreement. Contractor agrees that it will maintain the confidentiality of codes, passwords and user names required to access those systems ("Access Information") and any information accessed via those systems and will promptly report by telephone and then in writing any compromise of the Access Information or accessed information to PREPA. Contractor will also properly secure the equipment required to access the systems and will promptly report by telephone and then in writing any damage or problems therewith.

5.4 Contractor shall maintain the Books and Records, and shall cause its subcontractors to maintain similar books and records, for the greater of: (i) six (6) years following the end of the year in which the costs were incurred hereunder; or (ii) such period of time as may be required under Applicable Laws.



ARTICLE 6 - TERM/TERMINATION

6.1 The term of this Agreement will commence on the date of its signature by both parties and will continue in effect until June 30, 2020. PREPA, at its sole discretion, may extend the term up to four (4) additional periods of one (1) fiscal year, subject to the availability of funds, in which case PREPA will notify the Contractor at least fifteen (15) days prior to the expiration of the original term.

6.2 Termination for Convenience

PREPA shall have the right to terminate this Agreement for convenience, at any moment, by providing the other party thirty (30) days written notice by registered mail, return receipt requested, or overnight express mail. If notice is given, this Agreement shall terminate upon the expiration of thirty (30) days and PREPA shall be obligated to pay all fees and expenses incurred up to the day of effective termination, in accordance with the terms of this Agreement. The rights, duties and responsibilities of the Parties shall continue in full force and effect during the thirty (30) day notice period. Contractor shall have no further right to compensation except for what has been accrued for services rendered under this Agreement until said date of effective termination.

6.3 Termination for Cause

PREPA shall have the right to terminate this Agreement immediately in the event of negligence, dereliction of duty, noncompliance, or material breach by the Contractor, as determined in the sole discretion of PREPA, or for any other reason described elsewhere in this Agreement as a basis for termination. In the



event this Agreement is terminated by PREPA for cause, PREPA shall be obligated to pay all fees and expenses incurred up to the day of effective termination, in accordance with the terms of this Agreement. Contractor shall have no further right to compensation except for what has been accrued for services rendered under this Agreement until said date of effective termination.

Upon written notice to Contractor from PREPA stating that Contractor is in breach of this Agreement, Contractor will immediately remedy such breach. Where Contractor fails to remedy such breach within ten (10) days or to promptly initiate and continue in good faith to remedy a breach that cannot be reasonably remedied in ten (10) days (provided that, in no event shall the duration of any cure period exceed [thirty (30) days), PREPA will have the right to terminate this Agreement upon five (5) days' notice to Contractor. Contractor further agrees that if it commits a substantially similar breach more than twice in any three (3) month period, regardless of remedy, PREPA will have the right to terminate the Agreement upon notice to Contractor.

ARTICLE 7- LIMITATION OF LIABILITY

In no event will either Party or its respective licensors or suppliers have any liability for any, indirect or consequential damages, loss of profits or revenue, loss or corruption of data, toll fraud, cost of cover, or substitute goods or performance. The total aggregate liability of either party for all claims arising out of or in connection with this Agreement will not exceed an amount equal to the total amount of all fees paid or payable under this Agreement. However, the limitations of liability in this section will not apply in cases

of willful misconduct, personal injury or breaches of Contractor's license restrictions. The limitations of liability in this section also will apply to any liability of directors, officers, employees, agents and suppliers. The limitations of aggregate liability will not apply to contractual indemnification obligations provided in this Agreement.

With respect to any indemnity set forth in this Agreement, each indemnitee shall give prompt notice of its receipt of any threat, indication or other notice of any claim, investigation or demand that might give rise to any losses required to be indemnified hereunder and shall reasonably cooperate in the defense of such claim. The indemnifying party shall have the right to conduct defense of such action at its sole expense.



ARTICLE 8 - FORCE MAJEURE

Neither Party shall be in default hereunder for any failure of or delays in performance resulting from "Force Majeure". Force Majeure shall mean catastrophic storms or floods, tornadoes, hurricanes, earthquakes, and other acts of God, fires, wars, national strikes, terrorist attacks, revolts, insurrections, sabotage, epidemics, explosions, or commandeering of raw materials or products or plants or facilities by a governmental authority, provided that such event or act (i) delays or renders impossible the affected Party's performance, (ii) is beyond the reasonable control of the affected Party, and (iii) was not due to its fault or negligence. Strikes, changes in market or economic conditions, economic hardship, late delivery or failure of equipment, lockouts or differences with workers which are limited to Contractor's employees or employees of Contractor's subcontractors, climatic conditions (including rain, snow, wind, temperature


and other weather conditions), and inability of either party to secure funds shall not be regarded as Force Majeure. Upon the occurrence of Force Majeure, the Party affected shall give prompt notice thereof, but in no event later than seven (7) days after the day such Party learned of the Force Majeure event, to the other Party and shall, at its cost and expense, do all things reasonably possible to remove or mitigate its effects. In the event PREPA terminates this Agreement during the duration of a Force Majeure, PREPA shall pay Contractor for Services satisfactorily performed up to the date of first notice of Force Majeure and in no circumstances shall Contractor be entitled to any prospective profits or any damages because of such termination. The party claiming Force Majeure shall have the burden of proof with respect to demonstrating that the event constitutes a Force Majeure, and that it has strictly complied with the notice and other provisions of this Article 8. Except for (i) Force Majeure or (ii) a PREPA ordered suspension of any Services, no other interruption, cessation, postponement, or delay in the commencement or performance of the Services required under this Agreement from any other cause whatsoever (including any dispute arising out of this Agreement) shall relieve Contractor or PREPA from its obligations under this Agreement.

ARTICLE 9 – INSURANCE

Contractor shall secure and maintain in full force and effect, during the life of this Agreement as provided herein, policies of insurance covering all operations engaged in by the Agreement as follows:

1. Commonwealth of Puerto Rico Workmen's Compensation Insurance:
Contractor shall provide Workmen's Compensation Insurance as required by

the Workmen's Compensation Act of the Commonwealth of Puerto Rico. Contractor shall also be responsible for compliance with said Workmen's Compensation Act by all its subcontractors, agents and invitees, if any, or shall certify that such subcontractors, agents and invitees have obtained said policies on their own behalf. Contractor shall furnish to PREPA a certificate from the Puerto Rico's State Insurance Fund showing that all personnel employed in the work are covered by the Workmen's Compensation Insurance, in accordance with this Agreement.

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2. Employer's Liability Insurance: Contractor shall provide Employer's Liability Insurance with minimum bodily injury limits of \$1,000,000 for each employee and \$1,000,000 for each accident covering against the liability imposed by Law upon Contractor as result of bodily injury, by accident or disease, including death arising out of and in the course of employment, and outside of and distinct from any claim under the Workmen's Compensation Act of the Commonwealth of Puerto Rico.
 3. Commercial General Liability Insurance: Contractor shall provide a Commercial General Liability Insurance with limits of \$1,000,000 per occurrence and \$1,000,000 aggregate. This insurance must include Personal Injury coverage.
 4. Fidelity Bond: Contractor shall provide a Fidelity Bond in the amount of 10 % of the Agreement's price to protect Contractor from employee-dishonesty losses.

Requirements Under the Policies:

The Commercial General Liability Insurance required under this Agreement shall endorsed to include:

1. As Additional Insured:

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

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

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

4. Waiver of Subrogation in favor of the Puerto Rico Electric Power Authority (PREPA).

5. Breach Of Warranties or Conditions:

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

Bonds:

As an Agreement security, Contractor shall furnish at the time of execution of the Agreement:

1. A Performance Bond in the amount of one hundred percent (100%) of the Agreement's price with good and sufficient surety satisfactory to the Puerto Rico Electric Power Authority (PREPA) guaranteeing that Contractor will well and faithfully perform the Agreement's work.

2. A Payment Bond in the amount of one hundred percent (100%) of the agreement price, with good and sufficient surety satisfactory to the Puerto Rico Electric Power Authority (PREPA) to guarantee the prompt payment of all labor, supervision, equipment and materials required in the performance of the work.
3. All bonds shall be issue in the official form of the Puerto Rico Electric Power Authority (PREPA).

Furnishing Of Policies:

All required policies of insurance shall be in a form acceptable to PREPA and shall be issued only by insurance companies authorized to do business in Puerto Rico. Contractor shall furnish a certificate of insurance in original signed by an authorized representative of the insurer in Puerto Rico, describing the coverage afforded.

 ARTICLE 10 - CONTACT & NOTICES

- 10.1 Each party agrees that it will designate a Contact who will be primarily responsible for coordinating that party's performance under this Agreement and managing the relationship with the other party. Each will have the right to specify a Backup Contact and change its Contact and Backup Contact by notice to the other. Each may specify Contacts for particular purposes, but that will not relieve that party from its obligations under the first sentence hereof.
- 10.2 Except where specified elsewhere in this Agreement, any and all notices, documents, records, correspondence, approvals or demands required or permitted to be given by the parties hereto will be sufficient if made in writing and

sent by mail, postage prepaid, overnight courier, delivered by hand, or via e-mail.

Where sent by mail, such notices will also be sent by facsimile. Notices to PREPA will be addressed to:

Puerto Rico Electric Power Authority
Attn: Noriette Figueroa Meléndez
Customer Service Director
P O Box 364267
San Juan, Puerto Rico 00936
E-mail: noriette.figueroa@prepa.com

and to Contractor addressed to:


Insight Communications, Corp.
Attn: Neftali Bernard
President
342 San Luis Street Suite 304 New Port IV
San Juan, PR 00920
E-mail: nbernard@prw.net



ARTICLE 11 - CHOICE OF LAW AND FORUM SELECTION; DISPUTE RESOLUTION

- 11.1 The parties hereto acknowledge and agree that this Agreement will be governed under the laws, of the Commonwealth of Puerto Rico.
- 11.2 During Term of this Agreement, any change in law, including, but not limited to, changes in applicable tax law, which causes an increase in Contractor's costs when providing the Services to be acquired by PREPA, shall be Contractor's responsibility, and PREPA shall not be obliged to increase the Contract Price.

11.3 Executive Negotiation




Before initiating any legal proceeding regarding any claims, controversies and disputes between the Parties arising out of, connected with, or relating to, this Agreement, including any dispute regarding the existence, termination or validity of this Agreement between the Parties (each a "Dispute"), the Party asserting such Dispute must provide the other Party with a notice in writing, setting forth a reasonably complete statement detailing the Dispute and the factual and legal grounds for such Dispute (the "Notice of Dispute"). Within 14 days after a Party receives the Notice of Dispute, the Parties will engage in good faith in-person "executive to executive" negotiations between the Chief Executive Officer or his authorized representative of PREPA's and executives of similar authority of Contractor familiar with the matters related to the Dispute. Such executives will have authority to negotiate and settle the dispute subject to such executives first obtaining the consent for any such settlement from the Party which they represent. If the Parties to such Dispute are unsuccessful in resolving such Dispute within 30 days after delivery of the Notice of Dispute, then the Dispute shall be resolved through legal proceedings in accordance with Article 11.4.

11.4 Legal Proceedings

The Parties expressly agree that only the Courts of the Commonwealth of Puerto Rico will be the courts of competent and exclusive jurisdiction to decide over the judicial controversies that the appearing Parties may have among them regarding the Terms and Conditions of this Agreement.

11.5 Continuation of Services During Dispute. Notwithstanding any Dispute, it shall be the responsibility of Contractor to continue to provide all of the Services diligently and in a good and workmanlike manner in conformity with this Agreement. Except to the extent expressly provided hereunder, Contractor shall have no right to cease performance hereunder or to permit the provision of the Services to be delayed. PREPA shall, subject to its right to withhold or offset amounts pursuant to this Agreement, continue to pay Contractor undisputed amounts in accordance with this Agreement; provided, however, in no event shall any Dispute prevent or limit PREPA from exercising its rights under this Agreement, at law or in equity, including PREPA's right to terminate under this Agreement.

ARTICLE 12 - MISCELLANEOUS

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- 12.1 Advertising - Neither party hereto will use the name, trademarks, or service marks of the other for any purpose without the prior written consent of the other.
- 12.2 Assignment - Contractor shall not assign nor subcontract its rights and obligations under this Agreement, except in the event PREPA gives written authorization for such actions. Provided, that no subcontract shall be considered for PREPA's approval, except when the following requirements are met: (1) Contractor delivers to PREPA a copy of the subcontract, not less than thirty (30) days prior to the effective date of the proposed subcontract; (2) the subcontract includes, as a condition for its legal validity and enforceability, a provision whereby PREPA has the right to substitute, subrogate or assume Contractor's rights under the subcontract, in the event that PREPA declares Contractor in

breach or default of any of the Agreement terms and conditions; and (3) the subcontract includes, as a condition for its validity and enforceability, a provision establishing for the subcontractor the obligation to comply with all Contractor's obligations under the Agreement (mirror image clause), except for such obligations, terms and conditions which exclusively related with works or services not included under the subcontract. A request to subcontract shall specify the issues or matters that will be referred to the subcontractor.

The Parties acknowledge that PREPA is undergoing a transformation process, and therefore, both Parties agree that in the eventuality of the execution of a Partnership Contract, Sale Contract or any other PREPA Transaction (as these terms are defined in Act No. 120-2018, otherwise known as Puerto Rico Electric System Transformation Act, as amended), PREPA may sell, assign, convey, transfer, pledge, mortgage, sublease, delegate, hypothecate, or otherwise dispose (each, a "Transfer") any of its rights, title, or interest (by novation or other instrument) in this Agreement as permitted by applicable law and at any time, and without Contractor's consent or cost, expense or incremental liability to PREPA, to any future operator of Puerto Rico's electric power transmission and distribution system or any of its affiliates, or to any governmental agency, body, public corporation or municipality of Puerto Rico; provided, that PREPA shall notify Contractor no later than thirty (30) days before the effective date of any such Transfer. The Contractor acknowledges that all his responsibilities and obligations under the Contract, such as work to be performed and services to be




provided, etc., will continue in full force and effect until the expiration of the thirty (30) day period.

12.3 Severability – The invalidity or unenforceability of any provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

12.4 Waiver - No waiver of any breach of any portion of this Agreement will constitute a waiver of any subsequent breach of the same or any other provisions hereof, and no waiver will be effective unless made in writing.

12.5 Whole Agreement - This Agreement and each Appendix incorporated herein by reference, represent the entire agreement between the parties hereto and supersedes any prior agreement or proposed variation from their terms contained therein.

 12.6 Conflicts with Other Documents - In the event of any conflict between any terms and/or conditions contained on any forms or documents exchanged by the parties of this Agreement, the terms and conditions of this Agreement will govern.

12.7 Novation- The Parties expressly agree that no amendment or change order, which could be made to the Agreement during its term, shall be understood as a contractual novation, unless both Parties agree to the contrary, specifically and in writing. The previous provision shall be equally applicable in such other cases where PREPA gives Contractor a time extension for the compliance of any of its obligations under this Agreement, or where PREPA dispenses the claim or demand of any of its credits or rights under the Agreement.

12.8 Survival - The representations, warranties, indemnities, limitation of liability, confidentiality and work product provisions contained herein will survive the termination or expiration of the Agreement.

12.9 Employees not to Benefit - The parties hereby declare that, to the best of their knowledge, no public officer or employee of the Commonwealth of Puerto Rico, 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. Contractor certifies that neither him nor any of its partners, directors, executives, officers, and employees receive salary or any kind of compensation for the delivery of regular services by appointment in any agency, instrumentality, public corporation, or municipality of the Commonwealth of Puerto Rico.



ARTICLE 13 – COMPLIANCE WITH THE COMMONWEALTH OF PUERTO RICO CONTRACTING REQUIREMENTS

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

A. Filing of Puerto Rico Income Tax Returns

In compliance with Executive Order Number OE-1991-24 of June 18, 1991, the Contractor hereby certifies that it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last five (5) years. As evidence thereof, Contractor has delivered to PREPA an Income Tax Return

Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that Contractor has filed his Income Tax Return for the last five (5) tax years (Form SC 6088). The Contractor accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every Contractor and Subcontractor whose service the Contractor has secured in connection with the services to be rendered under this Agreement and shall forward evidence to PREPA as to its compliance with this requirement.

B. Payment of Puerto Rico Income Taxes


In compliance with Executive Order Number OE-1991-24 of June 18, 1991, the Contractor, hereby certifies that it has complied and is current with the payment of any and all income taxes that are, or were due, to the Government of Puerto Rico. As evidence thereof, Contractor has delivered to PREPA a certification issued by the Treasury Department of Puerto Rico indicating that Contractor does not owe taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan in full compliance with its terms (Form SC 6096). During the term of this Agreement, the Contractor agrees to pay and/or to remain current with any repayment plan agreed to by the Contractor with the Government of Puerto Rico. The Contractor accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every Contractor and Subcontractor whose service the Contractor has secured in connection with the services to be rendered under this Agreement and shall



forward evidence to PREPA as to its compliance with this requirement.

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

Pursuant to Executive Order Number 1992-52, dated August 28, 1992 amending OE-1991-24, the Contractor certifies and warrants that it has made all payments required for unemployment benefits, workmen's compensation and social security for chauffeurs, whichever is applicable, or that in lieu thereof, has subscribed a payment plan in connection with any such unpaid items and is in full compliance with the terms thereof. As evidence thereof, Contractor has delivered to PREPA:

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1. A certification issued by the Bureau of Employment Security (Negociado de Seguridad de Empleo) of the Puerto Rico Department of Labor and Human Resources certifying that Contractor does not owe taxes regarding Unemployment or Disability Insurance.
 2. A certification issued by the Program for Social Security for Chauffeurs and Other Employees of the Puerto Rico Department of Labor and Human Resources certifying that contractor has no debt with respect to such program.

D. Real and Personal Property Taxes

Contractor hereby certifies and guarantees that it does not have any current debt with regard to property taxes that may be registered with the Government of Puerto Rico's Municipal Tax Collection Center (known in Spanish as Centro de

Recaudación de Ingresos Municipales ("CRIM")). The Contractor further certifies to be current with the payment of any and all property taxes that are or were due to the Government of Puerto Rico. The Contractor shall provide:


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

E. Sales and Use Taxes

The Contractor has delivered to PREPA:

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

F. Puerto Rico Child Support Administration (ASUME)



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

G. Organization Documents

The Contractor shall provide:

1. A Good Standing Certificate issued by the Department of State of Puerto Rico.

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

H. Compliance with Act No. 1 of Governmental Ethics

The Contractor will certify compliance with Act No. 1 of January 3, 2012, as amended, known as the Ethics Act of the Government of Puerto Rico, which stipulates that no employee or executive of PREPA nor any member of his or her immediate family (spouse, dependent children, or other members of his or her household or any individual whose financial affairs are under the control of the employee) shall have any direct or indirect pecuniary interest in the services to be rendered under this Agreement, except as may be expressly authorized by the Governor of Puerto Rico in consultation with the Secretary of Treasury and the Secretary of Justice of the Government. 3 L.P.R.A. § 8611 et seq.

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- I. Law Num. 127, May 31, 2004: Contract Registration in the Comptroller's Office of Puerto Rico Act

Payment for Services under this Agreement will not be made until this Agreement is properly registered in the Office of the Comptroller of the Government of Puerto Rico pursuant to Law Number 18 of October 30, 1975, as amended.

- J. Prohibition with respect to execution by public officers: (3 L.P.R.A. 8615(c))

No public officer or employee authorized to contract on behalf of the executive agency for which he/she works may execute a contract between the agency for

which he/she works and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.

- K. Prohibition with respect to contracting with officers or employees: (3 L.P.R.A. 8615(d))

No executive agency may execute a contract in which any of its officers or employees or any member of their family units has or has had direct or indirect economic interest during the last four (4) years prior to their holding office, unless the Governor gives authorization thereto with the previous recommendation of the Secretary of the Treasury and the Secretary of Justice.

- L. Prohibition with respect to contracts with officers and employees of other Government entities: (3 L.P.R.A. 8615(e))

No public officer or employee may be a party to or have any interest in any profits or benefits produced by a contract with any other executive agency or government dependency unless the Governor gives express authorization thereto with previous recommendation from the Secretary of the Treasury and the Secretary of Justice.

- M. Prohibition with respect to evaluation and approval by public officers: (3 L.P.R.A. 8615(f))

No public officer or employee who has the power to approve or authorize contracts shall evaluate, consider, approve or authorize any contract between an



executive agency and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.

- N. Prohibition with respect to execution by public officers contracts with former public officers: (3 L.P.R.A. 8615(h))

No executive agency shall execute contracts with or for the benefit of persons who have been public officers or employees of said executive agency until after two (2) years have elapsed from the time said person has ceased working as such.

- O. Dispensation

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

-  P. Rules of Professional Ethics

The Contractor acknowledges and accepts that it is knowledgeable of the rules of ethics of his or her profession and assumes responsibility for his or her own actions.

- Q. Anti-Corruption Code for a New Puerto Rico


1. Contractor agrees to comply with the provisions of Act No. 2-2018, as the same may be amended from time to time, which establishes the Anti-Corruption Code for a New Puerto Rico.

2. The Contractor hereby certifies that it does not represent particular interests in cases or matters that imply a conflict of interest, or of public policy, between the executive agency and the particular interests it represents.
3. Contractor shall furnish a sworn statement to the effect that neither Contractor nor any president, vice president, executive director or any member of a board of officials or board of directors, or any person performing equivalent functions for Contractor has been convicted of or has pled guilty to any of the crimes listed in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico or any of the crimes included in Act 2-2018.
4. Contractor hereby certifies that it has not been convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3, or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.



5. PREPA shall have the right to terminate the Agreement in the event Contractor is convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3, or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.

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



The Contractor will certify that if there is any Judicial or Administrative Order demanding payment or any economic support regarding Act No. 168-2000, as amended, the same is current and in all aspects in compliance. Act No. 168-2000 "Law for the Strengthening of the Family Support and Livelihood of Elderly People" in Spanish: "Ley para el Fortalecimiento del Apoyo Familiar y Sustento de Personas de Edad Avanzada", 3 L.P.R.A. §8611 et seq.

S. Provisions Required under Act 14-2004:

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

T. Consequences of Non-Compliance

The Contractor expressly agrees that the conditions outlined throughout this Section are essential requirements of this Agreement. Consequently, should any one of these representations, warranties or certifications be incorrect, inaccurate or misleading, in whole or in part, there shall be sufficient cause for the PREPA to render this Agreement null and void, and the Contractor shall reimburse the PREPA all moneys received under this Agreement. If any of the certifications listed in items A through F of this Section shows a debt, and Contractor has requested a review or adjustment of this debt, Contractor hereby certifies that it has made such request at the time of the Agreement execution. If the requested review or adjustment is denied and such determination is final, Contractor will provide, immediately, to PREPA a proof of payment of this debt; otherwise, Contractor accepts that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments. The Contractor accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every Contractor and Subcontractor whose



service the Contractor has secured in connection with the services to be rendered under this Agreement and shall forward evidence to PREPA as to its compliance with this requirement.

ARTICLE 14 – TRANSFER OF FUNDS

14.1 If Contractor decides to assign or transfer an amount, due or payable, to which he is entitled for services rendered or goods provided during the term of this Agreement, Contractor shall notify PREPA of such transfer of funds, in accordance to the provisions of Act 21-2012. Said notice shall clearly indicate the rights granted, including a copy of the contract under which the assignment or transfer of funds is made, the exact amount of funds to be assigned or transferred, and specific identification information regarding the assignee (full name of the person or company), address and any other contact information.

14.2 Contractor acknowledges and agrees that PREPA may deduct any amount, due or payable under this Agreement, that Contractor owes; PREPA may retain any said amount if Contractor fails to fulfill its obligations and responsibilities under this Agreement, or a claim arises for warranty or defects regarding the services rendered or goods provided under this Agreement. Contractor also acknowledges and agrees that PREPA's payment obligation under any assignment of funds will cease upon payment of the outstanding amounts under this Agreement. PREPA shall not be required to make payments or transfer any



funds for an amount that exceeds the payment to which Contractor is entitled to under this Agreement.

- 14.3 Contractor shall include with its notice of assignment of funds a cashier's check or money order for two hundred dollars (\$200), payable to "Puerto Rico Electric Power Authority", to cover administrative costs in processing such assignment.

ARTICLE 15 - MANDATORY CLAUSES PURSUANT ACT 3-2017

Both parties acknowledge and agree that the contracted services herein may be provided to another entity of the Executive Branch which enters into an interagency agreement with PREPA or by direct disposition of the Secretariat of Government.

These services will be performed under the same terms and conditions in terms of hours of work and compensation set forth in this Agreement. For the purpose of this clause, the term "entity of the Executive Branch" includes all agencies of the Government of Puerto Rico, as well as all instrumentalities and public corporations.

The office of the Chief of Staff shall have the authority to terminate this Agreement at any time.

ARTICLE 16 - SEPARABILITY

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

ARTICLE 17 - COMPLETE AGREEMENT

This document, together with all attachments referred to herein, constitutes the entire agreement between the parties as to this subject matter and supersedes all communications, negotiations, and agreements of the Parties, whether written or oral, other than these, made prior to the signing of this Agreement. In case of conflict, the terms and conditions of this Agreement, as signed by the parties, shall prevail.

IN WITNESS THEREOF, the Parties hereto sign this Agreement in San Juan, Puerto Rico this 10 date of June of 2019.

Puerto Rico Electric Power Authority

Insight Communications, Corp.

By: José F. Ortiz Vázquez
Title: Chief Executive Officer
SSN: 660-43-3747

By: Neftali Bernard
Title: President
SSN: 660-62-9686