


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 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. 2019-166 of the Board of Directors of the Authority.

AS PARTY OF THE SECOND PART: LORENZO GONZÁLEZ FELICIANO, of legal age, single, medical doctor, and a resident of San Juan, Puerto Rico (hereinafter, the "Consultant" and, collectively with the Authority, the "Parties").

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 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, due to the ongoing worldwide emergency related to the COVID-19 pandemic, the Government of Puerto Rico is implementing various measures aimed to protect the wellbeing of the people of Puerto Rico as part of the response efforts necessary to address said emergency; and



WHEREAS, the Consultant has the academic background and extensive professional experience, both as a practicing physician and as a medical director and healthcare consultant with experience in the evaluation and administration of health systems. Furthermore, the Consultant has also served as a former Secretary of Health for the Puerto Rico Department of Health; and

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

NOW, THEREFORE, the Authority and the Consultant enter into this Agreement for Professional Services (the “Agreement”) under the following:

TERMS AND CONDITIONS

FIRST - SERVICES: The Authority hereby engages the Consultant, and the Consultant hereby agrees, to provide professional services and assistance to the Government of Puerto Rico in the management and organization of the Puerto Rico Department of Health and its umbrella agencies, as well as in the development and implementation of response efforts necessary to address the current COVID-19 emergency (as the same may be amended from time to time, the “Services”). The Services shall be rendered on and subject to the terms and conditions set forth in this Agreement and in accordance in the Proposal dated March 26, 2020 (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 and public corporations.

SECOND - TERM OF AGREEMENT: This Agreement shall be in effect from the date of its execution until **June 30, 2020**, 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.

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 address, if circumstances exist beyond the Consultant's reasonable control which make it unethical or impractical for the Consultant to continue to perform the work hereunder.

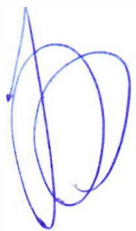
In the event that the day of effective termination falls on a date other than the end of a monthly billing cycle under this Agreement, the fees payable to the Consultant shall be prorated to cover such portion of the last monthly billing cycle as shall have transpired through the day of effective termination. The Parties hereby understand and agree, however, that under no circumstances shall fees be paid to Consultant in excess of the Maximum Amount payable as set forth below in the FIFTH clause.

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 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.

The Consultant's failure to comply with her duties and responsibilities and to perform the Services as set forth herein, or failure to abide to her ethical or professional standards, or her 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 - INVOICES: The Consultant will submit monthly invoices to the Authority that shall identify and include itemized details for each undertaking complying with the Authority's billing guidelines attached hereto as appendix of this Agreement. The invoices must be duly certified by an authorized representative of the Consultant as provided below.

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.

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 in original and mailed to the following address or personally delivered 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
Floor P
Santurce, PR 00907-2345

The Consultant shall also email a copy of all signed invoices to the following address: **invoice@aafaf.pr.gov**.

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 111-2950000-0001-006-2020.

FIFTH - PAYMENT: The Authority will pay the Consultant for the Services rendered a fixed monthly fee of **TWENTY ONE THOUSAND DOLLARS (\$21,000.00)** (prorated for any partial months). The total amount payable by the Authority to the Consultant under this Agreement shall not exceed **SIXTY THREE THOUSAND DOLLARS (\$63,000.00)** (the "Maximum Amount").

The Consultant agrees to notify the Authority within five (5) business days after having reached three-fourths (3/4) of the Maximum Amount. The written notification




shall include a detailed report of projected Services for the duration of the Agreement, and indicate if an increase in the Maximum Amount is expected. The Consultant understands and accepts that it may not exceed the Maximum Amount without a prior written amendment to this Agreement executed by the Parties.

SIXTH - EXPENSES: The Authority will not reimburse any out of pocket expenses incurred by the Consultant in relation to the services rendered under this Agreement.


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.

The Authority will be responsible for obtaining its own professional advice on legal, accounting, taxation, and other specialist matters outside the Consultant's area of expertise. To the extent such specialist advisors are retained in connection with this Agreement or matters arising in connection with the services provided pursuant to this Agreement, either by the Authority or by the Consultant at the Authority's instruction



and written consent, the cost of such specialist advice will be reimbursable by the Authority to the Consultant and it shall require the prior acknowledgment and execution by the parties of an amendment to this Agreement. 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. The Consultant shall not invoice separately the time spent to prepare those reports, as it is understood that this is an administrative obligation complementary to the Services hereunder. The Authority will provide to the Consultant all the documentation necessary for the adequate fulfillment of the Consultant's obligations under this Agreement.



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, 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.



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.

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



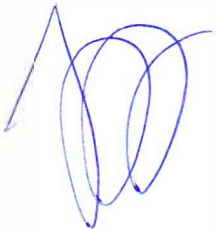
backup files to the extent such files cannot be deleted without unreasonable effort or expense and created in the ordinary course pursuant to established data backup/archive procedures. The Consultant shall not invoice the time spent to gather and deliver such information, as it is understood that this 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.

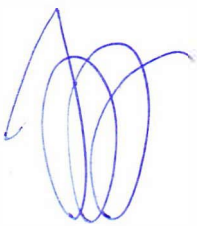
The project team members of the Consultant providing Services under this Agreement will not provide similar products and/or Services to any of the agencies, public corporations, municipalities or instrumentalities of the Government of Puerto



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.

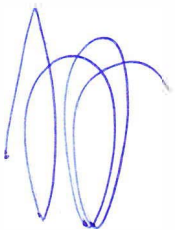


Both Parties hereby declare that, to the best of their knowledge, no public officer or employee of the Authority has any direct or indirect interest in the present Agreement.

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.

The Consultant also certifies that he does not receive 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.

TWELFTH - INDEPENDENT CONTRACTOR STATUS: The Authority and the Consultant agree that the Consultant's status hereunder shall be that of an independent contractor only and not that of an employee or agent of the Authority.



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. Particularly, *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. § 8611 et seq.), and the Puerto Rico Department of Treasury Circular Letter Number 1300-16-16 issued on January 22, 2016, which is available at:

<http://www.hacienda.pr.gov/publicaciones/carta-circular-num-1300-16-16>.

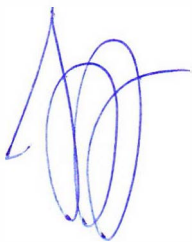
The Consultant accepts and acknowledges its responsibility for requiring and obtaining a similar warranties and certifications required under this Clause from each and every approved subcontractor whose service the Consultant has secured in connection with the Services and shall forward such evidence 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 to

provide Services related to the 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 aforementioned certifications from 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 (as defined below).

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 he 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 he 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. In compliance with this Clause, the Consultant certifies that at the execution of this Agreement he has presented to the Authority the corresponding certifications issued by the Department of Treasury of Puerto Rico (the "Department of Treasury"). The Consultant shall also provide, to the satisfaction of the Authority, and whenever requested by the Authority during the term of this Agreement, any other documentation necessary to support its compliance with this Clause. The Consultant will be given a specific amount of time by the Authority to produce said documents. 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. *Executive Order 1991OE24*.

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 he has no outstanding debts regarding payment of 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. In compliance with this Clause, the Consultant certifies that at the execution of this



Agreement she has presented to the Authority the corresponding certifications issued by the Department of Labor and Human Resources of Puerto Rico. *Executive Order 1992OE52.*

- C. **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 she 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 she 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. In compliance with this Clause, the Consultant certifies that at the execution of this Agreement she has presented to the Authority the corresponding certifications issued by CRIM. The Consultant shall also provide, whenever requested by the Authority during the term of this Agreement, any other documentation necessary to support her compliance with this Clause. 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 her property taxes. 3 L.P.R.A. § 8611 et seq.; 21 L.P.R.A. § 5001 et seq.



- D. **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 he does not have any debts or legal procedures regarding child support payments registered with ASUME. In compliance with this Clause, the Consultant certifies that at the execution of this Agreement she has presented to the Authority the corresponding certification issued by ASUME. 3 L.P.R.A. § 8611 et seq.
- E. **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.
- F. **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 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, 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 payments and reimbursements made to the Consultant. 2011 L.P.R. 232; 3 L.P.R.A. §8611.

G. **Enabling Act of the Office of Government Ethics of Puerto Rico, Act No.**

1-2012, as amended: The Consultant certifies that she 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”). The



Consultant acknowledges that he has received a copy of Act No. 1-2012, and agrees to abide and comply with its dispositions.

H. **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.

I. **Agreement Registration in the Office of the Comptroller of Puerto Rico,**

Act No. 18 of October 30, 1975, as amended: Payment for Services rendered under this Agreement will not be made until this Agreement is properly registered in the Office of the Comptroller of Puerto Rico pursuant to Act No. 18 of October 30, 1975, as amended.

J. **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 she 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 he has received a copy of Act 2-2018, and agrees to abide and comply with its dispositions.

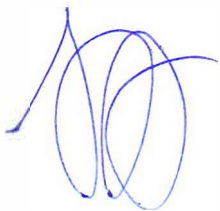
K. **Certification of other government agreements:** The Consultant certifies that at the time of execution of this Agreement he has no other contracts with agencies, public corporations, municipalities or instrumentalities of the Government of Puerto Rico, other than his appointment as Secretary of Health. The parties hereto acknowledge that the Consultant’s role as head of the Puerto Rico Department of Health has priority over any other governmental engagements and that the scope of the work to be performed by the Consultant hereunder does not impair his independence of criteria in the exercise of his position as Secretary of Health.

L. **Negative Certification of Criminal Procedures:** The Consultant certifies and guarantees that, at the execution of this Agreement, she has not been convicted or has 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 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, the Consultant does not have knowledge of 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 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.



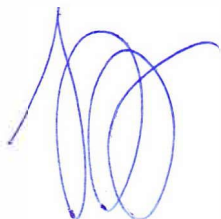
In addition to the foregoing, Act No. 2-2018 requires that any person or entity who wishes to be granted a contract with any municipality, agency,

instrumentality or public corporation of the Government of Puerto Rico for the rendering of services must submit a sworn statement signed before a notary public stating that neither the Consultant, 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 the Consultant, if applicable, has been convicted or has plead guilty to any of the crimes listed under Article 6.8 of Act No. 8-2017 or any of the crime included in Act No. 2-2018.

M. Investment Act for the Puerto Rican Industry, Act No. 14-2004, as

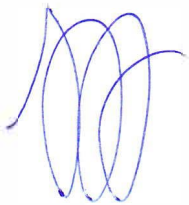
amended: In compliance with the dispositions of Act No. 14-2004, known as the Investment Act for the Puerto Rican Industry, the Consultant shall use articles extracted, produced, assembled, packaged or distributed by companies with operations in Puerto Rico or distributed by agents established in Puerto Rico while rendering the Services, provided such articles are available.

N. 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



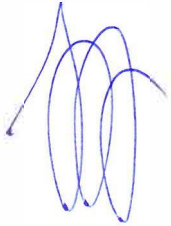
to render this Agreement null and void and to require that the Consultant reimburse to the Authority all moneys received under this Agreement.

FOURTEENTH – INDEMNIFICATION: The Authority shall indemnify and hold harmless the Consultant for any liability, damages, fees, expenses and costs (including defense costs) associated with any third-party claim arising from or relating to (i) misrepresentations made by the Authority or any of its personnel or agents, or (ii) false or incomplete information provided to the Consultant in connection with the Services required to be performed under this Agreement. The provisions of this Clause shall apply regardless of the nature of any claim asserted, including but not limited to contract, statute, tort, strict liability or any form of negligence, whether of the Authority, the Consultant, or others, except for the Consultant's gross negligence or willful misconduct (as determined to be contrary to any applicable law by a court of competent jurisdiction). The Authority's reimbursement and indemnity obligations under this Clause shall not exceed the existing balance of the Maximum Amount payable under the FIFTH Clause of this Agreement. However, nothing herein shall preclude the Parties from agreeing to increase said amount if the present limit should be reached by an amendment to this Agreement executed in writing by both Parties.



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.

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 Services are not of a legal nature, and Consultant will in no event give, or be required to give, any legal opinion or provide legal representation to the Authority. 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 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.

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



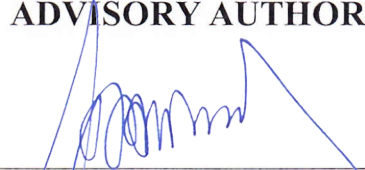
not agreed to herein shall pay to the other Party all the costs of seeking dismissal including reasonable attorney's fees.

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. 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.

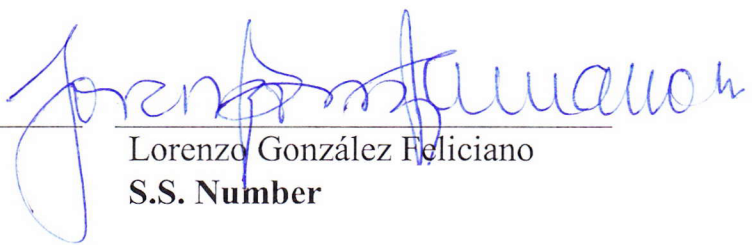
IN WITNESS WHEREOF, the Parties hereto set their hands in San Juan, Puerto Rico, as of this 26 day of April, 2020.

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



Guillermo Camba Casas
Director of the Office of
Administrative Affairs
Tax Id. Number:

CONSULTANT



Lorenzo González Feliciano
S.S. Number

APPENDIX INDEX

1. Service Description/Proposal
2. AAFAF billing guidelines



LORENZO GONZALEZ, MD, MBA, DHA
1357 Ashford Avenue PMB#282
San Juan, Puerto Rico 00907

March 26, 2020

Lcdo. Omar Marrero
Executive Director
AAFAF
P.O. Box 42001
San Juan, PR 00940-2001

Dear Mr. Marrero:

I'm a medical doctor with close to thirty years of experience in the field. As a former Secretary of Health I'm making myself available to help the Government of Puerto Rico to manage the current COVID-19 emergency.

I have the necessary skills to organize and manage large groups of professionals in the Department of Health (DOH) and the Umbrella Agencies under the DOH, in order to develop and implement the COVID-19 response efforts. I'm available to start these efforts immediately as the Governor determines and the Senate confirmation.

COMPENSATION


Due to the current emergency situation and the time and effort that will require to coordinate all health efforts in Puerto Rico, the fee schedule for the professional services will be the following:

\$21,000.00 a month for three (3) months from April thru June 2020. A Total of \$63,000 for the three month period.

The commitment of the effort will be full time (unlimited hours), from Monday thru Friday.

Please find attached my curriculum vitae where you can evaluate the Academic background and work experience.

Cordially,


Lorenzo González - Feliciano, MD, MBA, DHA

LORENZO GONZALEZ, M.D., F.A.A.C.A.P., M.B.A.
1357 Ashford Avenue PMB#282
San Juan, Puerto Rico 00907

QUALIFICATIONS AND CAPABILITIES

Expresses a diverse, well-rounded knowledge of medical standards and procedures, molded by experiences such as working hands-on in the field as a practicing attending physician and understanding the management/administrative aspect of medicine as a medical director and healthcare consultant. Also possesses an immense understanding of the business and governmental side of medicine through current successes as the Secretary of Health for the Government of Puerto Rico. Exudes masterful ability to organize and manage large groups of professionals in order to develop and implement monumental projects, programs and amendments that directly impact the entire community of Puerto Rico. Practiced in collaborating with organizations and other government agencies to survey work conditions, improve access to and quality of healthcare, and resolve monetary disputes, all with sterling results. Served as healthcare representative to the people of Puerto Rico, spoke at major, worldwide conferences on the island's behalf and personally participated in a multitude of fundraising efforts for cancer cure and treatment.

EDUCATION

Central Michigan University (CMU)
Mount Pleasant, Michigan
Doctorate in Healthcare Administration
September 2007– July 2018

University of Pittsburgh-Katz Business School
Pittsburgh, Pennsylvania
Master in Business Administration (MBA)
January 1999–March 2000

University of California, Los Angeles
Acupuncture for Physicians
Shadowed by Dr. Joseph Helms
June 1999–March 2000

Long Island Jewish Hillside Medical Center
Albert Einstein College of Medicine
Long Island, New York
Fellowship in Electroconvulsive Therapy (ECT)
October 20–24, 1997

Columbia Presbyterian Hospital
New York, New York
Child and Adolescent Psychiatry Fellowship
1991–1993

Albert Einstein College of Medicine
Bronx Municipal Hospital Center-Montefiore Medical Center
Bronx, New York
Adult Psychiatry Residency Program
1988–1991

University of Puerto Rico–School of Medicine
Rio Piedras, Puerto Rico
Medical Doctorate (M.D.)
1984–1988

University of Puerto Rico–Rio Piedras Campus
Rio Piedras, Puerto Rico
Bachelor of Science in Biology
1980–1984

WORK-RELATED EXPERIENCE

Chief Medical Officer (CMO)
Physician Correctional
October 2018-present
Private Practice
San Juan, Puerto Rico
2012–present

Healthcare Consultant
San Juan, Puerto Rico
2012–present

Secretary
Government of Puerto Rico
Department of Health
San Juan, Puerto Rico
2009-2012

Healthcare Consultant
Grove City, Pennsylvania
February 2003–2009

Healthcare Consultant
San Juan, Puerto Rico
February 2003–2009

Medical Director
Mepsi Center
Bayamón, Puerto Rico
February 2003–2005

Chief Medical Officer
Danville State Hospital
Danville, Pennsylvania
April 2001–February 2003

Medical Director Managed Care Operations
Medical Director Mental Health Service
First Hospital Corporation-Value Options Managed Care Co.
San Juan, Puerto Rico
May 2000–April 2001

Physician-Surveyor
Joint Commission on Accreditation of Healthcare Organizations
Oakbrook, Illinois
March 1998–August 2009
Attending Physician
George Junior Republic Residential Treatment Center
Grove City, Pennsylvania
June 1997–Present

Medical Director Behavioral Health System
Northwest Medical Center
Franklin-Oil City, Pennsylvania
June 1997–2000

Medical Director
Specialized Treatment Unit II
First Hospital Panamericano
Cidra, Puerto Rico
1996–1997

Attending Physician
Sharon Regional Health System
Sharon, Pennsylvania
1993–1996

Private Practice
Canterbury Square
Hermitage, Pennsylvania
1993–1996

Attending Physician
Morrisania Neighborhood Family Care Center
Bronx, New York
1991–1993

Attending Physician
North Central Bronx Hospital
Bronx, New York
1991–1993

Attending Physician
Bronx Municipal Hospital Center-Jacobi Hospital
Bronx, New York
1989–1991

Attending Physician
Montefiore Medical Center
Bronx, New York
1989–1991

PROFESSIONAL LICENSURE AND CERTIFICATION

Fellow member of the American Academy of Child & Adolescent Psychiatry

Diplomate of the American Board of Psychiatry and Neurology with Certification in Child and Adolescent Psychiatry

Diplomate of the American Board of Psychiatry and Neurology with Certification in General Psychiatry

Florida State Medical and Surgical License

Pennsylvania State Medical and Surgical License

Puerto Rico Medical and Surgical License

New York State Medical and Surgical License

PROFESSIONAL AFFILIATION AND ACHIEVEMENTS

Member of the American Academy of Child and Adolescent Psychiatry, 1991–Present

Member of the Hospitalization and Continuum of Care Committee, American Academy of Child and Adolescent Psychiatry, 1996–2002

Western Psychiatric Institute Clinical Instructor, 1993-1996

Consultation Liaison Service Chief Fellow
Columbia Presbyterian Hospital, Child and Adolescent Department, 1992–1993

Board Member of the Employment Accident Fund Corporation (“Corporacion del Fondo del Seguro del Estado”) 2009-2012

President Board Member of Health Insurance Administration Corporation
 (“Administración de Seguros de Salud”) 2009-2012

Board Member of the Puerto Rico Health Information Network 2009-2012
President Board Member of Medical Services Corporation (“Administración de Servicios Medicos”) 2009-2012
President Board Member of Comprehensive Cardiovascular Center of Puerto Rico
2009-2012

Board Member of Comprehensive Cancer Center of Puerto Rico 2009-2012



GOVERNMENT OF PUERTO RICO

Puerto Rico Fiscal Agency and Financial
Advisory Authority

Billing Guidelines for Consultants

Introduction

The Puerto Rico Fiscal Agency and Financial Advisory Authority ("FAFAA") may engage the services of consulting firms or independent consultants (collectively and hereinafter "Consultant") to provide certain consulting services for managing its risks and affairs (the "Consulting Services").

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

The Guidelines set forth FAFAA's expectations relative to the Consulting Services being provided and the nature of the working relationship with Consultant. Through the Guidelines, FAFAA hereby provides Consultant with an understanding of what consulting 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 Consultant is engaged on behalf of FAFAA. These Guidelines shall govern the billing terms of the professional relationship between FAFAA and Consultant.

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

FAFAA expects Consultant to strictly adhere to the Guidelines and to charge for actual consulting 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, Consultant will be notified accordingly. FAFAA expects Consultant to become familiar with the Guidelines and if there are any questions relative thereto then Consultant should contact FAFAA's Legal Department.

The following rules shall govern Consultant's billing for the Consulting Services and its presentation of the Invoices:



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A. Billing Rates and Fee Arrangements

- i. FAFAA expects to be charged reasonable fees for the Consulting 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 consulting professionals, and b) the customary or previously agreed to billing rates (the "Billing Rates") of those professionals involved in the rendering of the Consulting Services. Furthermore, FAFAA expects Consultant to use prudence and reasonableness in rendering the Consulting Services, refraining from providing more consulting services than are actually needed to complete the same.
- ii. Under no circumstance will FAFAA pay for Consultant's overhead expenses, as they are generally categorized in accordance to applicable accounting principles.
- iii. Consulting Services will be billed in increments of **[15 minutes or 1/25 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 consulting service, Consultant's fees shall be computed by applying the Billing Rates to the reasonable time actually incurred in rendering the Consulting Services.
- v. The level of expertise of the consultant assigned to a matter referred by FAFAA shall be appropriate to the complexity of the issue therein. Therefore, partners in the consulting firm shall not bill for tasks that can be performed by an associate at a lower cost. Furthermore, FAFAA requires Consultant to assign less demanding tasks to less senior consultants in order to minimize consulting expenses. Additionally, for matters of similar nature occasionally referred to Consultant, FAFAA expects Consultant to assign a consultant with prior experience with such matter. Consultant shall ensure that the work performed by the assigned consultant(s) is reasonable, useful, and done efficiently.
- vi. In the event that Consultant anticipates incurring in significant time or expenses in excess of the normal amount within a particular month, Consultant 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.

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B. Referrals and Budgets

- i. Unless otherwise agreed by the parties, FAFAA expects Consultant to prepare and provide FAFAA with a brief written plan for all matters, as well as a budget for the handling of such matter, within the first fifteen (15) days following its referral to Consultant. The plan, when applicable, should include an estimated budget of the consulting fees and expenses that could potentially be incurred.
- ii. FAFAA may refer to Consultant a particular matter which may require extended work or research or may seek the advice or assistance of Consultant in special projects. In any such case, Consultant shall prepare and provide FAFAA with an estimated budget of the consulting fees and expenses that could potentially be incurred in the handling of such matter. It is expected of Consultant 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 work on a particular matter, Consultant should previously consult with FAFAA in order to get written approval to proceed with the extended work project. Consultant is expected to be familiar with the basic issue in the matter for which Consultant was retained.
- iv. Consultant 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 Consultant and FAFAA.

C. Staffing Matters

- i. FAFAA will not pay for or authorize:
 - a. Administrative charges such as:
 - i. Scheduling or review of personnel;
 - ii. Preparation and review of billing statements;
 - iii. Preparation of budgets of time plan, staffing of total costs of projected consulting work;
 - iv. Preparation of the Monthly Status Reports;

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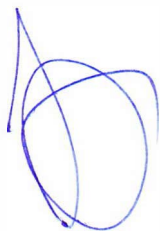
GOVERNMENT OF PUERTO RICO

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- v. Preparation of Audit Letters to our external auditors;
 - vi. Preparation of any other status report; or
 - vii. Negotiation, review, and/or drafting of retention or engagement agreement between FAFAA and the Consultant.
- b. Grazing: FAFAA will not pay for billed time for getting up to date with any consulting matter. This includes time spent by newly assigned consultants to familiarize themselves with a matter.
- 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 matter 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 consultants shall bill for an intra-office conference.
- g. Overstaffing: The minimum number of consultants should be assigned to each matter. Overstaffing includes:
- i. More than one consultant billing for reading or reviewing internal written communication (including email); or
 - ii. Inclusion of consultants or associates at meetings or hearings for the purpose of associate development.

Consultant 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 consultant if FAFAA's prior written approval was not obtained by Consultant.

- h. The review, execution and processing of agreements with FAFAA.
- i. Any time spent at seminars or other training, unless otherwise specifically approved in writing.





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- j. Summer intern, temporary or contract consultant, 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 or standard form is available, FAFAA will pay only for the amount of time necessary to modify the document for use in the specific consulting 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 consultants, such as managing or supervising other consultants, nor will pay for in-firm meetings, conferences, consultations and communications among consultants.
- iv. FAFAA shall not pay for duplication of time caused by:
 - a. Transfer of a consulting matter to a new consultant for internal reasons;
 - b. Double teaming; or
 - c. One consultant redoing the work of another.
- v. Prior to any meeting or conference call, Consultant shall 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. Each task or activity shall be separately itemized on the Invoices, including a break-down 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 consultant or consulting professional whose work is being billed;
 - d. The date of the service;

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- e. The location where the services were rendered;
 - f. The amount of time spent by each person on each item in the interval increments defined herein; and
 - g. The Billing Rate at which the service is being billed.
- ii. Entries for telephone conversations, conferences and meetings must specifically describe all parties involved and the subject matter or purpose of the task.
 - iii. FAFAA will not pay for billed services whose descriptions lack specificity.
 - iv. The Invoices shall include a summary thereof, including:
 - a. Name and initials of each time keeper;
 - b. Staff classification including for each category of consulting personnel (Partner, Junior Partner, Manager, Senior Consultant, Consultant, Associate, and Intern);
 - c. Hourly billing rate of each time keeper; and
 - d. Total time and fees billed for each time keeper by subject matter.
 - v. The Invoices shall also include an overall summary by staff classification, including for each category of consulting personnel (Partner, Junior Partner, Manager, Senior Consultant, Consultant, Associate, and Intern), the number of individuals in each category, the total number of hours by each category, and the total fees by category.
 - vi. 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.
 - vii. 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 consulting professional or the timekeeper should be reduced.
 - viii. In addition, Consultant shall provide the Certificate of Waiver from Withholding

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(total or partial) from the Puerto Rico Department of Treasury to FAFAA.

- ix. Any Invoices without the required information included or attached will not be processed for payment and will be returned to Consultant for the corresponding corrections or modifications.
- x. The Consultant'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.
- xi. 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 Consultant for overhead costs. Expenses that are considered Consultant'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 Consultant 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, messengers, other support personnel, or any other overhead expense as recognized by applicable accounting standards.
- ii. Non reimbursable tasks include binding, scanning, indexing, collating, coding, filing, transmitting and preparing letters, mailing, faxing, emailing, word processing, proofreading, scheduling, events, deliveries, data entry, conference call charges, invoicing, billing, staffing, or other similar clerical or ministerial functions.
- iii. The Invoices may also include additional consulting expenses to be charged by Consultant as previously authorized by FAFAA, with a total for those consulting expenses charged at a reasonable market price. Each such additional expense item shall be:
 - a. Separately itemized;

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- 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. 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 ("Actual Cost").
- v. All expenses will be reimbursed at Actual Cost and Consultant 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, for overtime transportation, or for valet services. Car services during travel are limited to taxicab or transportation network companies' fares, and Consultant shall provide appropriate documentation to substantiate the expenses such as actual receipts, which shall be included in the Invoices as an attachment.
- vi. FAFAA will reimburse Consultant for reasonable and necessary delivery charges and messenger services at Actual Cost. However, charges for time spent preparing mail packages are considered as part of the Consultant's overhead and are not reimbursable. Disbursements for messenger services expenses will be compensated with the appropriate documentation to substantiate the expenses such as actual receipts, which shall be included in the Invoices as an attachment. Third party courier and express delivery services should be used cautiously.
- vii. Photocopying will be reimbursed at the Actual Cost to Consultant and which under no circumstances shall exceed ten (10) cents per page. Documentation for photocopying expenses shall include evidence of the amount of copies executed with the date.
- viii. Reimbursements of expenses made by Consultant during travel to Puerto Rico are limited to:
- a. Fifty-eight (58) dollars per day for food, for which Consultant need not provide a receipt; and

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- b. One hundred and ninety-five (195) dollars per night, for hotel for which Consultant must provide appropriate documentation subject to agreement by FAFAA.
- ix. Reimbursements of expenses made by Consultant during travel outside of Puerto Rico are subject to the regulations published by the U.S. General Service Administration and the Defense Travel Management Office of the Department of Defense.
- x. Expenses for airfare travel will be reimbursed with the appropriate documentation to substantiate the expense, such as receipt of the air fare where the trip detail is presented. FAFAA will only reimburse for economy class airfare travel. FAFAA will only reimburse for half of the amount of a receipt that evidences first or business class travel. FAFAA will not pay for any costs incurred in for "extra leg room" space. Any reimbursement for cancelled air travel must be pre-approved by FAFAA.
- xi. FAFAA expects Consultant to immediately provide any back up documentation for a particular disbursement charge if it so requires. FAFAA will not pay for unsupported charges.
- xii. FAFAA will only reimburse for expenses made within the time frame of the contract between FAFAA and Consultant.

F. Third Party Subcontracting

- i. If Consultant deems it necessary to use any other consulting firm, consultant, 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 prior to the retention or hiring thereof and shall obtain written consent from FAFAA to proceed with the subcontracting.
- ii. Unless a different billing arrangement is authorized by FAFAA, Consultant shall directly pay the Third Party for work performed in connection with services rendered on behalf of FAFAA.
- iii. Payments to the Third Party should be included as a disbursement on Consultant'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.

A handwritten signature in blue ink, consisting of a stylized, cursive letter 'M' or similar character.



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- iv. Consultant 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 pre-approved Third Party's services.
- v. All Third Party invoices paid by Consultant 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.

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Advisory Authority**

CONSULTANT ACKNOWLEDGMENT

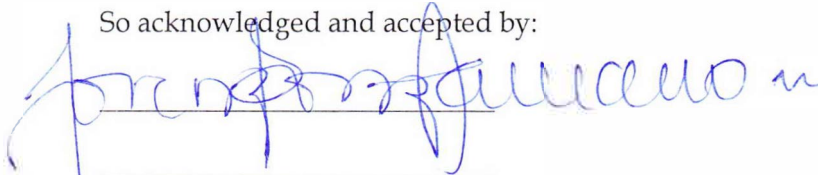
The Consultant through its Account Partner, or representative noted herein, acknowledges the receipt and review of FAFAA's Billing Guidelines for Consultants.

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:



This 21 day of April 2020