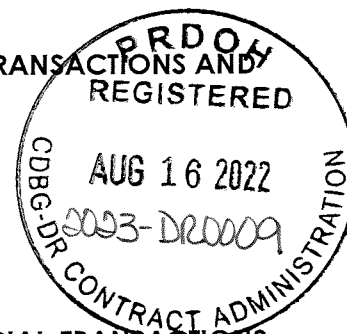




**COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY (CDBG-DR)/  
MITIGATION (CDBG-MIT)**

**AGREEMENT FOR LEGAL CONSULTING SERVICES FOR COMMERCIAL TRANSACTIONS AND  
CONSTRUCTION DEVELOPMENTS  
BETWEEN THE  
PUERTO RICO DEPARTMENT OF HOUSING  
AND  
MARINI PIETRANTONI MUÑOZ LLC**



This **AGREEMENT FOR LEGAL CONSULTING SERVICES FOR COMMERCIAL TRANSACTIONS AND CONSTRUCTION DEVELOPMENTS** (hereinafter, "**Agreement**" or "**Contract**") is entered into in San Juan, Puerto Rico, this 16 of August, 2022, by and between the **PUERTO RICO DEPARTMENT OF HOUSING** (hereinafter, "**PRDOH**"), a public agency created under Law No. 97 of June 10, 1972, as amended, 3 L.P.R.A. § 441 et seq., known as the "**Department of Housing Organic Act**" (hereinafter, "**Organic Act**"), with principal offices at 606 Barbosa Avenue, San Juan, Puerto Rico, herein represented by Hon. William O. Rodríguez Rodríguez, of legal age, single, attorney, and resident of San Juan, Puerto Rico, in his capacity as Secretary; and **MARINI, PIETRANTONI, MUÑOZ, LLC** (hereinafter, "**CONTRACTOR**"), a domestic for profit limited liability company with principal offices in 250 Ponce de León Avenue, Suite 900, San Juan, Puerto Rico, herein represented by Luis Carlo Marini Biaggi, in his capacity as Capital Member, of legal age, married, attorney, and resident of Dorado, Puerto Rico duly authorized by Resolution issued by the CONTRACTOR; collectively the "Parties".

**WHEREAS**, on September 2017, Hurricanes Irma and María made landfall in Puerto Rico causing catastrophic island wide damage, knocking out power, water, and telecommunications for the entire island and its island municipalities. Hurricane María caused major structure and infrastructure damage to family homes, businesses and government facilities triggering the displacement of thousands of residents of the Island from their homes and jobs.

**WHEREAS**, under the Continuing Appropriations Act, 2018 and Supplemental Appropriations for Disaster Relief Requirements Act, 2017, signed into law September 8, 2017 (Pub. L. 115-56), \$1.5 billion were allocated by the U.S. Department of Housing and Urban Development ("**HUD**") for disaster recovery assistance to the Government of Puerto Rico under Community Development Block Grant – Disaster Recovery ("**CDBG-DR**") funds. These funds are intended to provide financial assistance to address unmet needs that arise and that are not covered by other sources of financial aid.

**WHEREAS**, on February 9, 2018, a Notice was published in the Federal Register, Vol. 83, No. 28 (83 FR 5844), that allocated \$1.5 billion for disaster recovery assistance to the Government of Puerto Rico.

**WHEREAS**, under the Bipartisan Budget Act of 2018, signed into law February 9, 2018 (Pub. L. 115-123), an additional \$8.22 billion were allocated by HUD for disaster recovery assistance to the Government of Puerto Rico under CDBG-DR.

**WHEREAS**, pursuant to a letter dated February 23, 2018 sent by the former Governor of Puerto Rico to the Secretary of HUD, the PRDOH is the governmental agency designated as grantee of the CDBG-DR funds allocated to the Government of Puerto Rico.

**WHEREAS**, on August 14, 2018, a Notice was published in the Federal Register Vol. 83, No. 157, (83 FR 40314) that made an additional allocation to Puerto Rico of \$8.22 billion for recovery. With these allocations of funding, the PRDOH aims to lead a transparent,

comprehensive recovery to benefit the residents of Puerto Rico. PRDOH holds accountability and is committed to the responsible, efficient, and transparent administration of CDBG-DR grant funding.

**WHEREAS**, on September 20, 2018, the Governor of Puerto Rico and the Secretary of HUD signed the Grant Agreement.

**WHEREAS**, under the Further Additional Supplemental Appropriations Act for Disaster Relief Requirements Act, 2018, (Division B, Subdivision 1 of the Bipartisan Budget Act of 2018, Pub. L. 115-123, approved February 9, 2018), \$8.285 billion were allocated by HUD for mitigation activities and assistance to the Government of Puerto Rico under the Community Development Block Grant – Mitigation ("**CDBG-MIT**") Program. These funds are intended to provide financial assistance in areas impacted by recent disasters. Moreover, CDBG-MIT funds represent a unique and significant opportunity for Puerto Rico to carry out strategic and high-impact activities to mitigate disaster risks and reduce future losses.

**WHEREAS**, on August 30, 2019, a Notice was published in the Federal Register, Vol. 84, No. 169, (84 Fed. Reg. 45838), which described the grant requirements and procedures applicable to future allocations of CDBG-MIT funds to the Government of Puerto Rico.

**WHEREAS**, on May 12, 2021, the PRDOH Secretary and the Secretary of HUD signed Grant Agreement Number B-18-DP-72-0002; allowing PRDOH access to \$8,285,284,000 in CDBG-MIT funding, obligated under Pub. L. 115-123, as amended.

**WHEREAS**, the PRDOH is the government agency designated as grantee of the CDBG-MIT funds allocated to the Government of Puerto Rico.

**WHEREAS**, the PRDOH is interested in contracting law firms to provide legal services to the Investment Portfolio for Growth ("**IPG**") Program, across the Economic Development Programs, and other CDBG-DR and CDBG-MIT funded Programs. This firm will support PRDOH's objectives of ensuring compliance with all CDBG-DR/MIT, HUD and applicable federal and local requirements, rules and regulations, as well as in PRDOH's objectives of the Action Plan, as amended, and adequately coordinating and monitoring all CDBG-DR/MIT related activities.

**WHEREAS**, on March 3, 2022, the PRDOH issued the Request for Proposals No. CDBG-DR-RFP-2022-05 (hereinafter, "**RFP**") for Legal Consulting Services for Commercial Transactions and Construction Developments with CDBG-DR/MIT funds. This request was placed through the "Registro Único de Subastas del Gobierno" ("**RUS**") and the CDBG-DR Program website. Through this procurement process, the PRDOH received eleven (11) proposals. The proposals were evaluated by an Evaluation Committee appointed pursuant to Administrative Order No. 22-28 dated May 26, 2022. The Evaluation Committee performed an evaluation of the Proposals based on the criteria stated in the RFP.

**WHEREAS**, on April 8, 2022, Marini Pietrantoní Muñiz LLC submitted a proposal (hereinafter, "**Proposal**"), which fully complied with the requirements set forth by the PRDOH in the RFP.

**WHEREAS**, the PRDOH desires to enter into an agreement with Marini Pietrantoní Muñiz LLC to secure its services and accepts the CONTRACTOR's Proposal and costs, and the CONTRACTOR by its acceptance of the terms and conditions of this Agreement is ready, willing and able to provide the requested services contemplated under this Agreement.

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**WHEREAS**, the PRDOH has the legal power and authority, in accordance with its enabling statute, the Organic Act, the Federal laws, and regulations creating and allocating funds to the CDBG-DR/MIT Programs, and the current Action Plans, to enter into this Agreement.

**WHEREAS**, the CONTRACTOR has duly adopted Resolution dated July 25, 2022, authorizing its Authorized Representative, Luis Carlo Marini Biaggi, to enter into this Agreement.

**NOW THEREFORE**, in consideration of the mutual promises and the terms and conditions set forth herein, the PRDOH and the CONTRACTOR agree as follows:

**I. TYPE OF CONTRACT**

**Contract Type:** This is a fixed fee and hourly contract. Under this Agreement, the CONTRACTOR shall submit monthly invoices to the PRDOH based on **Attachment C** (Cost Form) and as the services are rendered. Any and all changes and/or modifications to this Agreement shall be in writing and must be signed by both parties.

**Attachments Incorporated:** The following attachments are incorporated into this Agreement by reference and are hereby made part of this Agreement:

<b>Attachment A</b>	Contractor's Proposal
<b>Attachment B</b>	Scope of Services
<b>Attachment C</b>	Cost Form
<b>Attachment D</b>	Insurance Requirements
<b>Attachment E</b>	HUD General Provisions
<b>Attachment F</b>	Contractor Certification Requirement
<b>Attachment G</b>	Performance Requirements

All Attachments hereto are fully incorporated herewith such that the terms and conditions of the Attachments shall be as binding as any terms and conditions of this executed written Agreement. Should any inconsistency appear between the Attachments and this Agreement, the Agreement shall prevail.

**II. TERM OF AGREEMENT**

- A. This Agreement shall be in effect and enforceable between the parties from the date of its execution. The Term of this Agreement will be for a performance period of **twelve (12) months**, ending on August, 16, 2023.
- B. **Contract Extensions:** PRDOH may, at its sole discretion, extend the Agreement's term for an additional term of **twelve (12) months**, or expressed in days, **three hundred sixty-five (365) days** upon mutual written agreement of the parties.
- C. The term of this Agreement shall not exceed the lifetime of the initial Grant Agreement between PRDOH and HUD, unless the term of the initial Grant Agreement is extended by HUD, in which case the Agreement shall not exceed said extended period.

**III. SCOPE OF SERVICES**

The CONTRACTOR will provide the services described in **Attachment B** (Scope of Services) of the Agreement. The parties agree that the CONTRACTOR shall furnish all permits,

consents, licenses, equipment, software and supplies necessary to perform the Services, at CONTRACTOR's sole cost.

#### IV. COMPENSATION AND PAYMENT

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- A. The PRDOH agrees to pay the CONTRACTOR for allowable Services rendered under this Agreement in accordance with the rates and amounts described in **Attachment C** (Cost Form) of this Agreement.
  - B. The PRDOH will pay the CONTRACTOR, for allowable services performed during the term of this Agreement, a maximum amount not to exceed **ONE HUNDRED EIGHTY-TWO THOUSAND THREE HUNDRED DOLLARS AND ZERO CENTS (\$182,300.00)** from **Account Numbers r02e24edi-ppp-lm 6090-01-000** and **r02e24edi-ppp-un 6090-01-000**.
  - C. Such payment shall be compensation for all allowable services required, performed and accepted under this Agreement included in **Attachment B** (Scope of Services), **Attachment C** (Cost Form) and **Attachment G** (Performance Requirements).
  - D. Any additional funds to complete the services requested by the PRDOH to the CONTRACTOR will be subject to evaluation before acceptance as well as funds availability and will require an amendment to this Agreement.
  - E. The CONTRACTOR shall submit an invoice to PRDOH on a monthly basis. Said invoice must be submitted including all required invoice supporting documents, including but not limited to monthly reports, timesheets, invoice and photos evidence, expense plan and/or work projections. If PRDOH determines that the submitted invoice and supporting documents are acceptable, then the invoice will be approved for payment.
  - F. The services rendered under the Agreement, shall be payable within forty-five (45) business days from the date the invoice is received and approved by a PRDOH representative for payment. If PRDOH raises any objections, PRDOH will return the invoice for corrections and the CONTRACTOR shall modify the invoice and return it within five (5) business days. Once the CONTRACTOR returns the modified invoice, the PRDOH shall resume and conclude the payment process within the next forty-five (45) business days.
  - G. An authorized representative of the PRDOH will review each invoice and, if adequate, will approve and process its payment. Payments to the CONTRACTOR shall be made by electronic funds transfer (EFT). PRDOH reserves the right to conduct any audits it deems necessary. The CONTRACTOR agrees to cooperate fully with any such audit or audits.
  - H. While providing the services under this Agreement, the CONTRACTOR must adhere to applicable requirements of the CDBG-DR/MIT grant. If the CONTRACTOR performs ineligible activities under the CDBG-DR/MIT grant or programs, the CONTRACTOR cannot include them in the invoice for payment to the CONTRACTOR.
  - I. CONTRACTOR shall be liable to the PRDOH for any costs disallowed pursuant to financial and/or compliance audit(s) of funds received under this Agreement. CONTRACTOR shall reimburse such disallowed costs from funds other than those CONTRACTOR received under this Agreement.

- J. The CONTRACTOR acknowledges and agrees to repay any CDBG-DR/MIT funds used for ineligible costs.
- K. In order for the CONTRACTOR to receive payment for any work performed hereunder, the following certification must be included in each application for payment or invoice submitted to the PRDOH for payment:

**“Under penalty of absolute nullity, I hereby certify that no public servant of the government entity is a party to or has an interest of any kind in the profits or benefits to be obtained under the contract which is the basis of this invoice, and should he be a party to, or have an interest in, the profits or benefits to be obtained under the contract, a waiver has been previously issued. The only consideration to provide the contracted goods or services under the contract is the payment agreed upon with the authorized representative of the government entity. The amount that appears in the invoice is fair and correct. The work has been performed, the goods have been delivered, and the services have been rendered, and no payment has been received therefor.”**

#### V. REIMBURSABLE EXPENSES

The PRDOH will not reimburse any costs incurred by the CONTRACTOR not included in the approved Proposal or in an executed written amendment.

#### VI. ADDITIONAL SERVICES

Should additional services be needed by the PRDOH, such additional services shall be agreed upon by the parties in a written document signed by both parties, prior to the issuance of a notice to proceed with the performance of such additional services.

#### VII. OWNERSHIP AND USE OF DOCUMENTS

- A. With the exception of the CONTRACTOR's working papers, the CONTRACTOR acknowledges the PRDOH's ownership of all information, drafts, documents, reports, papers, and other materials developed and prepared by the CONTRACTOR, its agents or representatives, for purposes of performing key obligations hereunder. In the event of any termination, the CONTRACTOR shall deliver such information, drafts, reports, papers and other materials to the PRDOH, in document form or as computer program data, and the CONTRACTOR recognizes the PRDOH's right to request such documentation or computer program data. If the CONTRACTOR fails to deliver said information, the PRDOH may seek a judicial order to enforce its rights.
- B. Proof of expenditures incurred by the CONTRACTOR on behalf of PRDOH shall be made available to PRDOH. The CONTRACTOR agrees to maintain accurate records and files of all contract documents, correspondence, book estimates, bills, and other information related to the CONTRACTOR account. These documents shall be open for the PRDOH examination at all reasonable times during the term of this Agreement, and up to **five (5) years** from closeout of the grant to the state, or the period required by other local applicable laws and regulations.

## VIII. DOCUMENTATION AND RECORDKEEPING

- A. Records to be Maintained:** The CONTRACTOR shall maintain records of the state and units of general local government, including supporting documentation, which shall be retained for the greater of **five (5) years** from closeout of the grant to the state, or the period required by other local applicable laws and regulations. Such records include but are not limited to: Records providing a full description of each activity undertaken; Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG-DR/MIT program; Records required to determine the eligibility of activities; Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG-DR/MIT assistance; Records documenting compliance with the fair housing and equal opportunity requirements of the CDBG-DR/MIT programs regulations; Financial records as required by 24 C.F.R. § 570.506, and 2 C.F.R. part 200, including records necessary to demonstrate compliance with all applicable procurement requirements; and other records necessary to document compliance with this Agreement, any other applicable Federal statutes and regulations, and the terms and conditions of PRDOH's Federal award.
- B. Access to Records:** The CONTRACTOR shall permit the PRDOH and auditors to have access to the CONTRACTOR's records and financial statements as necessary for the PRDOH to meet its audit requirements under the Federal award.
- C. Record Retention and Transmission of Records to the PRDOH:** Prior to close out of this Agreement, the CONTRACTOR must transmit to the PRDOH records sufficient for the PRDOH to demonstrate that all costs under this Agreement met the requirements of the Federal award.
- D. CONTRACTOR's Data and Privileged Information:** The CONTRACTOR is required to maintain confidential data demonstrating client eligibility for activities provided under this Agreement. Such data may include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of activities provided.
- E. PII Policy:** The CONTRACTOR must comply with the PRDOH CDBG-DR Personal Identifiable Information Policy, as found in the CDBG-DR Website ([www.cdbg-dr.pr.gov](http://www.cdbg-dr.pr.gov)), which is herein included and made integral part of this Agreement, as it may be updated from time to time.

## IX. ACCESS TO RECORDS

- A.** The CONTRACTOR agrees to provide the Government of Puerto Rico, PRDOH, HUD's Secretary, the Comptroller General of the United States, or any of their authorized representative's access to any books, documents, papers, and records of the CONTRACTOR which are directly pertinent to this Agreement for the purposes of making audits, examinations, excerpts, and transcriptions.
- B.** The CONTRACTOR agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

## X. NON-DISCLOSURE AND CONFIDENTIALITY

- A. Confidential Information; Definition:** The term Confidential Information as used throughout this Section, means any information concerning PRDOH operations and

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that of its CONTRACTOR (e.g., the projects, computer processing systems, object and source codes and other PRDOH business and financial affairs). The term Confidential Information shall also deem to include all notes, analysis, compilation, studies and interpretation or other documents prepared by CONTRACTOR, its agents or representatives, in connection with PRDOH operations.

**B. Non-Disclosure:** CONTRACTOR agrees to take all reasonable steps or measures to keep confidential all Confidential Information and will not, at any time, present or future, without PRDOH express written authorization, signed by the Secretary of the PRDOH, use or sell, market or disclose any Confidential Information to any third party, contractor, corporation, or association for any purpose whatsoever. CONTRACTOR further agrees that, except as they relate to the normal course of the service, the CONTRACTOR will not make copies of the Confidential Information except upon PRDOH express written authorization, signed by an authorized representative of PRDOH, and will not remove any copy or sample of Confidential Information without prior written authorization from PRDOH. CONTRACTOR retains the right to control its work papers subject to these confidentiality provisions.

**C. Return Documents:** Upon receipt of written request from the PRDOH, CONTRACTOR will return to PRDOH all copies or samples of Confidential Information which, at the time of the notice are in CONTRACTOR's or its agent's possession. CONTRACTOR reserves the right to retain a set of its work papers.

**D. Equitable Relief:** The CONTRACTOR acknowledges and agrees that a breach of the provision of subparagraph B and C of this Section will cause PRDOH to suffer irreparable damage that could not be remedied or compensated adequately only by mere monetary retribution. The CONTRACTOR further agrees that money damages may not be a sufficient remedy for any breach of this Section. Accordingly, the CONTRACTOR agrees that PRDOH shall have the right to seek injunctive relief and the specific performance of the provisions of this Section to enjoin a breach or attempted breach of the provision hereof, such right being in addition to any and all other rights and remedies that are available to PRDOH by law, equity, or otherwise.

## **XI. PERFORMANCE WARRANTY**

- (a)** CONTRACTOR warrants that it will perform all work and provide all Deliverables under this Contract in a manner consistent with the degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances.
- (b)** CONTRACTOR warrants that all Deliverables it completes under this Contract shall: meet or exceed the standards of CONTRACTOR's trade, profession, or industry; meet or exceed the specifications set forth in the Attachments to this Agreement; and be fit for ordinary use, of good quality, and with no material defects.
- (c)** If CONTRACTOR submits Deliverables that do not meet specifications, fails to complete Deliverables timely, or fails to perform its obligation under this Contract, PRDOH may require CONTRACTOR, at its sole expense, to:
  - 1. Repair or replace Deliverables that do not meet specifications;
  - 2. refund payment for Deliverables that do not meet specifications and accept the return of such Deliverables;
  - 3. pay liquidated damages for any past due Deliverable; and
  - 4. take necessary action to ensure that future performance and Deliverables meet specifications and conform to the Contract.

## XII. TERMINATION

- A. Termination for Cause or Default:** The PRDOH may terminate this Agreement, in whole or in part, because of CONTRACTOR's failure to fulfill any of its obligations. The PRDOH shall terminate this Agreement by delivering to the CONTRACTOR a **thirty (30) calendar day** notice of termination specifying the extent to which the performance of the service under this Agreement is terminated, the reason therefor and the effective date of termination. CONTRACTOR shall, upon written notice, be provided a **ten (10) calendar day** opportunity to cure the alleged defect that resulted in the perceived default. If the defect is not cured within that period of time, CONTRACTOR shall immediately discontinue all such services being terminated and deliver to the PRDOH all information, notes, drafts, documents, analysis, reports, compilations, studies and other materials accumulated or generated in performing the services contemplated in this Agreement, whether completed or in process. Notwithstanding the above, the CONTRACTOR shall not be relieved of liability to the PRDOH for damage sustained to PRDOH CDBG-DR/MIT Programs by virtue of any breach of the Agreement by the CONTRACTOR. The PRDOH may withhold any payments to the CONTRACTOR, for the purpose of off-set or partial payment, as the case may be, of amounts owed to the PRDOH by the CONTRACTOR. PRDOH shall make payment, in accordance with the terms of this Agreement, of any amounts due to CONTRACTOR for allowable services rendered prior to the termination notice.
- B. Termination for Convenience:** The PRDOH may terminate this Agreement, in whole or in part, whenever the PRDOH determines that such termination is necessary or convenient to the Agency. The PRDOH will terminate this Agreement by delivering to the CONTRACTOR a **thirty (30) calendar days'** notice of termination specifying the extent to which the performance of the work under this Agreement is terminated, and the effective date of termination. Upon receipt of such notice, the CONTRACTOR shall immediately discontinue all services affected and deliver to the PRDOH all information, studies and other materials property of the PRDOH. In the event of a termination by Notice, the PRDOH shall be liable only for payment of services rendered up to and including the effective date of termination. PRDOH shall make payment, in accordance with the terms of this Agreement, of any amounts due to CONTRACTOR for allowable services rendered prior to the termination notice.
- C. Termination by Unilateral Abandonment:** The PRDOH will consider this Agreement immediately terminated, in the event that the CONTRACTOR unilaterally and without prior notice, chooses to abandon (in any shape, form or fashion) cease and desist in the specific performance of its general and particular duties and responsibilities as agreed in this Agreement. Upon the knowledge of such event, the PRDOH will not be held liable and will immediately, automatically and retroactively deduct from any future reimbursement, all funds from the day such unilateral abandonment took place. The PRDOH will not be compelled to continue the performance of the Agreement, should the CONTRACTOR breach the Agreement by unilateral abandonment. For the purposes of this Section, Abandonment shall mean that CONTRACTOR voluntarily and intentionally disavows its contractual duties in a manner that is overt and without question a relinquishment of said contractual duties.
- D. Unilateral Termination:** The PRDOH may terminate this Agreement, in whole or in part, at PRDOH's sole discretion, with or without cause, at any time. The PRDOH will terminate this Agreement by delivering to the CONTRACTOR a **thirty (30) calendar days'** notice of termination specifying the extent to which the performance of the work under this Agreement is terminated, and the effective date of termination. Upon receipt of such notice, the CONTRACTOR shall immediately discontinue all

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services affected and deliver to the PRDOH all information, studies and other materials property of the PRDOH. In the event of a termination by Notice, the PRDOH shall be liable only for payment of services rendered up to and including the effective date of termination.

**E. Suspension:** The PRDOH may suspend this Agreement in whole or in part at any time for the PRDOH's convenience. The PRDOH shall give the CONTRACTOR **five (5) business days'** written notice of such suspension. Upon receipt of said notice the CONTRACTOR shall immediately discontinue all Services affected.

**F. Immediate Termination:** In the event the CONTRACTOR is subjected to a criminal or civil action, suit, proceeding, inquiry or court of applicable jurisdiction, or any governmental agency, or the CONTRACTOR shall be subject to an order, judgment, or opinion, issued by any federal or local authority, a court of applicable jurisdiction, or any governmental agency, in connection with the execution, delivery, and performance by the CONTRACTOR of this Agreement or the CONTRACTOR of this Agreement has been noncompliant, breach, inaccuracy of any representation, warranties, covenants, or the certifications provided herein, whether the noncompliance, breach or inaccuracy takes place before or after the execution of this Agreement, the PRDOH shall have the right to the immediate termination of this Agreement notwithstanding, any provisions to the contrary herein. This Section will apply in the event of any judgment that may obligate the PRDOH to terminate the Agreement pursuant to Act Number 2 of January 2, 2018, as amended, known as the Anti-Corruption Code for the New Puerto Rico.

**G. Period of Transition:** Upon termination of this Agreement, and for **ninety (90) consecutive calendar days** thereafter (the Transition Period), CONTRACTOR agrees to make himself available to assist the PRDOH with the transition of services assigned to CONTRACTOR by the PRDOH. CONTRACTOR shall provide to the PRDOH the assistance reasonably requested to facilitate the orderly transfer of responsibility for performance of the Services to the PRDOH or a third party designated by the PRDOH. PRDOH reserves the right to provide for the execution of a Transition Services Agreement for the Transition Period. In such instance, the CONTRACTOR will be paid at a reasonable, agreed upon, hourly rate for any work performed for the PRDOH during the Transition Period. Moreover, during that Transition Period, all finished or unfinished records (files, data, work product) connected with this Agreement will be turned over to PRDOH.

### **XIII. PENALTIES AND LIQUIDATED DAMAGES**

#### **A. Penalties**

1. In the event the CONTRACTOR is determined to have engaged in any proscribed conduct or otherwise is in default as to any applicable term, condition, or requirement of this Agreement, at any time following the Effective Date of the Agreement, the CONTRACTOR agrees that, PRDOH may impose sanctions against the CONTRACTOR for any default in accordance with with **Attachment B** (Scope of Services) and **Attachment G** (Performance Requirements) and this Section. Refer to all required provisions set forth at 2 C.F.R. § 200.326 and 24 C.F.R. § 570.489(g), if applicable, and the Contract and Subrecipient Agreement Manual, Section 2, Subsection 2.4.1(a), as found in the CDBG-DR Website ([www.cdbg-dr.pr.gov](http://www.cdbg-dr.pr.gov)) which is herein included and made integral part of this Agreement, as it may be updated from time to time.

2. If the CONTRACTOR fails to comply with federal statutes, regulations or the terms and conditions of the Agreement, PRDOH may take one or more of the following actions:

- i. Temporarily withhold cash payments pending correction of the deficiency by the CONTRACTOR.
- ii. Disallow all or part of the cost of the activity or action not in compliance.
- iii. Initiate suspension or debarment proceedings as authorized under 2 C.F.R. part 180.
- iv. Withhold further Federal awards for the project or program.
- v. Take other remedies that may be legally available.

#### B. Liquidated damages

The CONTRACTOR shall pay to PRDOH, as liquidated damages, **\$100.00** for each calendar day that any task deliverable required is late until deemed in compliance subject to a maximum of **\$1,000.00** established in this Contract between PRDOH and the CONTRACTOR, in accordance with **Attachment B** (Scope of Services) and **Attachment G** (Performance Requirements). Said sum, in view of the difficulty of accurately ascertaining the loss which PRDOH will suffer by reason of delay in the completion of the Work hereunder, is hereby fixed and agreed as the liquidated damages that PRDOH will suffer by reason of such delay. Liquidated damages received hereunder are not intended to be nor shall they be treated as either a partial or full waiver or discharge of the PRDOH's right to indemnification, or the CONTRACTOR's obligation to indemnify the PRDOH pursuant to this Contract, or to any other remedy provided for in this Contract or by Law. Liquidated damages may be assessed at the sole discretion of PRDOH. For the purpose of applying and calculating such liquidated damages, a grace period of **ten (10) business days** shall be observed. The PRDOH may deduct and retain out of the monies which may become due hereunder, the amount of any such liquidated damages; and in case the amount which may become due hereunder shall be less than the amount of liquidated damages due to the PRDOH per the formula above, the CONTRACTOR shall be liable to pay the difference.

#### XIV. LIABILITY

In no event, the PRDOH shall be liable for any indirect, incidental, special or consequential damages, or damages for loss of profits, revenue, data or use, incurred by either party or any third party, whether in an action in contract or tort, even if the other party or any person has been advised of the possibility of such damages. Third parties operating under this program, with their agency, will have their own general civil and criminal liability imposed by law towards the PRDOH, the CONTRACTOR and any citizen.

The CONTRACTOR shall carry the insurances as are required by law (if applicable), as set forth below. The CONTRACTOR shall furnish PRDOH certificates of insurance.

#### XV. INSURANCE

##### A. Required Coverage

The CONTRACTOR shall keep in force and effect for the period beginning from the execution of the Agreement and ending at the completion of all services to be provided hereunder, insurance policies in compliance with the Insurance Requirements, attached

hereto and made an integral part hereof as **Attachment D** (Insurance Requirements). The CONTRACTOR shall meet all other insurance requirements as may be imposed by PRDOH from time to time.

Upon the execution of this Agreement, the CONTRACTOR shall furnish PRDOH with original and two (2) certified copies of the insurance policies described in **Attachment D** (Insurance Requirements) and any other evidence PRDOH may request as to the policies' full force and effect.

Any deductible amount, under any of the policies, will be assumed in whole by the CONTRACTOR for any and all losses, claims, expenses, suits, damages, costs, demands or liabilities, joint and several of whatever kind and nature arising from the Agreement resulting from this solicitation by and between the CONTRACTOR and PRDOH.

The PRDOH shall not be held responsible under any circumstances for payments of any nature regarding deductibles of any Commercial Liability Policies for the aforementioned Agreement.

## **B. Endorsements**

Each insurance policy maintained by the CONTRACTOR must be endorsed as follows:

1. PRDOH, Government of Puerto Rico, HUD and its officers, agents and employees are named as additional insured (except Worker's Compensation) but only with respect to liability arising out of tasks performed for such insured by or on behalf of the named insured.
2. To provide waiver of subrogation coverage for all insurance policies provided or herein in favor of PRDOH and its respective officers, agents and employees.
3. The insurer shall be required to give PRDOH written notice at least **thirty (30) days** in advance of any cancellation in any such policies.

The CONTRACTOR shall furnish to PRDOH, prior to commencement of the work, certificates of insurance from insurers with a rating by the A.M. Best Co. of B+ and five (5) or over on all policies, reflecting policies in force, and shall also provide certificates evidencing all renewals of such policies. Insurers shall retain an A.M. Best Co. rating of B+ and five (5) or over on all policies throughout the term of this Agreement and all policy periods required herein. The insurance company must be authorized to do business in Puerto Rico and be in good standing.


## **C. Related Requirements**


The CONTRACTOR shall furnish original Certificates of Insurance evidencing the required coverage to be in force on the Effective Date of Agreement. In the case of Payment and Performance Bond, Certificate of Authority, Power of Attorney and Power of Attorney License issued by the Commissioner of Insurance shall be furnished. THE REQUIRED DOCUMENTATION MUST BE RECEIVED PRIOR TO THE CONTRATOR COMMENCING WORK. NO CONTRACTOR OR ITS AUTHORIZED REPRESENTATIVES ARE TO BEGIN THEIR RESPONSIBILITIES UNDER THE AGREEMENT PRIOR TO FULL COMPLIANCE WITH THIS REQUIREMENT AND NOTIFICATION FROM PRDOH TO PROCEED.

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Renewal Certificates of Insurance or such similar evidence is to be received by the Contract Administration of the Legal Division and/or the Finance area of the CDBG-DR/MIT programs prior to expiration of insurance coverage. At PRDOH's option, non-compliance will result in one or more of the following actions: (1) The PRDOH will purchase insurance on behalf of the CONTRACTOR and will charge back all cost to the CONTRACTOR; (2) all payments due the CONTRACTOR will be held until the CONTRACTOR has complied with the Agreement; and/or (3) The CONTRACTOR will be assessed **Five Thousand Dollars (\$5,000.00) for every day of non-compliance**.

 The receipt of any certificate does not constitute agreement by PRDOH that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with the requirements of the Agreement. The insurance policies shall provide for **thirty (30) days** written notice to be given to PRDOH in the event coverage is substantially changed, cancelled or non-renewed.

 The CONTRACTOR shall require all subcontractors or consultants to carry the insurance required herein or the CONTRACTOR, may provide the coverage for any or all of its subcontractors and if so, the evidence of insurance submitted shall so stipulate and adhere to the same requirements and conditions as outlined above.

The CONTRACTOR expressly understands and agrees that whenever the CONTRACTOR is covered by other primary, excess, or excess contingent insurance that, any insurance or self-insurance program maintained by PRDOH shall apply in excess of and will not contribute with insurance provided by the CONTRACTOR under this Agreement.

#### **XVI. HOLD HARMLESS**

The CONTRACTOR and its affiliates, its successors and assignees will indemnify the PRDOH from any damages and/or losses arising out of any breach of this Agreement by the CONTRACTOR or against personal injuries or property damage resulting from any act of negligence or omission by the CONTRACTOR and its affiliates in connection with this Agreement.

#### **XVII. FORCE MAJEURE**

In the event of a fire, flood, earthquake, natural disaster, hurricane, riot, act of governmental authority in its sovereign capacity, pandemic officially declared by the Government of Puerto Rico, strike, labor dispute or unrest, embargo, war, insurrection or civil unrest, any *Force Majeure* including inclement weather, herein collectively referred to as *Force Majeure* during the term of this Agreement, neither the PRDOH nor the CONTRACTOR shall be liable to the other party for nonperformance during the conditions created by such event.

The CONTRACTOR shall notify, as soon as possible, the PRDOH of the occurrence of the *Force Majeure* event and describe in reasonable detail, the nature of the *Force Majeure* event.

#### **XVIII. CONFLICTS OF INTEREST**

The CONTRACTOR shall comply with the ethics requirements set forth herein and warrant that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of the work under a PRDOH contract and CONTRACTOR'S organizational,

financial, contractual or other interest are such that:

- a) Award of the Agreement may result in an unfair competitive advantage; or
- b) The CONTRACTOR's objectivity in performing the contract work may be impaired.

The CONTRACTOR agrees that if after award he or she discovers an organizational conflict of interest with respect to this Agreement, it shall make an immediate (within the next **seventy-two (72) hours**) and full disclosure in writing to the Contracting Officer, which shall include a description of the action, which the CONTRACTOR has taken or intends to take to eliminate or neutralize the conflict. The CONTRACTOR will disclose the details of any existing or future contract to provide services to third parties participating or for the purpose to participate in disaster recovery programs or projects in Puerto Rico. The PRDOH may, however, terminate the Agreement for the convenience of PRDOH if it would be in its best interest.

In the event the CONTRACTOR was aware of an organizational conflict of interest before the award of this Agreement and did not disclose the conflict to the Contracting Officer, the PRDOH may terminate the Agreement for default.

The provisions of this clause shall be included in all subcontracts and/or consulting agreements wherein the work to be performed is similar to the services provided by the CONTRACTOR. The CONTRACTOR shall include in such subcontracts and consulting agreements any necessary provision to eliminate or neutralize conflicts of interest.

#### **XIX. INDEPENDENT CONTRACTOR**

The relationship of the CONTRACTOR to PRDOH shall be that of an independent CONTRACTOR rendering professional services. Neither the CONTRACTOR nor any personnel of the CONTRACTOR shall have any authority to execute contracts or make commitments on behalf of PRDOH. Nothing contained herein shall be deemed to create the relationship of employer/employee, principal/agent, joint venture or partner between the CONTRACTOR and PRDOH. Further, the CONTRACTOR recognizes that in view of its status as an independent CONTRACTOR, neither it nor its employees or subcontractors will be entitled to participate in or receive any fringe benefits normally granted to PRDOH employees under such programs, including, but not limited to, worker's compensation, voluntary disability, travel accident insurance, medical/dental insurance, life insurance, long-term disability, holiday pay, sick pay, salary continuation pay, leaves of absence (paid or unpaid), pension plan and savings plan.

The CONTRACTOR shall have exclusive control over its employees and subcontractors (and the CONTRACTOR's employees and subcontractors are herein, collectively, referred to as the "CONTRACTOR Personnel"), its labor and employee relations and its policies relating to wages, hours, working conditions and other employment conditions. The CONTRACTOR has the exclusive right to hire, transfer, suspend, lay off, recall, promote, discipline, discharge and adjust grievances with its CONTRACTOR Personnel. The CONTRACTOR is solely responsible for all salaries and other compensation of its CONTRACTOR Personnel who provide Services.

The CONTRACTOR is solely responsible for making all deductions and withholdings from its employees' salaries and other compensation and paying all contributions, taxes and assessments, including union payments. The CONTRACTOR shall be responsible for and shall defend, indemnify and hold harmless PRDOH, and its agents, officers, directors, employees, representatives, CONTRACTOR's, successors and assigns against all costs,

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expenses and liabilities, including without limitation reasonably prudent attorneys' fees relative to the situation, in connection with the CONTRACTOR's employment and/or hiring of any CONTRACTOR Personnel providing any of the Services, including without limitation: (i) payment when due of wages and benefits, (ii) withholding of all payroll taxes, including but not limited to, unemployment insurance, workers' compensation, FICA and FUTA, (iii) compliance with the Immigration Reform Control Act, and (iv) compliance with any other applicable laws relating to employment of any CONTRACTOR Personnel of, and/or hiring by, CONTRACTOR in connection with the Services.

## XX. NOTICES

All notices required or permitted to be given under the Agreement shall be in writing, and shall be deemed given when delivered by hand or sent by registered or certified mail, return receipt requested, to the address as follows:

To: PRDOH

Hon. William O. Rodríguez Rodríguez, Esq.  
Secretary  
Puerto Rico Department of Housing  
606 Barbosa Ave.  
Juan C. Cordero Dávila Bldg.  
San Juan, PR 00918

To: CONTRACTOR

Luis Carlo Marini Biaggi, Esq.  
Capital Member  
Marini Pietrantonì & Muñiz LLC  
250 Ponce de León Ave. Suite 900  
San Juan, PR 00918

## XXI. THIRD PARTIES

Nothing contained in this Agreement shall create a contractual relationship with, or a cause of action of a third party against either the PRDOH or the CONTRACTOR.

## XXII. SUBCONTRACTS

**A. General:** All subcontracts shall contain the applicable provisions described in **Attachment E** (HUD General Provisions), as well as applicable provisions set forth in 2 C.F.R. § 200.101. The PRDOH shall review subcontracts as part of the compliance, monitoring, and oversight process performed by PRDOH or upon request.

**B. Specific Requirements:** All subcontracts shall contain provisions specifying:

- i. That the work performed by the subcontractor be in accordance with the applicable terms of this Agreement between the PRDOH and CONTRACTOR;
- ii. That nothing contained in such subcontract agreement shall impair the rights of the PRDOH;
- iii. That nothing contained herein, or under this Agreement will create any contractual relation between the subcontractor and the PRDOH;
- iv. That the subcontractor specifically agrees to be bound by the confidentiality provision regarding Personal Identifiable Information set forth in this Agreement;

- v. That CONTRACTOR will be responsible for ensuring all subcontract work is performed consistent with federal and state regulations and/or policies to be eligible for reimbursement of the approved work; and
- vi. All Federal flow down provisions are included in the subcontract agreement per Federal guidelines.

**C. Monitoring:** CONTRACTOR shall diligently monitor all subcontracted services. If CONTRACTOR discovers any areas of noncompliance, CONTRACTOR shall provide the PRDOH summarized written reports supported with documented evidence of corrective action.

**D. Content:** CONTRACTOR shall cause all the applicable provisions of this Agreement to be included in, and made a part of, any subcontract executed in the performance of this Agreement.

**E. Notification:** CONTRACTOR shall notify and provide a copy of any and all subcontracts related to this Agreement and CDBG-DR/MIT funds to the Contract Administration Area of the PRDOH CDBG-DR/MIT Legal Division within **three (3) business days** of its execution.

### XXIII. CERTIFICATION OF COMPLIANCE WITH LEGAL REQUIREMENTS

Given that the Agreement involves funds for which HUD is the oversight agency, the CONTRACTOR agrees to carry out its obligations under this Agreement in compliance with all the requirements described in **Attachment E** (HUD General Provisions), **Attachment F** (Contractor Certification Requirement) and the following provisions:

**A. Compliance with Executive Order 24:** Pursuant to Executive Order 24 of June 18, 1991, the CONTRACTOR certifies and guarantees that at the signing of this Agreement it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last **five (5) years**. The CONTRACTOR further certifies that it has complied and is current with the payment of any and all income taxes that are, or were due, to the Government of Puerto Rico. The CONTRACTOR shall hand out, to the satisfaction of the PRDOH and whenever requested by the PRDOH during the term of this Agreement, the necessary documentation to support its compliance of this clause. The CONTRACTOR will be given a specific amount of time by the PRDOH to produce said documents. 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.

**B. Compliance with Executive Order 52:** Pursuant to Executive Order 52 of August 28, 1992, amending EO-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. 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 PRDOH as to its compliance with this requirement.

**C. Social Security and Income Tax Retentions:** 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.

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**D. Government of Puerto Rico Municipal Tax Collection Center (CRIM, for its Spanish acronym):** The CONTRACTOR certifies and guarantees that at the signing of this Agreement it has no current debt with regards to property taxes that may be registered with the Government of Puerto Rico's Municipal Tax Collection Center. 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 hand out, to the satisfaction of the PRDOH and whenever requested by the PRDOH during the term of this Agreement, the necessary documentation to support its compliance of this clause. The CONTRACTOR will deliver upon request any documentation requested under this clause as per request of PRDOH. 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 with regards to its property taxes.

**E. Income Tax Withholding:** The PRDOH shall retain the corresponding amount from all payments made to the CONTRACTOR, as required by the Puerto Rico Internal Revenue Code. The PRDOH will advance such withholdings to the Government of Puerto Rico's Treasury Department (known in Spanish as "*Departamento de Hacienda del Gobierno de Puerto Rico*"). The PRDOH will adjust such withholdings provided the CONTRACTOR produces satisfactory evidence of partial or total exemption from withholding.

**F. Compliance with Act No. 45 of April 18, 1935, as amended, 11 L.P.R.A. § 1, et seq.:** The CONTRACTOR certifies and guarantees that at the signing of this Agreement has valid insurance issued by the State Insurance Fund Corporation (CFSE, for its Spanish Acronym), as established by Act No. 45, *supra*, known as the "Puerto Rico Workers' Accident Compensation Act".

**G. Government of Puerto Rico's Agency for the Collection of Child Support (ASUME, for its Spanish acronym):** The CONTRACTOR certifies and guarantees that at the signing of this Agreement that the CONTRACTOR nor any of its Partners, if applicable, have any debt or outstanding debt collection legal procedures with regards to child support payments that may be registered with the Government of Puerto Rico's Child Support Administration. The CONTRACTOR hereby certifies that it is a limited liability company organized and existing in good standing under the laws of the Government of Puerto Rico. The CONTRACTOR shall present, to the satisfaction of PRDOH, the necessary documentation to substantiate the same. The CONTRACTOR will be given a specific amount of time by PRDOH to deliver said documents.

**H. Compliance with Act No. 168-2000, as amended, 8 L.P.R.A. § 711 , et seq.:** The CONTRACTOR is in full compliance with Act No. 168-2000, as amended, known as "Act for the Improvement of Elderly Support of Puerto Rico."

**I. Compliance with Act No. 1-2012, as amended, 3 L.P.R.A. § 1854, et seq.:** The PRDOH and the CONTRACTOR hereby certify that in signing this Agreement they are in compliance with Act No. 1-2012, as amended, known as "Puerto Rico Government Ethics Act of 2011", in connection with the possibility of a conflict of interest.

**J. Clause of Governmental Ethics Certification of Absence of Conflict of Interests -** The CONTRACTOR certifies that: (1) No public servant of this executive agency has a pecuniary interest in this Contract, purchase or commercial transaction. (2) No public servant of this executive agency has requested me or accepted from me, directly or indirectly, for him (her), for any member of his family unit or for any person, gifts,

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bonuses, favors, services, donations, loans or anything else of monetary value. (3) No public servant (s) requested or accepted any good of economic value, linked to this transaction, from any person of my entity as payment for performing the duties and responsibilities of their employment. (4) No public servant has requested from me, directly or indirectly, for him (her), for any member of her family unit, or for any other person, business or entity, some of economic value, including gifts, loans, promises, favors or services in exchange for the performance of said public servant is influenced in my favor or of my entity. (5) I have no kinship relationship, within the fourth degree of consanguinity and second by affinity, with any public servant who has the power to influence and participate in the institutional decisions of this executive agency.

**K. Ethics.** CONTRACTOR also acknowledges receipt and agrees to obey with the Anticorruption Code for the New Puerto Rico known in Spanish as "Código Anticorrupción para el Nuevo Puerto Rico".

**L. Non-Conviction.** The CONTRACTOR certifies that it has not been convicted nor accused of a felony or misdemeanor against the government, public faith and function, or that involves public property or funds, either federal or local in origin. Furthermore, CONTRACTOR also certifies that:

1. It has not been convicted, nor has pleaded guilty at a state or federal bar, in any jurisdiction of the United States of America, of crimes consisting of fraud, embezzlement or misappropriation of public funds, as stated in Act Number 2 of January 2, 2018, as amended, known as the Anti-Corruption Code for the New Puerto Rico, which prohibits the award of Offers or government contracts to those convicted of fraud, misappropriation of public fund.
2. It understands and accepts that any guilty plea or conviction for any of the crimes specified in Article 3 of said Act, will also result in the immediate cancellation of any contracts in force at the time of conviction, between the undersigned and whichever Government Agencies, Instrumentalities, Public Corporations, Municipalities and the Legislative or Judicial Branches.
3. It declares under oath the above mentioned in conformity with what is established as in Act Number 2 of January 2, 2018, as amended, known as the Anti-Corruption Code for the New Puerto Rico, which prohibits awarding Offers for government contracts, to those convicted of fraud, embezzlement or misappropriation of public funds.
4. The CONTRACTOR represents and guarantees that none of its employees, officials or agents have been convicted of a felony or misdemeanor as described in this sub-section. Moreover, the CONTRACTOR agrees to notify PRDOH should any employee, official, or agent is convicted of a felony or misdemeanor as described in this sub-section after the date of this Agreement. Said notice shall be made within **ten (10) business days** from the time of the conviction.

**M. Other payments or compensation:** The CONTRACTOR certifies that it does not receive payment or compensation for regular services rendered as an official or public employee to another government entity, agency, public corporation or municipality, and knows the ethical standards of his profession and assumes responsibility for his actions.

**N. Consequences of Non-Compliance:** The CONTRACTOR expressly agrees that the conditions outlined throughout this Section are essential requirements of this

Agreement; thus, should any one of these representations, warrants, and certifications be incorrect, inaccurate or misleading, in whole or in part, there shall be sufficient cause for PRDOH to render this Agreement null and void and the CONTRACTOR reimburse to PRDOH all moneys received under this Agreement.

**XXIV. ACT NO. 18 OF OCTOBER 30, 1975, as amended, 2 L.P.R.A. secs. 97-98**

The parties to this Agreement agree that its effective date will be subject to the due registration and remittance to the Office of the Comptroller of Puerto Rico. No rendering or consideration subject matter of this Agreement will be required before its registration at the Office of the Comptroller of Puerto Rico pursuant to Act No. 18 of October 30, 1975, as amended. The CONTRACTOR will be responsible for ensuring that this Agreement has been registered before the rendering of services by requesting a copy of the registered Agreement with its proper number and date of registry. No services under this Agreement will continue to be delivered after its effective date unless at the expiration date, an amendment signed by both parties and duly registered exists. No services performed in violation of this provision will be paid. The party violating this clause will be doing so without any legal authority, this action will be deemed as *ultra vires*.

**XXV. MEMORANDUM NO. 2021-003; CIRCULAR LETTER 001-2021 OF THE OFFICE OF THE CHIEF OF STAFF OF THE GOVERNOR (SECRETARÍA DE LA GOBERNACIÓN) & THE OFFICE OF MANAGEMENT AND BUDGET (OFICINA DE GERENCIA Y PRESUPUESTO)**

- A. Interagency Services Clause:** Both contracting parties acknowledge and agree that services retained may be provided to any entity of the Executive Branch with which the contracting entity makes an interagency agreement or by direct provision of the Office of the Chief of Staff of the Governor (*Secretaría de la Gobernación*). 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 purposes of this clause, the term "Executive Branch entity" includes all agencies of the Government of Puerto Rico, as well as public instrumentalities and corporations and the Office of the Governor.
- B. Termination Clause:** The Chief of Staff (*Secretario de la Gobernación*) of the Governor shall have the power to terminate this Agreement at any time.
- C. Contract Review Policy of the Financial Supervision and Administration Board for Puerto Rico:** The parties acknowledge that the contractor has submitted the certification entitled "Contractor Certification Requirement" required in accordance with the Contract Review Policy of the Financial Oversight and Management Board (FOMB) for Puerto Rico, effective as of November 6, 2017 as amended on October 30, 2020, signed by the Contractor's Executive Director (or another official with an equivalent position or authority to issue such certifications). A signed copy of the "Contractor Certification Requirement" is included as **Attachment F** to this Contract.

**XXVI. COMPLIANCE WITH FEDERAL LAW, REGULATIONS, & EXECUTIVE ORDERS**

The CONTRACTOR acknowledges that HUD financial assistance will be used to fund the Agreement only. Also, the CONTRACTOR shall comply with all applicable Federal, state and local laws, rules, regulations, and policies relating to CDBG-DR/MIT and CDBG Program services. This includes without limitation, applicable Federal Registers; 2 C.F.R. part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Housing and Community Development Act of 1974; 24 C.F.R. part

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570 Community Development Block Grant; applicable waivers; Fair Housing Act, 24 C.F.R. Part 35, 24 C.F.R. Part 58, 24 C.F.R. Part 135; National Historic Preservation Act, and any other applicable state laws or regulations, including the requirements related to nondiscrimination, labor standards, and the environment; and Action Plan amendments and HUD's guidance on the funds. Also, CONTRACTOR shall comply, without limitation, those set forth in **Attachment E** (HUD General Provisions) and in compliance with all the requirements described in **Attachment F** (Contractor Certification Requirement).

## **XXVII. CDBG-DR/MIT POLICIES AND PROCEDURES**

In addition to what is established in this Agreement, the CONTRACTOR shall comply with all CDBG-DR/MIT program specific and general policies and procedures, including, but not limited to, the Contract and Subrecipient Agreement Manual, OS&H Guideline, MWBE Policy, Procurement Manual for the CDBG-DR Program , URA & ADP Guidelines, Cross Cutting Guidelines, AFWAM Policy, Section 3 Policy, Personally Identifiable Information, Confidentiality, and Nondisclosure Policy and Conflict of Interest and Standards of Conduct Policy, as found in the CDBG-DR Website ([www.cdbg-dr.pr.gov](http://www.cdbg-dr.pr.gov)), which are herein included and made integral part of this Agreement, as they may be updated from time to time, and reporting requirements as established by the PRDOH.

## **XXVIII. SECTION 3 CLAUSE**

**A.** The work to be performed under this Contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

**B.** The parties to this Contract agree to comply with HUD's regulations in 24 C.F.R. part 75, which implement Section 3. As evidenced by their execution of this Contract, the parties to this Contract certify that they are under no contractual or other impediments that would prevent them from complying with the part 75 regulations.

**C.** The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

**D.** The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. part 75 and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. part 75. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. part 75.

**E.** The contractor acknowledges that subrecipients, contractors, and subcontractors are required to meet the employment, training, and contraction requirements of 24 CFR 75.19, regardless of whether Section 3 language is included in recipient or subrecipient agreements, program regulatory agreements, or contracts.

**F.** The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. part 75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 C.F.R. part 75.

**G.** Noncompliance with HUD's regulations in 24 C.F.R. part 75 may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD-assisted contracts.

**H.** With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (46 U.S.C. § 5307) also applies to the work to be performed under this Contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Contract that are subject to the provisions of Section 3 and section 7 (b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7 (b).

**I.** The Contractor agrees to submit, and shall require its subcontractors to submit to them, quarterly reports to the PRDOH detailing the total number of labor hours worked on the Section 3 Project, the total number of labor hours worked by Section 3 Workers, and the total number of hours worked by Targeted Section 3 Workers, and any affirmative efforts made during the quarter to direct hiring efforts to low- and very low-income persons, particularly persons who are Section 3 Workers and Targeted Section 3 Workers.

#### **XXIX.BYRD ANTI-LOBBYING AMENDMENT, 31 U.S.C. § 1352**

The CONTRACTOR certifies, to the best of his or her knowledge, that:

- A.** No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- B.** If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Forms-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

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- C.** The CONTRACTOR shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). The CONTRACTOR acknowledges that any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure. The CONTRACTOR certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the CONTRACTOR understands and agrees that the provisions of 31 U.S.C. § 3801 et seq., apply to this certification and disclosure, if any.

**XXX.EQUAL OPPORTUNITY**

- A.** The CONTRACTOR will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity or national origin. The CONTRACTOR will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- B.** The CONTRACTOR will, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin.
- C.** When applicable, the CONTRACTOR will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the CONTRACTOR's commitments under this Section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- D.** The CONTRACTOR will comply with all provisions of Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, and as supplemented by the rules, regulations, and relevant orders of the United States Secretary of Labor.
- E.** The CONTRACTOR will furnish all information and reports required by Executive Order 11246 of September 24, 1965, as amended, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

- F.** In the event of the CONTRACTOR's noncompliance with the nondiscrimination clauses of this Agreement or with any of the said rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended in whole or in part and the CONTRACTOR may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, as amended, and such other sanctions as may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, as amended, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- G.** The CONTRACTOR will include the portion of the sentence immediately preceding paragraph (A) and the provisions of paragraphs (A) through (F) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, as amended, so that such provisions will be binding upon each subcontractor or vendor. The CONTRACTOR will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance. Provided, however, that in the event a CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the CONTRACTOR may request the United States to enter into such litigation to protect the interests of the United States.

#### **XXXI.SOLID WASTE DISPOSAL ACT**

- 1)** In the performance of this Contract, the CONTRACTOR shall make maximum use of products containing recovered materials that are Environmental Protection Agency (EPA)- designated items unless the product cannot be acquired:
- Competitively within a timeframe providing for compliance with the contract performance schedule;
  - meeting contract performance requirements; or
  - at a reasonable price.
- 2)** Information about this requirement, along with the list of EPA- designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.
- 3)** CONTRACTOR must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include:
- Procuring only items designated in guidelines of the EPA at 40 C.F.R. part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds ten thousand dollars (\$10,000) or the value of the quantity acquired during the preceding fiscal year exceeded ten thousand dollars (\$10,000);
  - procuring solid waste management services in a manner that maximizes energy and resource recovery; and
  - establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

#### **XXXII. DRUG FREE WORKPLACE**

The CONTRACTOR should establish procedures and policies to promote a Drug-Free workplace. Further, the CONTRACTOR should notify all employees of its policy for maintaining a Drug-Free workplace, and the penalties that may be imposed for drug abuse violations occurring in the workplace. Further, the CONTRACTOR shall notify the PRDOH if any of its employees is convicted of a criminal drug offense in the workplace no later than **ten (10) days** after such conviction.

#### **XXXIII.SUSPENSION AND DEBARMENT**

- A.** This Agreement is a covered transaction for purposes of 2 C.F.R. part 180 and 2 C.F.R. part 2424. As such, the CONTRACTOR is required to verify that none of the CONTRACTOR, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. §180.905) are excluded (defined at 2 C.F.R. §180.940) or disqualified (defined at 2 C.F.R. §180.935).
- B.** The CONTRACTOR must comply with 2 C.F.R. part 180, subpart C and 2 C.F.R. part 2424, and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.
- C.** This certification is a material representation of fact relied upon by PRDOH. If it is later determined that the CONTRACTOR did not comply with 2 C.F.R. part 180, subpart C and 2 C.F.R. part 2424, in addition to remedies available to PRDOH, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.
- D.** The CONTRACTOR agrees to comply with the requirements of 2 C.F.R. part 180, subpart C and 2 C.F.R. part 2424, while this Agreement is valid. The CONTRACTOR further agrees to include a provision requiring such compliance in its lower tier covered transactions.

#### **XXXIV. SYSTEM FOR AWARD MANAGEMENT (SAM) REGISTRATION**

The CONTRACTOR must be registered in the System for Award Management (**SAM**) and shall maintain its registration active during contract performance and through final payment. The CONTRACTOR is responsible during performance and through final payment for the accuracy and completeness of the data within SAM. Failure to maintain registration in SAM can impact obligations and payments under this Agreement.

#### **XXXV. NO OBLIGATION BY THE FEDERAL GOVERNMENT**

The Federal Government is not a party to this Agreement and is not subject to any obligations or liabilities to the non-Federal entity, CONTRACTOR, or any other party pertaining to any matter resulting from the Agreement.

#### **XXXVI. PROGRAM FRAUD & FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS**

The CONTRACTOR acknowledges that 31 U.S.C. Chapter 38 (Administrative Remedies for False Claims and Statements) applies to the CONTRACTOR's actions pertaining to this Agreement.

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#### **XXXVII. BANKRUPTCY**

In the event that CONTRACTOR files for bankruptcy protection, the Government of Puerto Rico and PRDOH may deem this Agreement null and void, and terminate this Agreement without notice.

#### **XXXVIII. ENTIRE AGREEMENT**

This Agreement and all its attachments represent the entire and integrated agreement between PRDOH and the CONTRACTOR and supersede all prior negotiations, representations, agreements and/or understandings of any kind. This Agreement may be amended only by written document signed by both PRDOH and the CONTRACTOR.

#### **XXXIX. MODIFICATION OF AGREEMENT**

Any modification of this Agreement or additional obligation assumed by either party in connection with this Agreement shall be binding only if written and signed by both parties, and its authorized representatives. Those amendments shall make specific reference to this Agreement, comply with programmatic policies, procedures, and guidelines. Such amendments shall not invalidate this Agreement, nor relieve or release the Parties from their obligations under this Agreement.

However, PRDOH reserves the right to notify in writing to CONTRACTOR any applicable policies, procedures, regulations, requirements, guidelines, or change in law, whether existing or to be established, as well as changes and/or amendments thereof, and the notified policies, procedures, regulations, requirements, guidelines and laws shall be deemed incorporated by reference to this Agreement without the need of executing a separate written and signed amendment.

#### **XL. BINDING EFFECT**

This Agreement shall be binding upon and shall inure to the benefit of PRDOH and the CONTRACTOR, their successors and assigns.

The CONTRACTOR shall not assign this Agreement, in whole or in part, without the prior written consent of PRDOH, and any attempted assignment not in accordance herewith shall be null and void and of no force or effect.

#### **XLI. ASSIGNMENT OF RIGHTS**

The rights of each party hereunder are personal to that party and may not be assigned or otherwise transferred to any other person, contractor, corporation, or other entity without the prior, express, and written consent of the other party.

#### **XLII. NON-WAIVER**

The failure or delay of either party to insist upon the performance of and/or the compliance with any of the terms and conditions of this Agreement shall not be construed as a waiver of such terms and conditions or the right to enforce compliance with such terms and conditions.

#### **XLIII. ORDER OF PRECEDENCE**

In the event of an inconsistency in this Agreement or if a conflict occurs between this Agreement and any Attachment, Appendix, Exhibit, or Schedule, unless otherwise

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specifically stated in those documents, the order of precedence shall be: Federal laws, regulations, and policies applicable to this Agreement, this Contract and **Attachment E** (HUD General Provisions), **Attachment B** (Scope of Services), **Attachment C** (Cost Form) and lastly, **Attachment A** (Contractor's proposal).

#### **XLIV. GOVERNING LAW JURISDICTION**

This Agreement shall be governed by, interpreted, and enforced in accordance with the laws of the Government of Puerto Rico and any applicable federal laws and regulations. The parties further agree to assert any claims or causes of action that may arise out of this Agreement in the Puerto Rico Court of First Instance, San Juan Part.

#### **XLV. CONSOLIDATIONS, MERGERS, CHANGE OF NAME, OR DISSOLUTIONS**

##### **A. Consolidation or Merger**

In the event that the signing party (e.g. Subrecipient, Contractor, or Subcontractor) of the Agreement with the PRDOH moves for a consolidation or merger with another entity (private or public), by its discretion or otherwise, written notice of such decision or event shall be delivered to the PRDOH **at least fifteen (15) business days prior to the effective date** of the consolidation or merger. The notice shall include, but not limited to, a description of: the expected effective date of the consolidation or merger; name of each of the constituent entities moving to consolidate or merge into the single resulting or surviving entity; the proposed name of the resulting entity (in case of a consolidation) or the name of the surviving entity (in case of a merger) if necessary; reference to the projected capacity of the resulting or surviving entity to comply with the terms, conditions, obligations, tasks, services, and performance goals or requirements included in the Agreement as well as its Exhibits or Attachments; and a brief summary of the proposed plan to achieve the transition of duties (Scope of Work or Scope of Services), tasks, and performance goals or requirements to the resulting or surviving entity.

Upon the consolidation or the merger becoming effective, and supporting evidence of such event is notified to PRDOH, execution of an Amendment to the Agreement may follow. The Amendment would include, but not limited to, modifications to the clauses that refer to the identity, personal circumstances, address, and any other information related to the signing party deemed relevant by PRDOH for the execution of the Amendment. **No amendment to the Agreement will be necessary if the Subrecipient, Contractor, or Subcontractor becomes the surviving entity following a merger.**

Failure to comply with any of the before mentioned conditions, may result in the activation of the termination clauses provided in the Agreement.

##### **B. Change of Name**

In the event that the signing party (e.g. Subrecipient, Contractor, or Subcontractor) of the Agreement with the PRDOH initiates a change of name process, written notice of such decision or event shall be delivered to the PRDOH **at least fifteen (15) business days** prior to the effective date of such event. The notice shall include, but not limited to, a description of: the expected effective date of the change of name; the proposed name; inform of any change of address; and reference of any change in the capacity of the entity to comply with the terms, conditions, obligations, tasks, services, and performance goals or requirements included in the Agreement, as well as its Exhibits or Attachments.

Upon the change of name becoming effective, and supporting evidence of such event is notified to PRDOH, execution of an Amendment to the Agreement may follow. The Amendment would include, but not limited to, modifications to the clauses that refer to the identity, personal circumstances, address, and any other information related to the signing party deemed relevant by PRDOH for the execution of the Amendment.

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Failure to comply with any of the before mentioned conditions, may result in the activation of the termination clauses provided in the Agreement.

### C. Dissolution

In the event that the signing party (e.g. Subrecipient, Contractor, or Subcontractor) of the Agreement with the PRDOH moves for dissolution of the entity, written notice of such decision or event shall be delivered to the PRDOH **at least fifteen (15) business days** prior to the effective date of such event. The notice shall include, but not limited to, a description of the expected effective date of the dissolution; and contact information of one or more of its directors, officials or agents. Upon dissolution, becoming effective, and supporting evidence of such event is notified to PRDOH, termination of the Agreement will follow. Consequently, the signing party acknowledges and agrees to provide to the PRDOH, after termination of the Agreement, the assistance reasonably requested to facilitate the orderly transfer of responsibility for performance of the tasks or services to the PRDOH or a third party designated by the PRDOH. Moreover, all finished or unfinished records (files, data, work product) connected with this Agreement will be turned over to PRDOH following the Agreement termination.

### XLVI. HEADINGS

The titles to the paragraphs of this Agreement are solely for reference purposes and the convenience of the parties and shall not be used to explain, modify, simplify, or aid in the interpretation of the provisions of this Agreement.

### XLVII. FEDERAL FUNDING

The fulfillment of this Agreement is based on those funds being made available to the PRDOH as the lead administrative agency for Recovery. All expenditures under this Agreement must be made in accordance with this Agreement, the policies and procedures promulgated under the CDBG-DR/MIT Program, and any other applicable laws. Further, CONTRACTOR acknowledges that all funds are subject to recapture and repayment for non-compliance.

### XLVIII. RECAPTURE OF FUNDS

PRDOH may recapture payments it makes to CONTRACTOR that (i) exceed the maximum allowable rates; (ii) are not allowed under applicable laws, rules, or regulations; or (iii) are otherwise inconsistent with this Agreement, including any unapproved expenditures. CONTRACTOR must refund such recaptured payments within **thirty (30) business days** after the PRDOH issues notice of recapture to CONTRACTOR.

### XLIX. OVERPAYMENT

CONTRACTOR shall be liable to the PRDOH for any costs disallowed pursuant to financial and/or compliance audit(s) of funds received under this Agreement. CONTRACTOR shall reimburse such disallowed costs from funds other than those CONTRACTOR received under this Agreement.

### L. SEVERABILITY

If any provision of this Agreement shall operate or would prospectively operate to invalidate the Agreement in whole or in part, then such provision only shall be deemed severed and the remainder of the Agreement shall remain operative and in full effect.

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**LI. COUNTERPARTS**

This Agreement may be executed in any number of counterparts, each of whom shall be deemed to be an original, however, all of which together shall constitute one and the same instrument. If the Agreement is not executed by the PRDOH within **thirty (30) calendar days** of execution by the other party, this Agreement shall be null and void.

**LII.SURVIVAL OF TERMS AND CONDITIONS**

The terms and conditions of this Agreement related to the following subjects shall survive the termination or expiration of this Agreement: interpretive provisions; consideration; warranties; general affirmations, federal assurances, federal and state certifications; CDBG-DR/MIT and state funding, recapture of CDBG-DR/MIT and/or state funds, overpayment of CDBG-DR/MIT and/or state funds; ownership and intellectual property, copyright; records retention methods and time requirements; inspection, monitoring and audit; confidentiality; public records; indemnification and liability; infringement of intellectual property rights; independent contractor relationship; compliance with laws; notices; choice of law and venue; severability; dispute resolution; consolidations, merger, change of name, and dissolution. Terms and conditions that, explicitly or by their nature, evidence the Parties' intent that they should survive the termination or expiration of this Agreement shall so survive.

**IN WITNESS THEREOF**, the parties hereto execute this Agreement in the place and on the date first above written.

**PUERTO RICO DEPARTMENT OF HOUSING**

**MARINI PIETRANTONI MUÑIZ LLC**

William O. Rodríguez Rodríguez  
William O. Rodríguez Rodríguez (Aug 16, 2022 13:34 EDT)

Hon. William O. Rodríguez Rodríguez, Esq.  
Secretary

Luis C. Marini  
Luis C. Marini (Aug 16, 2022 12:47 EDT)

Luis Carlo Marini Biaggi, Esq.  
Capital Member

Response to Request for Proposals  
**Legal Consulting Services**  
**for Commercial Transactions and Construction Developments**  
Community Development Block Grant – Disaster Recovery  
Puerto Rico Department of Housing  
CDBG-DR-2022-05

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250 Ponce de León Avenue, Suite 900  
San Juan, PR 00918  
Attn.: Adriana Capacete Cabassa, Esq.  
[acapacete@mpmlawpr.com](mailto:acapacete@mpmlawpr.com)

TO THE ATTENTION OF:

**Melissa Almodóvar Suárez, Esq.**  
Interim Procurement Director  
CDBG-DR

Marini Pietrantoní Muñiz LLC ("MPM") is honored for the opportunity to represent and provide legal advice to the Puerto Rico Department of Housing ("PRDOH") and submits herein its response to the PRDOH's Request for Request for Proposals for Legal Consulting Services for Commercial Transactions and Construction Developments under the Community Development Block Grant – Disaster Recovery, CDBG-DR-RFP-2022-05 (the "RFP").

## 1. Firm Profile.

MPM is a firm founded by leading Puerto Rican professionals and former capital members from one of the largest law firms in Puerto Rico. Our firm was created to focus on a strategic approach to legal services by rendering efficient, practical, and thorough legal advice, and to aggressively try cases to judgment, when necessary, to protect our clients' business interests and needs.

Our firm focuses on four particular areas: Commercial Transactions and Real Estate, Bankruptcy & Insolvency, Commercial Litigation, Securities Litigation and Government Investigations. We include a description of each practice area below.

Our firm is authorized and engaged in business in Puerto Rico.

At MPM, we have a vision to spot opportunities where others see only obstacles, a passion for work matched only by an unshakable dedication to client interests and needs, and preeminent lawyers operating within collaborative and strategic alliances and teams to provide exceptional performance and advice.

Our attention to client service rests upon a few core values:

- A full understanding of our clients' businesses and cultures;
- A thorough focus on our clients' objectives, both short-term and long-term; and
- An unwavering commitment to helping clients solve problems in the most efficient, cost-effective way

Recognized by Chambers & Partners®, and Other Leading Publications

Our lawyers are leaders in their field and have been recognized by and received the highest rankings in the Latin America and Global editions of Chambers & Partners®. Our lawyers have also been recognized by Best Lawyers® as top lawyers in Puerto Rico and have been named Lawyer

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of the Year for Bankruptcy and Restructuring in Puerto Rico (2020) and our group as Law Firm of the Year in Bankruptcy and Restructuring in Puerto Rico (2021). Our lawyers have also been recognized by numerous other publications, such as by Benchmark Litigation® as "litigation stars", by the 2022 LawDragon 500 Leading U.S. Bankruptcy & Restructuring Lawyers list, and by the Legal 500® as leading lawyers. Our team was also awarded the M&A Atlas deal of the year award for the firm's work in the COFINA restructuring. Among our team is also the only lawyer from Puerto Rico to be selected to the American Bankruptcy Institute's 40 under 40 Leadership Awards.

#### History of Leadership in the Legal Community

Our team at MPM is deeply involved in our community. Among our lawyers are a member of the selection committee for the next magistrate judge of the United States District Court for the District of Puerto Rico, a former president of the Puerto Rico Chapter of the Federal Bar Association, a current member of the Local Bankruptcy Rule Committee for the United States Bankruptcy Court, District of Puerto Rico, a member of the American Bankruptcy Institute's 40 Under 40 Leadership Team, a prior General Counsel for AAFAF, a member of the board of advisors of the American Bankruptcy Institute's Caribbean Insolvency Symposium, prior law clerks of bankruptcy judges of the United States Bankruptcy Court for the District of Puerto Rico, prior law clerks of justices of the Puerto Rico Supreme Court and of the Puerto Rico Appellate Courts, a fellow of the American Bar Association, a fellow of the Federal Bar Association, a former editor of the American Bar Association, Insolvency Chapter, members of the Federal Bar Association, American Bar Association, Puerto Rico Bankruptcy Bar Association, the American Bankruptcy Institute, among others.

## **2. Experience and Qualifications Related to the Scope of Work and Required Expertise.**

Our firm provides services in several areas including Corporate, Commercial Transactions, Real Estate, Bankruptcy, Litigation, Government Affairs, and others. General information about our firm can be found at: [www.mpmlawpr.com](http://www.mpmlawpr.com). Among these practice areas, we understand that for this particular engagement and services included in the RFP, our firm has two key practice areas. Our Commercial Transactions and Real Estate Practice, which has attorneys with more than 15 years' experience in complex commercial lending and real estate transactions, and our Bankruptcy & Insolvency Practice, which boasts the largest bankruptcy, restructuring, and insolvency group in Puerto Rico.



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## A. Commercial Transactions and Real Estate Practice

Our Commercial Transactions and Real Estate Practice focuses on advising and representing lenders, buyers, sellers, developers, landlords, and tenants, among others, in a myriad of commercial transactions, including, asset-based and real estate-based loans, workouts and restructurings, foreclosures, leases, and purchases and sales across the full spectrum of real estate assets. Our team has significant experience in providing counsel on property acquisitions and dispositions, as well as the acquisition of distressed debt and assets. Additionally, we are highly experienced in all aspects of commercial financing transactions, including due diligence, structuring, negotiation, and documentation.

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We also draw on the knowledge and experience of attorneys throughout our firm to meet our clients' business objectives, including lawyers from diverse practice areas such as insolvency, bankruptcy, securities and commercial litigation, intellectual property, and financial institutions. Where appropriate, we include as members of our client teams our colleagues with focused industry knowledge.

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Adriana Capacete Cabassa serves as chair of the Commercial Transactions and Real Estate Practice.

### i. Commercial Lending

Our Commercial Lending group integrates legal experience, market knowledge, and innovation to meet the business and legal needs of local and U.S. based lenders, institutional investors, and other financial institutions. We add value for our clients through knowledge of prevailing market trends and deal terms and helping identify potential risks and opportunities.

Our lawyers have been involved, throughout their respective prior careers, in a wide range of financing transactions, including:

- Commercial and construction loan originations
- Loan modifications
- Acquisition financings
- Syndicated credit facilities
- Workouts, debt, and recapitalization transactions
- Debtor-in-possession (DIP) financing

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- Mezzanine financings
- Collateral issues
- Intercreditor arrangements

ii. Workout, Restructurings, and Transfers

The economy has changed dramatically in Puerto Rico over the last ten years with a marked increase in the number of defaults, workouts, bankruptcies, and foreclosures in the commercial real estate market.

Our team interacts closely and effectively with our other practice teams in the pertinent phases of distressed commercial bankruptcies, litigation, and workouts. Our team provides deep knowledge and advice on real estate and title issues through the negotiations and resolutions of forbearance agreements, bankruptcy transactions, judicial foreclosures, and receiverships. On the transactional side, our representation encompasses all aspects of insolvency proceedings including out-of-court restructurings, structured settlements, deeds "in lieu", deeded judicial sales and acquisitions, lien priority and cancellation. We also regularly represent and advise purchasers and sellers in the purchase and sale of REO property.

Our practice includes the following:

- Capital structure and general business restructuring advice for lenders
- Complex loan workouts and restructurings from strategic development through negotiation and documentation
- Buy-and sell-side distressed company mergers and acquisitions
- Legal and strategic counseling to loan officers and indenture trustees on potential problem credits
- Alternatives to bankruptcy

iii. Real Estate

Our real estate attorneys provide thorough analysis of all real property transactions to find and create solutions to clear tract and title issues in the Registry of the Property, as well as to perfect collateral through the evaluation, constitution, and cancellation of liens and encumbrances affecting the property. Our team counsels clients on key aspects of real estate acquisition and



disposition, including representation and advise on transfer title and constitution of mortgages, easements, restrictive covenants, leasehold interests, and/or surface rights.

We also handle commercial leasing transactions representing landlords, tenants, subtenants, and lenders. Leasing transactions can also give rise to environmental, zoning and permitting issues, so we provide counsel for these issues and perform any necessary due diligence.

iv. Government Affairs

Our team also counsel clients in governmental affairs. Our services include a wide array of matters, from providing information on current and/or proposed legislative and regulatory matters, monitoring, evaluating and/or reviewing proposed legislation or regulations. We also aid clients in submitting written comments and proposed amendments to legislation, as well as other public policy proposals.

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**B. Bankruptcy & Insolvency Practice**

Our firm has the largest bankruptcy and insolvency group in Puerto Rico and we help clients face virtually any aspect of an insolvency matter. Our lawyers have been involved, throughout their respective prior careers, in the more complex cases in Puerto Rico, representing, over the last few years, billions of dollars in distressed debt in restructuring and insolvency related proceedings in Puerto Rico. Our clients turn to our firm for their most challenging matters seeking sophisticated, yet practical and timely legal advice to preserve and maximize economic value for clients.

Our team provides sophisticated, yet practical and timely legal advice in all areas of bankruptcy, restructuring, commercial litigation and PROMESA.

Our lawyers are recognized for their innovative representation of financial institutions and private equity funds in distressed transactions and strategic advice to stakeholders dealing with troubled projects.

MPM's lawyers have devised cutting-edge solutions for banks and other financial institutions, secured and unsecured creditors, debtors and borrowers, indenture trustees, distressed investors, and other interested parties. We have extensive experience in handling Chapter 11 cases, pre-arranged and pre-packaged bankruptcies, out-of-court restructurings, refinancing, recapitalizations, and asset sales. Our lawyers have particular strength in handling complex and

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sophisticated creditors' rights matters for many of the leading financial institutions. Further, we represent nontraditional banking clients, like hedge funds and private equity firms, in distressed transactions.

Luis C. Marini and Carolina Velaz serve as chairs of the Bankruptcy & Insolvency Practice.

i. Market and Industry Recognition

Our lawyers have been recognized as leading the insolvency market in Puerto Rico. As part of its overview of the Puerto Rico legal market, Chambers & Partners recently commented that: "[t]he economic climate has, however, contributed to an increased volume of bankruptcy and restructuring matters, an area currently led by [MPM's] Luis Marini." Chambers & Partners, Latin America Edition, 2016.

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Our lawyers have been recognized by Chambers & Partners, both in the Global and Latin America editions, as leading practitioners for bankruptcy, restructuring, and dispute resolution, and have received the highest individual rankings from such organizations for bankruptcy and restructuring in Puerto Rico. Our lawyers have also been recognized by Best Lawyers® as among the top practitioners in Puerto Rico, as Lawyer of the Year (2020) for Bankruptcy and Restructuring, by the American Bankruptcy Institute's 40 Under 40 Leadership Awards, by the Legal 500® as leading insolvency lawyers, by the 2022 LawDragon 500 Leading U.S. Bankruptcy & Restructuring Lawyers list, and by Benchmark Litigation® as leading trial attorneys. Recently, our team was recognized as the Law Firm of the Year (2021) for Bankruptcy and Restructuring in Puerto Rico and received the M&A Atlas Deal of the Year (2020) award.

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ii. PROMESA

Our team has substantial experience on all matters relating to PROMESA, having served as counsel to AAFAF since March 2018. Our firm has represented and represents AAFAF in the Commonwealth of Puerto Rico, Puerto Rico Highways and Transportation Authority, Puerto Rico Electric Power Authority, Employees Retirement System of the Government of Puerto Rico, Puerto Rico Sales Tax Financing Corporation and Public Buildings Authority Title III cases, as well as multiple related adversary proceedings and negotiations. MPM has worked in tandem with AAFAF's mainland counsel and counsel to the Financial Oversight and Management Board for Puerto Rico, the Committee of Unsecured Creditors, the Official Committee of Retired Employees of Puerto Rico, the Court-appointed Fee Examiner, among others, to reach beneficial results for AAFAF and

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the government of Puerto Rico. As part of this engagement, MPM has worked closely with dozens of agencies of the Commonwealth, as well as public corporations, to provide services relating to contracting, restructuring, and other matters relating to the Title III cases.

iii. Bankruptcy Practice

Our team at MPM represents most of the financial institutions and private equity firms doing business in Puerto Rico on chapter 11 bankruptcy matters. In bankruptcy cases, we act on behalf of creditors, trustees and fiduciaries, lessors, and other interested parties.

Our practice includes such areas as:

- Pre-bankruptcy planning
- Claims assertion and allowance
- Resolution of lien priority
- Intercreditor and subordination issues
- Negotiating, formulating and confirming plans of reorganization
- Prepackaged and pre-negotiated bankruptcies
- Representation of indenture trustees
- Cash collateral stipulations and adequate protection
- Objections to disclosure statements and plans
- Cram-down litigation
- Sales of stock and other assets
- All aspects of unexpired leases and executory contracts and intellectual property licenses
- Prosecution and defense of avoidance actions (fraudulent transfers, preferences, etc.)
- Turnover actions
- Abstention and removal issues
- Involuntary petitions
- Bankruptcy discharge and non-dischargeability actions
- Relief from stay litigation

iv. Insolvency Related Litigation

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Our team, along with the litigation group at the firm, has substantial experience at the trial and appellate level on insolvency related litigation such as:

- Non-bankruptcy fraudulent conveyance and other avoidance actions
- Constructive trusts
- Receiverships and trusteeships
- Equitable subordination litigation
- Writs of attachment, writs of possession and other pre-judgment remedies
- Judicial and non-judicial foreclosures
- Defense of lender liability claims
- Execution, garnishment, judgment debtor examinations and other methods of enforcement of judgments

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Our group at MPM regularly handles insolvency litigation, from the filing or defense of the complaint to trial and judgment. We have substantial experience in defending lender liability matters, prosecuting and defending avoidance actions, equitable subordination claims, trusteeship and other matters.

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### **3. List of Individuals Assigned to the Activities of the Authority, the Government, and/or Governmental Entities**

The key contacts for the engagement of MPM by the PRDOH will be Adriana Capacete Cabassa and Luis C. Marini Biaggi. MPM has various teams depending on the type of work PRDOH may request. Depending on the task requested, we may draw upon our different practice areas and team members to provide efficient services to PRDOH.

For review and analysis of real and personal property collateral, drafting and negotiating loan and collateral documents, performing due diligence of the debtors' assets and accounts, and the constitution and perfection of security interests in the collateral, the team will include:

Individual's Name	Key Staff Role	Years of Experience	Admitted to the Puerto Rico Bar	% of time assigned to this contract
<b>Adriana Capacete Cabassa</b>	Senior Attorney	11	Yes	As much as required.
<b>Ian Marini Biaggi</b>	Associate Attorney	19	Yes	As much as required.

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<b>Paula de Felice</b>	Junior Attorney	5	Yes	As much as required.
<b>Frank Rosado</b>	Junior Attorney	4	Yes	As much as required.

Similarly, for creditors rights, enforcement of loan and collateral documents, foreclosures and collection of monies complaints and bankruptcy proceedings, the team will include:

Individual's Name	Key Member Role	Years of Experience	Admitted to the Puerto Rico Bar	% of time assigned to this contract
<b>Luis C. Marini Biaggi</b>	Senior Attorney	20+	Yes	As much as required.
<b>Carolina Velaz Rivero</b>	Senior Attorney	11	Yes	As much as required.
<b>Ignacio Labarca Morales</b>	Associate Attorney	10	Yes	As much as required.
<b>Leny Cáceres</b>	Associate Attorney	6	Yes	As much as required.

For litigation and trial work, our team would also include the following attorneys:

Individual's Name	Key Member Role	Years of Experience	Admitted to the Puerto Rico Bar	% of time assigned to this contract
<b>Manuel Pietrantoni</b>	Senior Attorney	20+	Yes	As much as required.
<b>Karena Montes</b>	Senior Attorney	10	Yes	As much as required.
<b>Alana Pagán</b>	Associate Attorney	5	Yes	As much as required.

Other attorneys may be assigned to this contract as required by PRDOH. We include below brief bios for the main professionals that would provide services under this engagement.

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A. **Adriana Capacete Cabassa**

Member

Chair of the Commercial Transactions and Real Estate Practice

Email: [acapacete@mpmlawpr.com](mailto:acapacete@mpmlawpr.com)

Tel: 787.705.2175

Adriana is a member at MPM and chair of the General Corporate and Transactional Practice. Adriana's practice is focused on commercial real estate, secured transactions and debt restructuring, representing banks, institutional lenders, private equity funds and other institutions on a wide range of transactions, such as asset-based and real estate-based lending, mezzanine financing, construction loans and complex out-of-court workouts and restructurings. She is also experienced in corporate matters, including corporate mergers and acquisitions, commercial contracts and the formation of corporations, limited liability companies, partnerships and joint ventures.

Prior to joining MPM, Adriana served as General Counsel of the Puerto Rico Fiscal Agency and Financial Advisory Authority (AAFAF), where she advised on matters relating to the Puerto Rico Oversight, Management, and Economic Stability Act (PROMESA) and the \$129 billion debt restructuring of the Government of Puerto Rico—the largest restructuring in the US capital markets' history. Adriana also served as Special Advisor for the President of the Government Development Bank for Puerto Rico (GDB), where she participated on a wide range of special projects, including the creation of the Central Office for Recovery, Reconstruction and Resiliency (COR3) after Hurricane María, the development of a centralized procurement reform, right-sizing initiatives for the government, and establishing strategic alliances between the Office of the Governor and potential investors to promote economic development within the island. Adriana also has experience with government and legislative affairs.

She holds a bachelor's degree from Tufts University where she majored in Economics and International Relations. She obtained her Juris Doctor from the University of Puerto Rico, and a Master of Business Administration from IE Business School in Madrid, Spain. Adriana also passed Level I of the CFA Program in 2019 and is a Level II Candidate.

Admitted to practice law in the Commonwealth of Puerto Rico and the District of Columbia.



MARINI PIETRANTONI MUÑIZ

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Active notary public in the Commonwealth of Puerto Rico.

References:

1. Name: Fermín Fontanes  
Title: Executive Director – Puerto Rico Public Private Partnerships Authority  
Tel. #: 787-722-2525  
Email: [fermin.fontanes@p3.pr.gov](mailto:fermin.fontanes@p3.pr.gov)
2. Name: Martha Acevedo Peñuela  
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B. **Luis C. Marini-Biaggi**

Capital Member  
Chair of Bankruptcy & Insolvency Practice

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Luis C. Marini-Biaggi is a founding member and Chair of the Bankruptcy & Insolvency Practice. Luis concentrates his practice in all aspects of insolvency matters including bankruptcy, acquisition of distressed assets, public and private sector restructurings. He also regularly handles complex commercial litigation at the trial and appellate level, including defense of lender liability suits and contract litigation. He regularly represents financial institutions, private equity funds, purchasers of distressed debt or assets, and secured and unsecured creditors on insolvency matters.

Luis also regularly represents government entities in connection with contracting requirements, analysis of requests for proposals and requests for qualifications, and litigation relating to government contracts. In this regard, Luis serves or has served as counsel to the Commonwealth of Puerto Rico and several of its agencies and departments, the Puerto Rico Fiscal Agency and Financial Authority, the Government Development Bank for Puerto Rico, Central Office for Recovery, Reconstruction, and Resiliency, and the Economic Development Bank for Puerto Rico.

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MARINI PIETRANTONI MUÑIZ

The international publication Chambers & Partners has ranked and recognized Luis as the only "Band 1" attorney for lawyers in bankruptcy and restructuring in Puerto Rico. As part of its overview of the Puerto Rico legal market, Chambers recently commented that: "[t]he economic climate has, however, contributed to an increased volume of bankruptcy and restructuring matters, an area currently led by [Marini Pietrantonio Muniz] Luis Marini." Chambers and Partners (Latin America), Puerto Rico Overview, 2015. Chambers recently stated, quoting sources, that Luis "is an expert in federal bankruptcy cases", "demonstrates full command of the subject", is "one of the best bankruptcy lawyers in the country" and that "he is a reference in the market and is worthy of being at the absolute top of the market". Chambers and Partners (Latin America), 2021 and 2020. Past Chambers' coverage has described Luis as "always impress[ive] in complex bankruptcy proceedings", "responsive, detail oriented and thorough in his analysis of each case". Chambers and Partners (Latin America), 2019. Chambers also quoted clients stating that "[i]f someone asks me for a recommendation regarding a lawyer that is specialized in bankruptcy, his is the first name that I would mention. He has a vast knowledge of this area, and in the context of litigation he is dedicated and gracious whilst remaining firm, and the proposals he brings to court are based on solid foundations." Chambers & Partners, Latin American Edition, 2018. Chambers also quotes sources describing Luis as "a great lawyer who has a deep knowledge of insolvency matters", as being "remarkably attentive and succinct", and that "he understands his clients' needs and will do everything in his hands to help them succeed. It is a true pleasure to work with him." Chambers & Partners, Latin American Edition, 2017, 2016, 2015 and 2014 (also ranked in 2013, 2012, and 2011 editions and in the Global Edition).

Luis has also been recognized as a leading insolvency lawyer by Best Lawyers®, Puerto Rico Edition, named Lawyer of the Year (2020) for Bankruptcy and Restructuring in Puerto Rico and the team was named Law Firm of the Year (2021) for Bankruptcy and Restructuring in Puerto Rico. Luis has also been recognized as a leading insolvency lawyer by the Legal 500® and as a Litigation Star by Benchmark Litigation®.

Luis frequently writes and lectures on insolvency and bankruptcy matters, participating frequently on panels sponsored by various organizations such as the Puerto Rico Chamber of Commerce, the American Bankruptcy Institute, the Federal Bar Association, and the Puerto Rico Industrial Association, among others. He regularly provides seminars on various technical bankruptcy and insolvency issues to financial institutions, government entities, private funds, and other entities throughout Puerto Rico.



Luis also serves on the Local Bankruptcy Rule Committee of the United States Bankruptcy Court, District of Puerto Rico, on the Advisory Board for the American Bankruptcy Institute's Caribbean Insolvency Symposium, and is an associate editor for the American Bar Association's Bankruptcy, Insolvency and Litigation committee.

Luis holds a Bachelor Degree in Business and Finance from the University of Michigan and obtained his Juris Doctor from Georgetown University. Prior to founding MPM, Mr. Marini was a capital member, head of the Litigation Department, and co-chair of the Bankruptcy, Restructuring, and Insolvency Group at O'Neill & Borges LLC and also practiced in Washington D.C., at Shaw Pittman LLP (now Pillsbury Winthrop Shaw Pittman).

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#### C. Ian Marini-Biaggi

Of Counsel

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Ian is an of counsel at MPM. For over a decade, Ian has focused his practice in representing clients on residential and commercial transactions involving real and personal property. His practice includes representing lenders, builders, developers, and owners in connection with all aspects of transfers of property title, liquidations, and collateral transactions. Ian has vast experience with

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MARINI PIETRANTONI MUÑIZ

asset sales and dispositions, workouts, and restructuring transactions including foreclosures and discounted pay-off agreements, creation, cancellation and modifications of security interests, deeds in lieu, commercial financing, leases, and general corporate matters.

Ian holds a bachelor's degree in Business and Finance from the University of Puerto Rico and obtained his Juris Doctor from the Interamerican University of Puerto Rico School of Law in 2003. He initiated his corporate legal practice at a major law firm in Puerto Rico and in 2006, he partnered with several attorneys to create Garriga & Marini, a firm focused on transactional real estate practice providing notarial and real estate services to real estate developers, financial institutions, property managers, and title companies throughout Puerto Rico.

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Admitted to practice law in the Commonwealth of Puerto Rico and the District of Columbia.

Active notary public in the Commonwealth of Puerto Rico.

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#### D. **Carolina Velaz Rivero**

Member  
Co-Chair of the Bankruptcy & Insolvency Practice

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MARINI PIETRANTONI MUÑOZ

Carolina is a member at MPM and co-chair of the Bankruptcy & Insolvency Practice. Carolina concentrates her practice in all aspects of distressed situations and bankruptcy, representing institutional lenders, strategic investors, special situation funds, and other stakeholders in in-court and out-of-court restructurings, bankruptcy and litigation matters. Carolina is also involved in complex commercial litigation, including defense of lender liability suits and contract litigation. She regularly represents financial institutions, private equity funds, purchasers of distressed debt, and secured and unsecured creditors. Carolina is admitted to practice law in the Commonwealth of Puerto Rico, the United States District Court for the District of Puerto Rico and the United States Court of Appeals for the First Circuit.

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Carolina regularly lectures on federal jurisdiction and insolvency and bankruptcy matters and is a member of the Board of Directors of the Federal Bar Association-Hon. Raymond L. Acosta Puerto Rico Chapter. She has been speaker at the American Bankruptcy Institute's "Caribbean Insolvency Symposium" (2020). In addition, Carolina has been interviewed and quoted by "The Deal" for the article "Pot Woes Pose Restructuring Questions" published in March 2020.

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Carolina has been named by the American Bankruptcy Institute (ABI) to its "40 Under 40 List" which identifies 40 top insolvency industry professionals under the age of 40. Carolina was also named as an "up and coming" attorney in dispute resolution: Bankruptcy" by Chambers and Partners 2020. Carolina was also recognized by Best Lawyers®, Puerto Rico Edition (2021) as a leader in her field. Moreover, Legal 500® recognized MPM in 2020 noting that "[b]ankruptcy litigation and restructuring cases are also mainstays from the firm, the related team being led by Luis Marini-Biaggi and Carolina Velaz Rivero, who receive particular praise".

Prior to joining MPM, Carolina worked for several years at a major firm in Puerto Rico, focusing her practice on insolvency and bankruptcy.

She holds a Bachelor Degree from Dartmouth College where she majored in Government and minored in Italian Literature. She obtained her Juris Doctor from the University of Puerto Rico, where she was an assistant editor of the University of Puerto Rico Law Journal.

#### References:

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Title: Vice President – Corporate - Banco Popular de Puerto Rico  
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#### E. **Ignacio Labarca Morales**

Ignacio joined MPM in February 2019. His practice area involves commercial insolvency and bankruptcy litigation matters. Prior to joining MPM, Ignacio worked in a boutique bankruptcy law firm for several years, representing Chapter 7 Trustees, corporate debtors and creditors in complex bankruptcy litigation proceedings. Ignacio has also represented consumer creditors in Chapter 7 and Chapter 13 bankruptcy proceedings.

Ignacio obtained a bachelor's degree in Business Administration (BBA), with a major in Finance and a minor in Economics, from the University of Puerto Rico, Río Piedras Campus. His BBA degree was oriented towards Corporate Finance and Macroeconomics. He obtained his Juris Doctor from the University of Puerto Rico School of Law, where he wrote an article about the Exempt Portfolio Interest Sections of the Internal Revenue Code in the Business Law Journal. Ignacio is admitted to practice law in the Commonwealth of Puerto Rico and the United States District Court for the District of Puerto Rico.

#### F. **Frank Rosado Méndez**

Frank is an associate at MPM. Frank graduated magna cum laude from the University of Puerto Rico in 2017 with a BA in Political Science. Later on, Frank went on to graduate from the University of Puerto Rico School of Law in 2020 with high honors. During law school, Frank served as an associate editor and a senior editor in the University of Puerto Rico Law Review. Additionally, Frank was an intern to the Hon. Judge Méndez Miró in the Puerto Rico Court of Appeals and to the Hon. Judge Torruella of the U.S. Court of Appeals for the First Circuit. Further, he served as a student attorney at the University of Puerto Rico School of Law's Bankruptcy Legal Aid Clinic. In the summer of 2019, Frank was also a part of MPM's first class of summer associates and went on to rejoin the firm full time in October 2020.



#### G. Paula de Felice

Paula De Felice-Alejandro joined MPM in 2022 as an associate. She represents clients in securities litigation, arbitration, and commercial litigation matters.

Prior to joining MPM, Paula worked as an associate in other local law firms, in the Litigation Department and Policy and Compliance Practice in matters related to the healthcare industry drafting and reviewing internal policies, rules, procedures, and contracts for a major Puerto Rico hospital to ensure compliance with state and federal regulations. She also worked as an attorney in New York, New York analyzing electronic discovery in complex civil cases for major U.S. law firms.

#### 4. Proposed Plan of Action / Work Approach

As legal counsel for PRDOH performing the legal services related to the Investment Portfolio for Growth Program, the Economic Development Portfolio, CDBG-DR and CDBG-MIT funded programs (the "Programs"), MPM would strive to provide the most thorough, detail-oriented services in the most cost-efficient manner possible, therefore, we will use associates / paralegals with lower billing rates as appropriate. Our main goal is to assist PRDOH in delivering meaningful economic development outcomes, while ensuring that all legal aspects of the Programs are met.

MPM will work in conjunction with the PRDOH to develop an acceptable plan of action that meets the PRDOH's needs and time frames. At the outset, we can anticipate that this will entail performing services on four main categories: (1) **Preparation**; (2) **Due diligence**; (3) **Drafting & Negotiation**; and (4) **Closing & Post Closing**, all of which are detailed below:

	Tasks	Deliverables
<b>Preparation</b>	Draft forms of commercial loan and construction loan documents, including, loan agreements, security agreements, deeds of mortgage, mortgage notes pledge agreements, personal and corporate guaranties, stock/membership interests pledge agreements, and the corresponding UCC-1 financing statements to be filed in the Puerto Rico State Department, among others. Forms will be	<b>Forms of Loan Agreement and all other collateral documents</b>

	adapted to reflect the terms and conditions of each particular transaction.	
<b>Preparation</b>	Obtain approval by all relevant parties to the forms of loan and collateral documents to be used for each commercial and/or construction loan.	
<b>Preparation</b>	Prepare checklists for due diligence to be conducted on each of the borrowers and their respective assets that will form part of the commercial and/or construction loans.	<b>Due diligence checklist</b>
<b>Preparation</b>	Using MPM's existing and ongoing working relationships with local title insurance companies, engage in negotiations for the preparation of title searches of real properties that will be mortgaged, as well as for the issuance of title insurance policies in favor of PRDOH, as the lender.	
<b>Due diligence</b>	Analyze due diligence reports in order to provide strategic guidance to PRDOH in the determination of collateral value and solve potential issues in the Registry of the Property, the Commercial Transactions Registry of the Puerto Rico State Department, the Municipal Revenues Collection Center ("CRIM"), the Department of Treasury, among others.	<b>Due diligence report</b> detailing any potential or real issues and strategic advice to resolve any such issues. Copies of all title reports, UCC Searches, CRIM debt and values certificates, and other certifications will be provided as supporting documents to the due diligence report.
<b>Drafting &amp; Negotiation</b>	Prepare a closing checklist detailing all documentation required for the issuance of the loan and the constitution and perfection of the	<b>Closing checklist</b>

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	security interests and liens over the collateral. This closing checklist is to be approved by the designated official of PRDOH before MPM prepares any of the required loan and collateral documents.	
<b>Drafting &amp; Negotiation</b>	Prepare drafts of loan and collateral documents reflecting the terms and conditions of each particular transaction and ensure compliance with all applicable local and federal laws, rules and regulations, including those relating to the Programs.	Drafts of <b>loan and collateral documents</b> for each particular transaction.
<b>Drafting &amp; Negotiation</b>	Negotiate drafts of loan and collateral documents with borrowers and their respective counsel.	<b>Final loan and collateral documents</b>
<b>Closing &amp; Post-Closing</b>	Once all the documents have been signed off by the borrower and lender parties, coordinate closings wherein all documents are to be executed and notarized. A notary public from MPM will be designated as the notary public for the respective commercial or construction loan transaction.	<b>Executed loan and collateral documents</b>
<b>Closing &amp; Post-Closing</b>	Closing will be followed by the filing of all necessary deeds, documents or instruments in the Registry of the Property, Commercial Transactions Registry of the Puerto Rico State Department and any other relevant filing office in order to perfect the security interests and liens granted to PRDOH as part of the collateral.	<b>Evidence of filing of the in the Registry of the Property and/or the Puerto Rico State Department the relevant collateral documents</b>
<b>Closing &amp; Post-Closing</b>	Physical and/or electronic binders including all loan and collateral documentation for all relevant parties may be prepared at such parties' request.	<b>Closing Binders</b>

**Closing &  
Post-Closing**

In the post-closing stage, MPM will ensure that any future obligation of any debtor and/or PRDOH is timely complied with, and any default thereunder by any debtor will be duly notified in order to enforce any rights available to PRDOH under the loan documents.

We expect the Preparation stage to be completed within the first two weeks of the engagement, and the Due Diligence, Drafting & Negotiation, and Closing & Post-Closing stages of each particular commercial or construction loan to take three to four weeks, subject to the back-and-forth negotiations with the debtors and obtaining all required approvals for closing. MPM will strive to work as a team with the PRDOH and add value to the loan process by identifying potential issues that may arise and providing creative and strategic solutions to such issues, as well as critically evaluating the loan terms and conditions to ensure compliance with the Programs and all applicable laws, rules, and regulations.

**5. Prior Work for Government Entities**

MPM represents AAFAF and since MPM commenced operations, our only engagement with the government has been through AAFAF and of those additional entities that AAFAF has directed or consented to. In addition, MPM has represented COR3 during the fiscal year 2018/2019 on certain matters relating to discovery issues in PROMESA and compliance of disaster recovery contracts with federal and local laws, rules and regulations, and the Government Development Bank since the fiscal year 2020/2021 on commercial litigation matters.

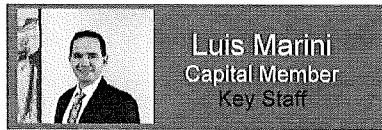


Tab C-2 – Organizational Chart

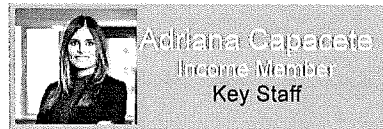


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Key Staff



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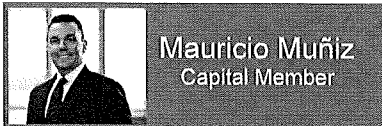
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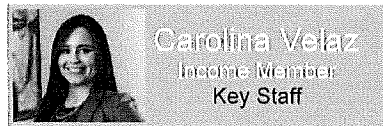
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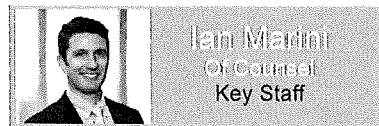
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GOVERNMENT OF PUERTO RICO  
DEPARTMENT OF HOUSING

## ATTACHMENT B

**ATTACHMENT B**  
**SCOPE OF SERVICES**  
**Request for Proposals**  
**Legal Consulting Services**  
**for Commercial Transactions and Construction Developments**  
**Community Development Block Grant – Disaster Recovery**  
**Puerto Rico Department of Housing**  
**CDBG-DR-RFP-2022-05**

### 1. Introduction and Overview

The Puerto Rico Department of Housing (PRDOH) is issuing this Request for Proposals (RFP) to procure Legal Consulting Services for Commercial Transactions and Construction Developments for the Community Development Block Grant – Disaster Recovery (CDBG-DR) Programs, under the current Action Plan and subsequent action plans, as well as for the future allocation of funds under the CDBG-DR and CDBG-MIT programs. PRDOH seeks to select law firms and/or counselors at law to provide legal services to the Investment Portfolio for Growth (IPG) Program, across the Economic Development Programs, and other CDBG-DR and CDBG-MIT funded programs.

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#### IPG Program

The IPG Program will foster both mixed-use, community-based development, as well as major infrastructure improvements supporting economic revitalization for Puerto Rico. The objective of this program is to develop a series of projects across Puerto Rico that result in large-scale commercial or industrial development in a broad-ranging category of activities and that cover a wide variety of economic revitalization initiatives. Projects are encouraged to be developed through public-private partnerships in which CDBG-DR funds are used as leverage for private funds for economic development activities, in concert with governmental or non-governmental organization (NGO) efforts. This may include, but is not limited to the development and/or redevelopment of:

- Commercial developments such as retail facilities including, but not limited to: shopping centers or stores; hotels, shipping distribution centers, or office buildings; Industrial/manufacturing complexes such as factories or industrial parks; and public commercial spaces such as convention centers or parking garages.
- Mixed-use developments, whereby projects will support business opportunities and other economic development in support of housing.
- Infrastructure development to support large economic revitalization activities, including, but not limited to: transportation facilities (new roads, street rehabilitation, sidewalk improvements, streetlights, parking facilities, streetscape improvements, etc.); and water, sewer, and drainage improvements directly supporting an economic revitalization activity.

A detailed description of all CDBG-DR and CDBG -MIT Programs is included in the Action Plans approved by HUD. A complete copy of both Action Plans (DR and MIT) are available at <https://www.cdbg-dr.pr.gov/en/action-plan/> and [CDBG-MIT Action Plan: Effective on April 19th, 2021 - CDBG](#), respectively.

The PRDOH anticipates awarding the resultant contract(s) for an initial one (1) year term with a one-year option to renew. All services to be performed as a result of the contract(s) will be issued through task orders.

The scope of services presented is based upon circumstances existing at the time the RFP is released. The PRDOH reserves the right to modify or delete the requirements and tasks listed and, if appropriate, add additional requirements and tasks prior to and during the term of the contemplated contract.

## **2. Staff, Services, and Tasks**

The PRDOH is seeking law firms and/or counselors at law with experience and capabilities in commercial transactions and construction developments. This section details the Key Staff that the Selected Proposer(s) must retain in order to support PRDOH with the Legal Consulting Services in the administration of CDBG-DR and CDBG-MIT Programs. The Selected Proposer(s) will be directly responsible for ensuring the accuracy, timeliness, and completion of all tasks assigned under this contract by the Key Staff.

### **2.1. Staff Requirements**

The Proposer(s) shall have or will secure, at its own expense, all personnel required in performing the services under the legal consulting services contract. PRDOH expects the Selected Proposer(s) to provide competent and fully qualified staff that is authorized or permitted under federal, state, and local law to perform the scope of work under this contract. The PRDOH reserves the right to request the removal of any staff not performing to standard. No personnel may be added to the resulting contract without the written consent of the PRDOH.

#### **2.1.1. Staff Experience and Qualifications**

The Proposer(s) shall provide detailed information about the experience, capacity, and qualifications through its organization and/or those of its staff members in circumstances where legal consulting services are required on behalf and representation of the PRDOH.

The Proposer should demonstrate that its staff (and/or subcontractor's staff) has the necessary experience and knowledge to successfully implement and perform the services herein included.

#### **2.1.2. Organizational and Staffing Plan**

Proposer shall submit to the PRDOH an initial organizational chart detailing the identity of each person (whether employed by Proposer or a subcontractor) who shall perform any legal consulting service required or work on the CDBG-DR and/or MIT Programs. The Proposer's organization and staffing plan shall specifically include the required number of personnel, role, and responsibilities of each person on the project, name of the resource or subcontractor, and résumé or professional information. When applicable, the Proposer should include a good standing certification from the higher-level court that each staff member is admitted to. The Proposer should demonstrate their ability to adequately staff and scale each functional area to maintain the agreed-upon service levels throughout the life of the Program. Proposer shall specifically identify people currently employed by the Proposer who will serve as Key Staff.

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Proposer shall have one or more of the following key staff available for the assignment, depending on the areas of practice and its requirements:

**Table 1. Key Staff\***

Key Staff	Requirements for the Position	Roles & Responsibilities of the Position
<b>Senior Attorney</b>	<ul style="list-style-type: none"> <li>+ Must have <b>ten (10) years</b> of experience practicing law in local and/or federal forums, in commercial transactions and construction developments.</li> <li>+ Must have <b>five (5) years</b> of proven experience with complex real estate transactions.</li> <li>+ Must have <b>five (5) years</b> of proven experience in drafting master commercial loan and construction loan closing legal documentation pursuant to Puerto Rico laws, including but not limited to loan agreements, deeds, instruments and documentation necessary to perfect liens over personal and commercial properties.</li> <li>+ Must have <b>five (5) years</b> of proven experience in analysis of contracts, agreements, and similar documents to ensure full compliance with loan approval terms and conditions.</li> <li>+ Experience in Government Services, Government Agencies, and governmental regulators.</li> <li>+ Exceptional legal drafting skills</li> </ul>	<ul style="list-style-type: none"> <li>+ Provide specialized legal counsel and strategic guidance to senior and executive-level management in commercial and real estate transactions and construction developments.</li> <li>+ Oversees the operational planning of the contract, establishment, execution, and evaluates the activities to be delegated to other attorneys.</li> <li>+ Serves as the Point of Contact (<b>POC</b>) and liaison with PRDOH on operational matters.</li> <li>+ Appear before local and/or federal, courts and/or administrative forums, in the representation of PRDOH, if requested.</li> </ul>
<b>Associate Attorney</b>	<ul style="list-style-type: none"> <li>+ Must have <b>five (5) years</b> of experience practicing law in local and/or federal forums depending on the area of practice.</li> <li>+ Must have <b>three (3) years</b> of proven experience with complex real estate and commercial transactions.</li> <li>+ Must have <b>three (3) years</b> of proven experience in drafting master commercial loan and construction loan closing legal documentation pursuant to Puerto Rico laws, including but not limited to loan agreements, deeds, instruments and documentation necessary to perfect liens over personal and commercial properties.</li> <li>+ Must have <b>three (3) years</b> of proven experience in analysis of contracts, agreements, and similar documents to ensure full compliance with loan approval terms and conditions.</li> <li>+ Vast experience in applying written law.</li> <li>+ Exceptional legal drafting skills.</li> </ul>	<ul style="list-style-type: none"> <li>+ Prepares and drafts documents, briefs, and memoranda of law related to commercial loan and construction loan closing legal documentation.</li> <li>+ Interprets and applies legislation, case law, and decisions.</li> <li>+ Directs information for legal research.</li> <li>+ Manages monthly status reports to PRDOH.</li> </ul>
<b>Junior Attorney</b>	<ul style="list-style-type: none"> <li>+ Must have <b>one (1) year</b> of experience practicing law in the local forums. Federal practice experience is a plus.</li> <li>+ Exceptional legal drafting skills</li> </ul>	<ul style="list-style-type: none"> <li>+ Assists in the preparation and drafting of legal documents and memoranda.</li> <li>+ Responsible for legal research and knowledge of the decisions and statutes of the matter under review.</li> </ul>

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\* At least one of the Key Staff must be an Attorney at Law in good standing and authorized to practice law before the Supreme Court of Puerto Rico. At least one of the Key Staff named above must be a Puerto Rico Notary Public and in good standing with the Supreme Court of Puerto Rico, with the possibility to be designated as Notary Public for the commercial loan and construction loan closings. In addition, the Notary Public must have a valid Notary Bond.

### 3. Legal Services Requirements

The Proposer(s) shall be able to provide legal services related to IPG Program, the Economic Development Portfolio, CDBG-DR, and CDBG-MIT funded programs on an as-needed basis.

#### 3.1. Services

The following is a non-exhaustive list of the services the Legal Counsel could be performing:

- Perform review and analysis of complex real estate transactions.
- Make recommendations of possible courses of action to be taken in connection with the analysis of complex real estate transactions necessary to complete loan closings.
- Draft master commercial loan and construction loan closing legal documentation.
- Analysis and review of Uniform Commercial Code (**UCC**) search reports and similar documents pertaining to liens over personal property to be perfected as part of the commercial and construction loans transactions under the Program.
- Provide legal counsel related to the Registry of Commercial Transactions documentation necessary to perfect liens over personal property pursuant to closing legal documents consistent with loan approval terms and conditions, Program Guidelines, and applicable Federal Laws, Rules, and Regulations.
- Provide legal counsel related to real estate properties' tax status at the Puerto Rico Internal Revenue Collections Center (**CRIM**, for its Spanish language acronym).
- Make recommendations to solve any issues regarding real estate properties' tax status in the CRIM.
- Provide legal counsel related to title search reports, title policies, and similar documents pertaining to liens to be perfected as part of the commercial and construction loans transactions under the Program.
- Provide legal counsel related to the Registry of Property deeds and related documents necessary to perfect mortgage and other liens in real property pursuant to closing legal documents.
- Recommend alternatives under different legal scenarios in connection with the analysis and perfection of liens over real estate for transactions necessary to complete loan closings.

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- Serve as Notary Public for the commercial loan and construction loan closings, as requested by PRDOH.
- Review and analyze contracts, agreements, and similar documents to ensure full compliance with loan approval terms and conditions, Program Guidelines, and applicable Federal Laws, Rules, and Regulations.
- Assist in the drafting and/or provide legal counsel related to deeds or necessary instruments on real property owned by PRDOH or any other governmental agency based upon the applicable laws and regulations.
- Assist in the drafting and/or provide legal counsel related to necessary documents for registration of the real property in the Puerto Rico Property Registry.
- Answers requests for legal opinions, in writing and verbally. Prepares written legal opinions at the request of the PRDOH.
- Any other legal advice, as needed.

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### **3.2. Additional Services (Allowances)**

The Selected Proposer may be required to perform additional related Legal Consulting Services for Commercial Transactions and Construction Developments for the CDBG-DR and CDBG-MIT programs portfolio as per PRDOH's request. When required, the Proposer must provide information and costs regarding the services and submit a Request for Authorization (RFA) for the approval of the PRDOH for use of the allowance prior execution of the work or expense.

Also, the Legal Consulting Services for Commercial Transactions and Construction Developments may require the Selected Proposer to sub-contract specialized services. In that event, the Selected Proposer must submit a list of the specialized services to be sub-contracted among those listed below. The information should include a brief information about the services contained within, name of the resource or subcontractor, résumé or professional information and rate per hour or per task, as applicable.

Whenever a specialized service will be used, the Selected Proposer will submit to the PRDOH an RFA, which includes the justification and costs for the services to be subcontracted or performed by the Selected Proposer. The costs for specialized services on as-needed basis will be covered by the contract's allowance, after the RFA is approved by PRDOH. Since the costs for specialized services will be paid from an allowance, if needed and after approval, the Selected Proposer shall not include any amount for specialized services in its Cost Proposal in response to this RFP.

The following services/costs, but not limited to, are considered specialized (this is not an all-inclusive list):

- Stamps and vouchers
- Presentation of documents in "Registro de la Propiedad de Puerto Rico"
- Recording Fee
- Other services/costs as determined by PRDOH

### **4. Deliverables**

At a minimum, the key deliverables to be produced through this RFP shall include such items as:

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- Timely addressing of Specific Legal Consulting Services as defined in **Section 3** of this document.
- Proposer(s) shall be prepared to submit detailed billing statements for all services billed. The cost of online legal research engines and any other software platform used by Proposer to provide the requested services cannot be transferred or billed to PRDOH.
- Proposer(s) shall also submit monthly reports including summaries of work performed on services with all necessary backup documentation.
- Finished services shall be delivered as instructed by PRDOH when they are assigned.
- Master commercial loan and construction loan drafts.
- Any other document, report, presentation, template, or service as may be required by the PRDOH.

## 5. Response Requirements

In response to this Solicitation, Proposers should return the entire completed Proposal Submission package. Proposers should carefully follow the format and instructions outlined therein. All documents and information must be fully completed and signed as required.

The Proposal shall be written quite detailed to permit the PRDOH to conduct a meaningful evaluation of the qualifications. However, overly elaborate responses are not requested or desired.

**NOTE:** FALSE OR MISLEADING STATEMENTS REGARDING STAFF QUALIFICATIONS OR PRIOR PROJECTS WILL RESULT IN THE DISQUALIFICATION OF THE RESPONSE AND CANCELLATION OF ANY RESULTING PURCHASE ORDER OR CONTRACT IF DISCOVERED AFTER AWARD.

## 6. SAM Registry

Proposers must be registered in the System for Award Management (**SAM**) at the time of the Proposal submission or initiate the registration process right after the Proposal submission. For more information about SAM go to <https://www.sam.gov/SAM/>. Awards will only be issued to entities which are cleared and not ineligible for award of a contract due to suspension, debarment, or HUD imposed limited denial of participation.

## 7. PRDOH's Reservation of Rights

The PRDOH reserves the right, without limitations, to:

- (i) Reject any or all Proposals, to waive any informality in the RFP process, or to terminate the RFP process at any time, if deemed to be in its best interests.
- (ii) Reject and not consider any Proposal that does not meet the requirements of this RFP, including but not necessarily limited to incomplete Proposal and/or Proposal offering alternate or non-requested services.
- (iii) Cancel this solicitation and reissue the RFP or another version of it, if it deems that doing so is in the best interest of the Public Interest.
- (iv) PRDOH shall have no obligation to compensate any Proposer for any costs incurred in responding to this RFP.
- (v) To reduce or increase estimated or actual quantities in whatever amount necessary without prejudice or liability to, if:
  - a. Funding is not available.
  - b. Legal restrictions are placed upon the expenditure of monies for this category.
  - c. PRDOH's requirements in good faith change after award of the contract.
- (vi) To require additional information from all Proposers to determine the level of responsibility.

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- (vii) To contact any individuals, entities, or organizations that have had a business relationship with the Proposer, regardless of their inclusion in the reference section of the Proposal submittal.
- (viii) To contract with one or more Selected Proposers for Legal Consulting Services as a result of the award or the cancellation of this RFP.

The Proposer shall be responsible for completing the activities outlined in this Scope of Services. The Selected Proposer shall assist PRDOH by providing additional resources to accomplish assignments authorized by the PRDOH.

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## **END OF SCOPE OF SERVICES**

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GOVERNMENT OF PUERTO RICO  
DEPARTMENT OF HOUSING

## ATTACHMENT C COST FORM

### Request for Proposals

#### Legal Consulting Services

#### Commercial Transactions and Construction Developments

#### Community Development Block Grant – Disaster Recovery

#### Puerto Rico Department of Housing

CDBG-DR-RFP-2022-05

**Name of Proposer** Marini Pietrantonio & Muñiz, LLC

Position	Qty. of Resources [ A ]	Max. Hours per Months [ B ]	Rate Per Hour [ C ]	Max. Monthly Cost [ D = (AxB)xC ]
Senior Attorney	1	20	\$ 225.00	\$ 4,500.00
Associate Attorney	1	25	\$ 190.00	\$ 4,750.00
Junior Attorney	1	35	\$ 140.00	\$ 4,900.00
<b>Total Cost per Month</b>				\$ 14,150.00
<b>Total Allowance</b>				\$ 12,500.00
<b>Total Cost of Services for 12 Months</b>				\$ 182,300.00

#### Notes on Proposal Cost

1) Hourly Rates include overhead, profit, royalties, reimbursements, travel, fringe benefits, taxes, as well as any other additional fees and administrative costs applicable to the services.

2) Services will be provided on an on-call basis by the contractor. Therefore, there could be months where the estimated monthly cost is an approximate of the amount stated in the estimate. The contract is expected to function as a not-to-exceed maximum amount from which services will be invoiced based on actual hours worked by each resource.

3) Estimated costs for each position should not be interpreted as a cap of costs or hours that may be invoiced for a specific position. Invoicing shall be based on the actual needs of resources for the services requested by the PRDOH.

4) Services will be provided according to the existing need, in alignment with the Scope of Services and never exceeding the allowable funds for these services.

5) This Allowance is not to be considered overhead and profit fees.

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**ATTACHMENT D**  
**INSURANCE REQUIREMENTS**  
**Request for Proposals**  
**Legal Consulting Services**  
**For Commercial Transactions and Construction Development**  
**Community Development Block Grant – Disaster Recovery**  
**Puerto Rico Department of Housing**  
**Contract Division**

**SPECIAL INSURANCE AND BONDING SPECIFICATIONS**  
**FOR PROFESSIONAL SERVICES**

**LICITATION NUMBER -CDBG-DR-RFP-2022-05**

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- A. The successful proposer before commencing work or receiving a written notice to proceed with, or being allowed to start to work, must submit **Puerto Rico Department of Housing (\*PRDOH)** the hereafter mentioned Insurance policies and/or bonds, thus including all endorsements and agreements required under the special contractual conditions as per the following:

**1. (X) State Insurance Fund Worker's Compensation Insurance Policy**

In accordance with the Worker's Compensation Act No. 45, to facilitate its acquisition, the **\*PRDOH** shall provide a letter to the successful proposer addressed to the State Insurance Fund.

**2. (X) Commercial General Liability (Broad Form) including the following Insurance Coverages**

COVERAGE	LIMIT
<b>I. Commercial General Liability:</b>	
• Per Occurrence	\$1,000,000
• General Aggregate	\$2,000,000
• Products & Complete Operations	\$1,000,000
• Personal Injury & Advertising	\$1,000,000
• Fire Damage	\$ 100,000
• Medical Expense	\$ 5,000

**INSURANCE REQUIREMENTS**  
**Request for Proposals**  
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COVERAGE	LIMIT
<b>II. Employer's Liability Stop Gap:</b>	
<ul style="list-style-type: none"> <li>Bodily Injury by Accident Each Employee Each Accident</li> </ul>	\$1,000,000 \$1,000,000 \$1,000,000
<ul style="list-style-type: none"> <li>Bodily Injury by Disease Each Employee</li> </ul>	\$1,000,000 \$1,000,000

**3. (X) Comprehensive Automobile Liability Form including the following Insurance coverages**

LIMIT
<ul style="list-style-type: none"> <li>Auto Liability - \$1,000,000</li> <li>Physical Damages - \$1,000,000</li> <li>Medical Payments - \$ 10,000</li> </ul>
<b>The Commercial Auto cover must be applied to the following symbols:</b>
<ul style="list-style-type: none"> <li>Liability Coverage -1</li> <li>Physical Damages – 2 and 8</li> <li>Hired – Borrowed Auto – 8</li> <li>Non-Owned Auto Liability – 9</li> </ul>

**4. (X) Professional Liability and Errors & Omissions**

**(X) A.** Risk, interest, location and limits

**(X) A.1** Description of work to be done

**(X) A.2** Limits:

(X) Each occurrence	\$2,000,000
(X) Aggregate	\$2,000,000
(X) Deductible	\$ 5,000

**INSURANCE REQUIREMENTS**  
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(X) **A.3** Certification that the insurance contract has been given as surplus lines coverage under the Commonwealth Insurance Code, when applicable.

**5. (X) Employment Practices Liability**

Limit - \$2,000,000

**6. (X) Cyber Liability**

Limit - \$1,000,000

**7. Umbrella**

Limit - \$2,000,000

- 8. (X)** The policies to be obtained must contain the following endorsements including as additional insured the ***Puerto Rico Department of Housing (\*PRDOH), U.S. Department of Housing and Urban Development (HUD), and the Government of Puerto Rico.***

- (X) **a. Breach of warranty**
- (X) **b. Waiver and / or Release of Subrogation**
- (X) **c. Additional Insured Clause**
- (X) **d. Hold Harmless Agreement**
- (X) **e. 30 Days Cancellation Clause**

- 9. (X)** The Insurance carrier or carriers, which will present said certificates of insurance, must have at least a B+ rating according to the Best Rating Guide.

**B. IMPORTANT NOTICE TO INSURANCE AND SURETY COMPANIES AND THEIR REPRESENTATIVES**

All insurance companies and all guarantors who issue policies or bonds under our special contractual conditions are subject to:

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**INSURANCE REQUIREMENTS**  
**Request for Proposals**  
**Legal Consulting Services**  
**For Commercial Transactions and Construction Developments**  
**Community Development Block Grant – Disaster Recovery**  
**Puerto Rico Department of Housing**  
**Contract Division**

1. Be authorized to do business within the Commonwealth of Puerto Rico and have the corresponding license issued by the Commissioner of Insurance.
2. To be enjoying a good economic situation and to be classified under the Category of B+ by the "Best Rating Guide".
3. Submit to the **\*PRDOH** a written certification as evidence of full payment of premiums by the Contractor. Mention each risk coverage premium separately.
4. Avoid sub-contractual obligations of premium financing or any other kind, which may be detrimental to the public interest.
5. Avoid any request for cancellation by the contractor prior to the expiration date of the policy, without the consent of the Contract Division of the **\*PRDOH**: Discuss any refund of unearned premium.
6. Follow all Federal Bail and Acceptance Insurance Regulations, when applicable.
7. Indicate in the appropriate place of all insurance policies and/or bonds, the full description of the project, work or service to be rendered.
8. Not to make any amendments to insurance policies and bonds issued under the special conditions mentioned above, unless approved by the Insurance Section of the **\*PRDOH**.
9. To ensure that all insurance policies or bonds are issued to comply with all of our special insurance conditions with respect to the period of coverage, type of risk coverage, as well as all limits, as specified, and also to eliminate those exclusions in accordance with our request.
10. Clarify any questions regarding insurance requirements by any means of communication with the Insurance Section of the **\*PRDOH** under the Secretary for Legal Affairs.

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**INSURANCE REQUIREMENTS**  
**Request for Proposals**  
**Legal Consulting Services**  
**For Commercial Transactions and Construction Developments**  
**Community Development Block Grant – Disaster Recovery**  
**Puerto Rico Department of Housing**  
**Contract Division**

**C. EVIDENCE OF INSURANCE COVERAGE OF EACH SUBCONTRACTOR TO BE SUBMITTED BY THE SUCCESSFUL PROPOSER AS THE PRIME CONTRACTOR:**

The successful proposer, as the prime contractor, has the duty to require each of the subcontractors or subcontractors to maintain in force all insurance policies and/or bonds necessary to cover their individual participation in the risk or risks related to the subcontracted work or service to be rendered.

Therefore, we emphasize that prior to commencing work or receiving written notice to proceed with such work, or being authorized to commence work, the successful prime contractor has the responsibility to provide the **\*PRDOH** with all the Certificates of Insurance as evidence to the effect that all insurance and/or bonds required under the special conditions are current and duly approved by the Contract Division of the **\*PRDOH**.

All insurance policies shall remain in effect for the entire contractual period. In case of any order of change and/or amendment resulting in alteration of the original project completion date or total original cost, the prime contractor shall take the necessary steps to request the insurer to include such changes in all related insurance policies and/or bonds and to submit evidence by appropriate endorsements with effective dates. Cancellations without consent are not accepted.

The **\*PRDOH** reserves the right to stop any work or service under contract until the breach of these requirements has been remedied, so that any delay in the performance of the contract based on any breach of the insurance coverage requirements shall be deemed the sole responsibility of the Main Contractor.

**D. CONFLICT OR DIFFERENCE BETWEEN THE SPECIFICATIONS OF THE TENDERING, PROCEDURE AND SPECIAL INSURANCE CONDITIONS AND BONDS, AS PER INSURANCE REQUIREMENTS.**

In the event of any conflict or difference in the description of coverage or in amounts or limits, etc., with respect to Insurance Requirements, the "Special Conditions of Insurance and Bonds" as set forth in this **Insurance Requirements** shall prevail over any other insurance specifications.

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**INSURANCE REQUIREMENTS**  
**Request for Proposals**  
**Legal Consulting Services**  
**For Commercial Transactions and Construction Developments**  
**Community Development Block Grant – Disaster Recovery**  
**Puerto Rico Department of Housing**  
**Contract Division**

*PRDOH reserves the right to modify any Insurance Requirements at any time, in accordance with the Program's needs.*

**E. CERTIFICATE OF CONTRACT DIVISION**

We hereby certify, to our best knowledge and understanding, that we have prepared the aforementioned *"Insurance and Bonds Special Conditions"* after a proper evaluation of the related risks, based on the information of the nature of the project and description submitted to us, as requested by the Contracting Program through a written application.

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**DESCRIPTION OF THE SERVICES:**  
**Legal Consulting Services**

February 25, 2022  
Date

Sonia Damaris Rodríguez  
Sonia Damaris Rodríguez  
Insurance Specialist  
CDBG-DR Program



## ATTACHMENT E HUD GENERAL PROVISIONS

Given that the Contract involves funds for which the U.S. Department of Housing and Urban Development (**HUD**) is the oversight agency, the following terms and conditions may apply to this Contract. In addition, Contractor shall comply with the Federal Labor Standards Provisions set forth in Form HUD-4010, available at <https://www.hudexchange.info/resource/2490/hud-form-4010-federal-labor-standards-provisions/>.

The CONTRACTOR shall include these terms and conditions in all subcontracts or purchase orders directly servicing the Contract.

These general provisions may be updated from time to time. It is the sole responsibility of the CONTRACTOR to be aware of any changes hereto, to amend and implement such changes and to ensure subcontracts terms and conditions are modified as necessary, if any.

### General Provisions:

#### 1. PROVISIONS REQUIRED BY LAW DEEMED INSERTED

Each and every provision of law and clause required by law to be inserted in this Contract shall be deemed to be inserted herein and the Contract shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the Contract shall forthwith be physically amended to make such insertion or correction.

#### 2. STATUTORY AND REGULATORY COMPLIANCE

CONTRACTOR shall comply with all laws and regulations applicable to the Community Development Block Grant-Disaster Recovery funds appropriated by: the Continuing Appropriations Act, 2018, and Supplemental Appropriations for Disaster Relief Requirements, 2017 (**Pub. L. 115-56**) approved on September 8, 2017, as amended; the Bipartisan Budget Act of 2018 (**Pub. L. 115-123**) approved on February 9, 2018, as amended; the Additional Supplemental Appropriations for Disaster Relief Act, 2019, (**Pub. L. 116-20**) approved on June 6, 2019, as amended; as well as including, but not limited to, the applicable Office of Management and Budget Circulars, which may impact the administration of funds and/or set forth certain cost principles, including if certain expenses are allowed.

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### **3. BREACH OF CONTRACT TERMS**

The Puerto Rico Department of Housing (**PRDOH**) reserves its right to all administrative, contractual, or legal remedies, including but not limited to suspension or termination of this Contract, in instances where the CONTRACTOR or any of its subcontractors violate or breach any Contract term. If the CONTRACTOR or any of its subcontractors violate or breach any Contract term, they shall be subject to such sanctions and penalties as may be appropriate. The duties and obligations imposed by the Contract documents, and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law.

### **4. REPORTING REQUIREMENTS**

The CONTRACTOR shall complete and submit all reports, in such form and according to such schedule, as may be required by PRDOH and/or the Government of Puerto Rico. The CONTRACTOR shall cooperate with all the PRDOH and/or the Government of Puerto Rico efforts to comply with HUD requirements and regulations pertaining to reporting, including but not limited to 24 C.F.R. §§ 85.40-41 (or 84.50-52, if applicable) and § 570.507, when applicable.

### **5. ACCESS TO RECORDS**

The Government of Puerto Rico, the PRDOH, HUD, the Comptroller General of the United States, or any of their duly authorized representatives, shall have, at any time and from time to time during normal business hours, access to any work product, books, documents, papers, and records of the CONTRACTOR which are related to this Contract, for the purpose of inspection, audits, examinations, and making excerpts, copies and transcriptions.

### **6. MAINTENANCE/RETENTION OF RECORDS**

All records (files, data, work product) connected with this Contract will be turned over to PRDOH following the Agreement termination to be maintained for the remainder of the grant and post grant closeout.

### **7. SMALL AND MINORITY FIRMS, WOMEN'S BUSINESS ENTERPRISES, AND LABOR SURPLUS AREA FIRMS**

The CONTRACTOR will take necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used in subcontracting when possible. Steps include, but are not limited to:

- (i) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

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- (ii) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- (iii) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;
- (iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises; and
- (v) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce.

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Additionally, for contracts of **\$10,000 or more**, the CONTRACTOR shall file Form HUD 2516 (Contract and Subcontract Activity) with the PRDOH on a quarterly basis.

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#### **8. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT**

Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 C.F.R. Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements", and any implementing regulations issued by HUD.

#### **9. TITLE VI OF THE CIVIL RIGHTS ACT OF 1964**

The Proposer will comply with the provisions of Title VI of the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, color, or national origin in any program or activity that receives Federal funds or other Federal financial assistance. Programs that receive Federal funds cannot distinguish among individuals on the basis of race, color or national origin, either directly or indirectly, in the types, quantity, quality or timelines of program services, aids or benefits that they provide or the manner in which they provide them. This prohibition applies to intentional discrimination as well as to procedures, criteria or methods of administration that appear neutral but have a discriminatory effect on individuals because of their race, color, or national origin. Policies and practices that have such an effect must be eliminated unless a recipient can show that they were necessary to achieve a legitimate nondiscriminatory objective.

#### **10. SECTION 109 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974**

The CONTRACTOR shall comply with the provisions of Section 109 of the Housing and Community Development Act of 1974. No person in the United States shall on the grounds of race, color, national origin, religion or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title. Section 109 further provides

that discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973, as amended, is prohibited.

**11. SECTION 504 OF THE REHABILITATION ACT OF 1973**

The CONTRACTOR shall comply with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), as amended, and any applicable regulations.

The CONTRACTOR agrees that no qualified individual with handicaps shall, solely on the basis of handicap, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance from HUD.

**12. AGE DISCRIMINATION ACT OF 1975**

The CONTRACTOR shall comply with the Age Discrimination Act of 1975 (42 U.S.C. § 6101 et seq.), as amended, and any applicable regulations. No person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to, discrimination under, any program or activity receiving Federal financial assistance.

**13. DEBARMENT, SUSPENSION, AND INELIGIBILITY**

The CONTRACTOR represents and warrants that it and its subcontractors are not debarred or suspended or otherwise excluded from or ineligible for participation in Federal assistance programs subject to 2 C.F.R. Part 2424.

**14. CONFLICTS OF INTEREST**

The CONTRACTOR shall notify the PRDOH as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as defined at 2 C.F.R. Part 215 and 24 C.F.R. § 85.36 or 84.42, if applicable). The CONTRACTOR shall explain the actual or potential conflict in writing in sufficient detail so that the PRDOH is able to assess such actual or potential conflict. The CONTRACTOR shall provide the PRDOH any additional information necessary to fully assess and address such actual or potential conflict of interest. The CONTRACTOR shall accept any reasonable conflict mitigation strategy employed by the PRDOH, including but not limited to the use of an independent subcontractor(s) to perform the portion of work that gives rise to the actual or potential conflict.

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## 15. SUBCONTRACTING

When subcontracting, the CONTRACTOR shall solicit for and contract with such subcontractors in a manner providing for fair competition. Some of the situations considered to be restrictive of competition include, but are not limited to:

- (i) Placing unreasonable requirements on firms in order for them to qualify to do business;
- (ii) Requiring unnecessary experience and excessive bonding;
- (iii) Noncompetitive pricing practices between firms or between affiliated Companies;
- (iv) Noncompetitive awards to consultants that are on retainer contracts,
- (v) Organizational conflicts of interest;
- (vi) Specifying only a brand name product instead of allowing an equal product to be offered and describing the performance of other relevant requirements of the procurement; and
- (vii) Any arbitrary action in the procurement process.

The CONTRACTOR represents to the PRDOH that all work shall be performed by personnel experienced in the appropriate and applicable profession and areas of expertise, taking into account the nature of the work to be performed under this Contract.

The CONTRACTOR will include these HUD General Provisions in every subcontract issued by it, so that such provisions will be binding upon each of its subcontractors as well as the requirement to flow down such terms to all lower-tiered subcontractors.

## 16. ASSIGNABILITY

The CONTRACTOR shall not assign any interest in this Agreement, and shall not transfer any interest in the same (whether by assignment or novation) without prior written approval of the PRDOH.

## 17. INDEMNIFICATION

The CONTRACTOR shall indemnify, defend, and hold harmless the Government of Puerto Rico and PRDOH, its agents and employees, from and against any and all claims, actions, suits, charges, and judgments arising from or related to the negligence or willful misconduct of the CONTRACTOR in the performance of the services called for in this Contract.

## 18. COPELAND "ANTI-KICKBACK" ACT

### (Applicable to all construction or repair contracts)

Salaries of personnel performing work under this Contract shall be paid unconditionally and not less often than once a month without payroll deduction or rebate on any

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account except only such payroll deductions as are mandatory by law or permitted by the applicable regulations issued by the Secretary of Labor pursuant to the Copeland "Anti-Kickback Act" of June 13, 1934 (48 Stat. 948; 62 Stat. 740; 63 Stat. 108; Title 18 U.S.C. § 874; and Title 40 U.S.C. § 276c). The CONTRACTOR shall comply with all applicable "Anti-Kickback" regulations and shall insert appropriate provisions in all subcontracts covering work under this Agreement to ensure compliance by subcontractors with such regulations, and shall be responsible for the submission of affidavits required of subcontractors thereunder except as the Secretary of Labor may specifically provide for variations of or exemptions from the requirements thereof.

**19. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT**

**(Applicable to construction contracts exceeding \$2,000 and contracts exceeding \$2,500 that involve the employment of mechanics or laborers)**

The CONTRACTOR shall comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 3701-3708) as supplemented by Department of Labor regulations (29 C.F.R. Part 5).

All laborers and mechanics employed by CONTRACTORS or subcontractors shall receive overtime compensation in accordance with and subject to the provisions of the Contract Work Hours and Safety Standards Act, and the CONTRACTORS and subcontractors shall comply with all regulations issued pursuant to that act and with other applicable Federal laws and regulations pertaining to labor standards.

**20. DAVIS-BACON ACT**

**(Applicable to construction contracts exceeding \$2,000 when required by Federal program legislation)**

The CONTRACTOR shall comply with the Davis Bacon Act (40 U.S.C. § 3141, *et seq.*) as supplemented by Department of Labor regulations (29 C.F.R. Part 5).

All laborers and mechanics employed by CONTRACTORS or subcontractors, including employees of other governments, on construction work assisted under this Contract, and subject to the provisions of the federal acts and regulations listed in this paragraph, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act.

On a semi-annual basis, the CONTRACTOR shall submit Form HUD 4710 (Semi-Annual labor Standards Enforcement Report) to PRDOH.

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## **21. TERMINATION FOR CAUSE**

### **(Applicable to contracts exceeding \$10,000)**

If, through any cause, the CONTRACTOR shall fail to fulfill in a timely and proper manner his or her obligations under this Contract, or if the CONTRACTOR shall violate any of the covenants, agreements, or stipulations of this Contract, the PRDOH shall thereupon have the right to terminate this Contract by giving written notice to the CONTRACTOR of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the CONTRACTOR under this Agreement shall, at the option of the PRDOH, become the PRDOH's property and the CONTRACTOR shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder. Notwithstanding the above, the CONTRACTOR shall not be relieved of liability to the Government of Puerto Rico and PRDOH for damages sustained by the Government of Puerto Rico and/or PRDOH by virtue of any breach of the Agreement by the CONTRACTOR, and the Government of Puerto Rico and/or PRDOH may withhold any payments to the CONTRACTOR for the purpose of set-off until such time as the exact amount of damages due to the Government of Puerto Rico and/or PRDOH from the CONTRACTOR is determined.

## **22. TERMINATION FOR CONVENIENCE**

### **(Applicable to contracts exceeding \$10,000)**

The PRDOH may terminate this Contract at any time by giving at least ten (10) days' notice in writing to the CONTRACTOR. If the Contract is terminated by the PRDOH as provided herein, the CONTRACTOR will be paid for the time provided and expenses incurred up to the termination date.

## **23. SECTION 503 OF THE REHABILITATION ACT OF 1973**

### **(Applicable to contracts exceeding \$10,000)**

The CONTRACTOR shall comply with Section 503 of the Rehabilitation Act of 1973 (29 U.S.C. § 793), as amended, and any applicable regulations.

Equal Opportunity for Workers with Disabilities:

- 1) The CONTRACTOR will not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The CONTRACTOR agrees to take affirmative action to employ, advance in employment and otherwise

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treat qualified individuals with disabilities without discrimination based on their physical or mental disability in all employment practices, including the following:

- (i) Recruitment, advertising, and job application procedures;
- (ii) Hiring, upgrading, promotion, award of tenure, demotion, transfer, layoff, termination, right of return from layoff and rehiring;
- (iii) Rates of pay or any other form of compensation and changes in compensation;
- (iv) Job assignments, job classifications, organizational structures, position descriptions, lines of progression, and seniority lists;
- (v) Leaves of absence, sick leave, or any other leave;
- (vi) Fringe benefits available by virtue of employment, whether or not administered by the CONTRACTOR;
- (vii) Selection and financial support for training, including apprenticeship, professional meetings, conferences, and other related activities, and selection for leaves of absence to pursue training;
- (viii) Activities sponsored by the CONTRACTOR including social or recreational programs; and
- (ix) Any other term, condition, or privilege of employment.

- 2) The CONTRACTOR agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the act.
- 3) In the event of the CONTRACTOR's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the act.
- 4) The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Deputy Assistant Secretary for Federal Contract Compliance Programs, provided by or through the contracting officer. Such notices shall state the rights of applicants and employees as well as the CONTRACTOR'S obligation under the law to take affirmative action to employ and advance in employment qualified employees and applicants with disabilities. The CONTRACTOR must ensure that applicants and employees with disabilities are informed of the contents of the notice (e.g., the CONTRACTOR may have the notice read to a visually disabled individual, or may lower the posted notice so that it might be read by a person in a wheelchair).
- 5) The CONTRACTOR will notify each labor organization or representative of workers with which it has a collective bargaining agreement or other contract understanding,

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that the CONTRACTOR is bound by the terms of Section 503 of the Rehabilitation Act of 1973, as amended, and is committed to take affirmative action to employ and advance in employment individuals with physical or mental disabilities.

- 6) The CONTRACTOR will include the provisions of this clause in every subcontract or purchase order in excess of \$10,000, unless exempted by the rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the act, as amended, so that such provisions will be binding upon each subcontractor or vendor. The CONTRACTOR will take such action with respect to any subcontract or purchase order as the Deputy Assistant Secretary for Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

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#### **24. EQUAL EMPLOYMENT OPPORTUNITY**

##### **(Applicable to construction contracts and subcontracts exceeding \$10,000)**

The CONTRACTOR shall comply with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 C.F.R. chapter 60).

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During the performance of this Agreement, the CONTRACTOR agrees as follows:

- 1) The CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The CONTRACTOR shall take affirmative action to ensure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- 2) The CONTRACTOR shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by Contracting Officer setting forth the provisions of this non-discrimination clause. The CONTRACTOR shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- 3) The CONTRACTOR will, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.



- 4) The CONTRACTOR will send to each labor union or representative of workers with which he or she has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers representative of the CONTRACTOR's commitments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- 5) The CONTRACTOR will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.
- 6) The CONTRACTOR will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to books, records and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.
- 7) In the event of the CONTRACTOR's non-compliance with the non-discrimination clause of this Agreement or with any of such rules, regulations or orders, this Agreement may be cancelled, terminated or suspended in whole or in part and the CONTRACTOR may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order 11246 and such other sanctions as may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.
- 8) CONTRACTOR shall incorporate the provisions of 1 through 7 above in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor so that such provisions shall be binding on such subcontractor. The CONTRACTOR will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for non-compliance, provided, however, that in the event the CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the CONTRACTOR may request the United States to enter into such litigation to protect the interests of the United States.

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**25. CERTIFICATION OF NONSEGREGATED FACILITIES**  
**(Applicable to construction contracts exceeding \$10,000)**

The CONTRACTOR certifies that it does not maintain or provide for its establishments, and that it does not permit employees to perform their services at any location, under its control, where segregated facilities are maintained. It certifies further that it will not maintain or provide for employees any segregated facilities at any of its establishments, and it will not permit employees to perform their services at any location under its control where segregated facilities are maintained. The CONTRACTOR agrees that a breach of this certification is a violation of the equal opportunity clause of this Agreement.

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As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms, and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation and housing facilities provided for employees which are segregated by explicit directive or are, in fact, segregated on the basis of race, color, religion, or national origin because of habit, local custom, or any other reason.

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The CONTRACTOR further agrees that (except where it has obtained for specific time periods) it will obtain identical certification from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the equal opportunity clause; that it will retain such certifications in its files; and that it will forward the preceding notice to such proposed subcontractors (except where proposed subcontractors have submitted identical certifications for specific time periods).

**26. CERTIFICATION OF COMPLIANCE WITH CLEAN AIR AND WATER ACTS**  
**(Applicable to contracts exceeding \$100,000)**

**CLEAN AIR ACT**

- 1)---The CONTRACTOR agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
- 2)---The CONTRACTOR agrees to report each violation to the PRDOH and understands and agrees that the PRDOH will, in turn, report each violation as required to assure notification to the Government of Puerto Rico, HUD, and the appropriate Environmental Protection Agency Regional Office.

- 3)–The CONTRACTOR agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by HUD.

#### **WATER POLLUTION CONTROL ACT**

- 1)–The CONTRACTOR agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. §1251, *et seq.*
- 2)–The CONTRACTOR agrees to report each violation to the PRDOH and understands and agrees that the PRDOH will, in turn, report each violation as required to assure notification to the Government of Puerto Rico, HUD, and the appropriate Environmental Protection Agency Regional Office.
- 3)–The CONTRACTOR agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by HUD.

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The CONTRACTOR and all subcontractors shall comply with the requirements of the Clean Air Act, as amended, 42 U.S.C. § 7401 *et seq.*, the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 *et seq.*, and the regulations of the Environmental Protection Agency with respect thereto, at 40 C.F.R. Part 15 and 32, as amended, Section 508 of the Clean Water Act (33 U.S.C. § 1368) and Executive Order 11738.

In addition to the foregoing requirements, all nonexempt contractors and subcontractors shall furnish to the owner, the following:

- 1) A stipulation by the CONTRACTOR or subcontractors, that any facility to be utilized in the performance of any nonexempt contract or subcontract, is not listed on the Excluded Party Listing System pursuant to 40 C.F.R. Part 32 or on the List of Violating Facilities issued by the Environmental Protection Agency (**EPA**) pursuant to 40 C.F.R. Part 15, as amended.
- 2) Agreement by the CONTRACTOR to comply with all the requirements of Section 114 of the Clean Air Act, as amended, (42 U.S.C. § 7414) and Section 308 of the Federal Water Pollution Control Act, as amended, (33 U.S.C. § 1318) relating to inspection, monitoring, entry, reports and information, as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.

- 3) A stipulation that as a condition for the award of the Agreement, prompt notice will be given of any notification received from the Director, Office of Federal Activities, EPA, indicating that a facility utilized, or to be utilized for the Agreement, is under consideration to be listed on the Excluded Party Listing System or the EPA List of Violating Facilities.
- 4) Agreement by the CONTRACTOR that he or she will include, or cause to be included, the criteria and requirements in paragraph (1) through (4) of this section in every nonexempt subcontract and requiring that the CONTRACTOR will take such action as the government may direct as a means of enforcing such provisions.

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**27. ANTI-LOBBYING (Applicable to contracts exceeding \$100,000)**

By the execution of this Contract, the CONTRACTOR certifies, to the best of his or her knowledge and belief, that:

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- 1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the CONTRACTOR, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- 2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the CONTRACTOR shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities", in accordance with its instructions.
- 3) The CONTRACTOR shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title

31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

## **28. BONDING REQUIREMENTS**

### **(Applicable to construction and facility improvement contracts exceeding \$100,000)**

The CONTRACTOR shall comply with Puerto Rico bonding requirements, unless they have not been approved by HUD, in which case the CONTRACTOR shall comply with the following minimum bonding requirements:

- 1) A bid guarantee from each bidder equivalent to five percent (5%) of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his or her bid, execute such contractual documents as may be required within the time specified.
- 2) A performance bond on the part of the CONTRACTOR for one hundred percent (100%) of the Agreement price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the CONTRACTOR's obligations under such contract.
- 3) A payment bond on the part of the CONTRACTOR for one hundred percent (100%) of the Agreement price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

## **29. SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968 (As required by applicable thresholds)**

- 1) The work to be performed under this Agreement is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. § 1701u (**Section 3**). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- 2) The parties to this Agreement agree to comply with HUD's regulations in 24 C.F.R. Part 75 which implement Section 3. As evidenced by their execution of this Agreement,

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the parties to this Agreement certify that they are under no contractual or other impediment that would prevent them from complying with the Part 75 regulations.

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- 3) The CONTRACTOR agrees to send to each labor organization or representative of workers with which the CONTRACTOR has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the CONTRACTOR's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
  - 4) The CONTRACTOR agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. Part 75, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. Part 75. The CONTRACTOR will not subcontract with any subcontractor where the CONTRACTOR has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. Part 75.
  - 5) The CONTRACTOR will certify that any vacant employment positions, including training positions, that are filled: (1) after the CONTRACTOR is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. Part 75 require employment opportunities to be directed, were not filled to circumvent the CONTRACTOR's obligations under 24 C.F.R. Part 75.
  - 6) Noncompliance with HUD's regulations in 24 C.F.R. Part 75 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD assisted contracts.
  - 7) With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (46 U.S.C. § 5307) also applies to the work to be performed under this Agreement. Section 7(b) requires that to the greatest extent feasible: (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Agreement that are subject to the provisions of Section 3 and Section 7(b) agree to comply with

Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

- 8) For contracts exceeding \$100,000, the CONTRACTOR shall submit Form HUD 60002 (Section 3 Summary Report) to PRDOH on a quarterly basis, notwithstanding the annual reporting requirement set forth in that form's instructions.

### **30. FAIR HOUSING ACT**

CONTRACTOR shall comply with the provisions of the Fair Housing Act of 1968, as amended. The act prohibits discrimination in the sale or rental of housing, the financing of housing or the provision of brokerage services against any person on the basis of race, color, religion, sex, national origin, handicap or familial status. The Equal Opportunity in Housing Act prohibits discrimination against individuals on the basis of race, color, religion, sex or national origin in the sale, rental, leasing or other disposition of residential property, or in the use or occupancy of housing assisted with Federal funds.

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### **31. ENERGY POLICY AND CONSERVATION ACT**

CONTRACTOR shall comply with mandatory standards and policies relating to energy efficiency as contained in the Government of Puerto Rico's energy conservation plan, issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6201 et seq).

### **32. HATCH ACT**

CONTRACTOR agrees to comply with mandatory standards and policies relating to Hatch Act, Public Law 76-252, as amended.

The Hatch Act applies to political activities of certain state and local employees. As a Puerto Rico Department of Housing CONTRACTOR, you may do any of the following activities: be a candidate in nonpartisan elections; attend political meetings and conventions; contribute money; campaign in partisan elections; and hold office in political parties.

The CONTRACTOR may not do the following activities: be a candidate in partisan elections; use official influence to interfere in elections; coerce political contributions from subordinates in support of political parties or candidates. The office of special counsel operates a website that provides guidance concerning hatch act issues.

### **33. HEALTH AND SAFETY STANDARDS**

All parties participating in this project agree to comply with Sections 107 and 103 of the Contract Work Hours and Safety Standards Act. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in

surroundings or under working conditions, which are unsanitary, hazardous, or dangerous to his or her health and safety as determined under construction, safety, and health standards promulgated by the Secretary of Labor. These requirements do not apply to the purchase of supplies or materials or articles ordinarily available on the open market, or contracts for transportation.

#### **34. PERSONNEL**

The CONTRACTOR represents that it has, or will secure at its own expense, all personnel required in performing the services under this Agreement. Such personnel shall not be employees of, or have any contractual relationship with, the contracting party. All the services required hereunder will be performed by the CONTRACTOR or under its supervision, and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and local law to perform such services. No person who is serving sentence in a penal or correctional institution shall be employed on work under this Contract.

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#### **35. WITHHOLDING OF WAGES**

If in the performance of this Agreement, there is any underpayment of wages by the CONTRACTOR or by any subcontractor thereunder, the PRDOH may withhold from the CONTRACTOR out of payment due to him or her an amount sufficient to pay to employees underpaid the difference between the wages required thereby to be paid and the wages actually paid such employees for the total number of hours worked. The amounts withheld may be disbursed by the PRDOH for and on account of the CONTRACTOR or subcontractor to the respective employees to whom they are due.

#### **36. CLAIMS AND DISPUTES PERTAINING TO WAGE RATES**

Claims and disputes pertaining to wage rates or to classifications of professional staff or technicians performing work under this Contract shall be promptly reported in writing by the CONTRACTOR to the PRDOH for the latter's decision, which shall be final with respect thereto.

#### **37. DISCRIMINATION BECAUSE OF CERTAIN LABOR MATTERS**

No person employed on the services covered by this Agreement shall be discharged or in any way discriminated against because he or she has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable hereunder to his or her employer.

#### **38. INTEREST OF MEMBERS OF LOCAL PUBLIC AGENCY AND OTHERS**



The CONTRACTOR agrees to establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have a family, business, or other tie. The CONTRACTOR will be aware of and avoid any violation of the laws of this State which prohibit municipal officers and employees from having or owning any interest or share, individually or as agent or employee of any person or corporation, either directly or indirectly, in any contract made or let by the governing authorities of such municipality for the construction or doing of any public work, or for the sale or purchase of any materials, supplies or property of any description, or for any other purpose whatsoever, or in any subcontract arising therefrom or connected therewith, or to receive, either directly or indirectly, any portion or share of any money or other thing paid for the construction or doing of any public work, or for the sale or purchase of any property, or upon any other contract made by the governing authorities of the municipality, or subcontract arising therefore or connected therewith.

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The CONTRACTOR will also be aware of and avoid any violation of the laws of this State which prescribe a criminal penalty for any public officer who has an interest in any contract passed by the board of which he or she is a member during the time he or she was a member and for one year thereafter.

#### **39. INTEREST OF CERTAIN FEDERAL OFFICERS**

No member of, or delegate to, the Congress of the United States and no Resident Commissioner shall be admitted any share or part of this Agreement or to any benefit to arise therefrom.

#### **40. INTEREST OF CONTRACTOR**

The CONTRACTOR agrees that it presently has no interest and shall not acquire any interest, direct or indirect, in the above described project or any parcels therein or any other interest which would conflict in any manner or degree with the performance of the Work hereunder. The CONTRACTOR further agrees that no person having any such interest shall be employed in the performance of this Agreement.

#### **41. POLITICAL ACTIVITY**

The CONTRACTOR will comply with the provisions of the Hatch Act (5 U.S.C. § 1501 et seq.), which limits the political activity of employees.

#### **42. RELIGIOUS ACTIVITY**

The CONTRACTOR agrees to abstain from using any funds related to this Agreement for inherently religious activities prohibited by 24 C.F.R. § 570.200(j), such as worship, religious instruction, or proselytization.

#### **43. FLOOD DISASTER PROTECTION ACT OF 1973**

The CONTRACTOR will ensure that procedures and mechanisms are put into place to monitor compliance with all flood insurance requirements as found in the Flood Disaster Protection Act of 1973, 24 C.F.R. § 570.605.

#### **44. LEAD BASED PAINT**

The CONTRACTOR must comply with the regulations regarding lead-based paint found at 24 C.F.R. Part 35 on LEAD-BASED PAINT POISONING PREVENTION IN CERTAIN RESIDENTIAL STRUCTURES with regards to all housing units assisted using CDBG-DR funds.

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#### **45. VALUE ENGINEERING**

**(Applicable to construction contracts exceeding \$2,000 when required by Federal program legislation)**

The CONTRACTOR must comply with the regulations regarding systematic and organized approach to analyze functions of systems, equipment, facilities, services, and materials to ensure they achieve their essential functions at the lowest cost consistent to life cycle in execution, reliability, quality, and safety, in accordance with 24 C.F.R. § 200.318(g).

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## ATTACHMENT F

### CONTRACTOR CERTIFICATION

#### MARINI PIETRANTONI MUÑOZ, LLC

#### I. Contractor (or Subrecipient) Certification Requirement:

1. The expected subcontractor(s) in connection with the contract<sup>1</sup> is (are) the following:
- None.
2. Neither the contractor (or subrecipient) nor any of its owners<sup>2</sup>, partners, directors, officials or employees, has agreed to share or give a percentage of the contractor's (or subrecipient's) compensation under the contract<sup>3</sup> to, or otherwise compensate, any third party, whether directly or indirectly, in connection with the procurement, negotiation, execution or performance of the contract.
3. To the best knowledge of the signatory (after due investigation), no person has unduly intervened in the procurement, negotiation or execution of the contract, for its own benefit or that of a third person, in contravention of applicable law.
4. To the best knowledge of the signatory (after due investigation), no person has: (i) offered, paid, or promised to pay money to; (ii) offered, given, or promised to give anything of value to; or (iii) otherwise influenced any public official or employee with the purpose of securing any advantages, privileges or favors for the benefit of such person in connection with the contract (such as the execution of a subcontract with contractor, beneficial treatment under the contract, or the written or unwritten promise of a gift, favor, or other monetary or non-monetary benefit).
5. Neither the contractor (or subrecipient), nor any of its owners, partners, directors, officials or employees or, to the best of its knowledge (after due investigation), its representatives or sub-contractors, has required, directly or indirectly, from third persons to take any action with the purpose of influencing any public official or employee in connection with the procurement, negotiation or execution of the contract, in contravention of applicable law.

<sup>1</sup> As used herein, the term "contract" is inclusive of any amendments, modifications or extensions.

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

<sup>3</sup> As used herein, the term "contract" is inclusive of any amendments, modifications or extensions.

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

The above certifications shall be signed under penalty of perjury by the Chief Executive Officer (or equivalent highest rank officer) in the following form:

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

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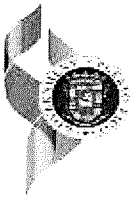
By: Luis C. Marini Biaggi, Esq.  
Title: Capital Member

Signature: \_\_\_\_\_



Date: July 25, 2022

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## ATTACHMENT G

### PERFORMANCE REQUIREMENTS

Performance requirements included in this document will apply to the **CONTRACTOR** and any subcontractor, according to the contract.

#### I. Tasks Assignments

The interpretation of legal matters and compliance under the CDBG-DR Programs requires specialization in the field. Further, the IPG Program requires the drafting of loan closing legal documentation that addresses complex real estate, commercial lending issues. Legal documentation that will be used in the IPG loan closings must adequately protect Program's interests, including but not limited perfection of liens consistent with approved terms and conditions as well as inclusion of all applicable HUD, CDBG-DR federal and state compliance clauses. Also, aforementioned IPG loans closing legal documentation will be based on the Award Notification letter to be issued to Awardees. Accordingly, the drafting of the Award Notification letter requires specialized legal knowledge that integrates commercial lending, real estate as well as HUD, CDBG-DR applicable regulations. The hiring of external law firms for the drafting of the Award Notification letter and the legal documentation that will be used in the IPG Program loan closings as well as certain consultations regarding complex real estate, permits and commercial lending matters is imperative. The IPG funding awarding is based on a competitive case by case basis evaluation process. Hence, the information and communications received at every stage of the process is confidential. The **CONTRACTOR** shall take all measures and implement all controls that are necessary to maintain the information received at a confidential level and available only to the personnel directly working in every IPG Program case. The **CONTRACTOR** shall be bound by a strict code of ethics to preserve and protect both the established federal laws, rules, and regulations pertaining to CDBG-DR Programs.

The **CONTRACTOR** will be directly responsible for ensuring the accuracy, timeliness, and completion of all tasks assigned under this contract. The PRDOH reserves the right to modify or delete the tasks listed and, if appropriate, add additional tasks prior to and during the term of the contract. The PRDOH reserves the right to retain some of these tasks internally. The **CONTRACTOR** will have the expertise and capacity to provide informed legal counsel and take necessary timely actions to ensure appropriate deliverables in response to any request for information, complaint, administrative action, or legal action from citizens, Federal agencies, or other interested parties directed to the PRDOH related to HUD, CDBG-DR, federal laws and regulations, as applicable to loans funded under the IPG Program.

The **CONTRACTOR** is expected to provide counsel and support related actions at the direction of PRDOH in order to support administrative and programmatic compliance,

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minimize administrative burdens, avoid legal vulnerabilities, and vigorously defend the position of PRDOH in any allegation of discrimination or other HUD, CDBG-DR, federal laws and regulations compliance violations. The **CONTRACTOR** will be responsible for the following:

- Provide counsel on the development, review, and implementation of administrative and programmatic documents to ensure compliance with HUD, CDBG-DR and federal laws and regulations;
- Interface with PRDOH and/or IPG Program loan Awardees on matters as required and necessary on behalf of PRDOH, including but not limited to reviewing and responding to requests for information, reviewing and responding to inquiries and comments associated with the IPG loan approved terms and conditions set forth in the Award Notification letter and included within the IPG loan closing legal documents, preparing briefs, memorandums, analyzing data, and providing guidance on strategy to PRDOH;
- Advise PRDOH on appropriate recordkeeping and documentation of actions and communications to ensure a substantive and effective defense to any allegations of civil rights-related non-compliance.
- Prepare responses and related deliverables to any legal action taken by any entity against PRDOH regarding any IPG Program determination;
- Notify PRDOH in writing of any actual or potential conflict of interest within 24 hours of the moment the **CONTRACTOR** becomes aware.
- When providing closing or notarial services, take all necessary measures to ensure that no actual or apparent conflict of interest among the **CONTRACTOR's** staff arises (Chinese wall doctrine);
- Specific tasks include:
  - Perform review and analysis of complex real estate transactions.
  - Make recommendations of possible courses of action to be taken in connection with the analysis of complex real estate transactions necessary to complete loan closings.
  - Draft master commercial loan, construction and other commercial loan closing legal documentation including but not limited to intercreditor agreements, deeds and other legal documentation.
  - Analysis and review of Uniform Commercial Code (UCC) search reports and similar documents pertaining to liens over personal property to be perfected as part of the commercial and construction loans transactions under the Program.
  - Provide legal counsel related to the Registry of Commercial Transactions documentation necessary to perfect liens over personal property pursuant to closing legal documents consistent with loan approval terms and conditions, Program Guidelines, and applicable Federal Laws, Rules, and Regulations.
  - Provide legal counsel related to real estate properties' tax status at the Puerto Rico Internal Revenue Collections Center (CRIM for its Spanish language acronym).

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- Make recommendations to solve any issues regarding real estate properties' tax status in the CRIM, or any other administrative forum or court;
- Provide legal counsel related to title search reports, title policies, and similar documents pertaining to liens to be perfected as part of the commercial and construction loans transactions under the Program;
- Provide legal counsel related to the Registry of Property deeds and related documents necessary to perfect mortgage and other liens in real property pursuant to closing legal documents;
- Recommend alternatives under different legal scenarios in connection with the analysis and perfection of liens over real estate for transactions necessary to complete loan closings;
- Serve as Notary Public for the commercial loan and construction loan closings, as requested by PRDOH;
- Review and analysis of contracts, agreements, and similar documents to ensure full compliance with loan approval terms and conditions, Program Guidelines, and applicable Federal Laws, Rules, and Regulations;
- Assist in the drafting and/or provide legal counsel related to deeds or necessary instruments on real property owned by PRDOH or any other governmental agency based upon the applicable laws and regulations;
- Assist in the drafting and/or provide legal counsel related to necessary documents for registration of the real property in the Puerto Rico Property Registry.
- Answers requests for legal opinions, in writing and verbally. Prepares written legal opinions at the request of the PRDOH;
- Any other legal advice, as needed; and,
- Take any other formal actions as directed by PRDOH.

Above all requirements, the contract will be based on specific task orders requested by PRDOH.

## II. Staff Requirements

The **CONTRACTOR** shall have or will secure, at its own expense, all personnel required in performing the services under this contract. The **CONTRACTOR** is expected to provide competent and fully qualified key staff and personnel that are authorized or permitted under federal, state and local law to perform the Scope of Services (**Attachment C**) under this contract. The PRDOH reserves the right to request the removal of any staff not performing to standard. No personnel may be added to the resulting contract without the written consent of the PRDOH.

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### III. Meetings

The PRDOH may schedule periodic meetings with the **CONTRACTOR** to discuss task status, compliance with contract terms and timely completion of the required tasks, among other matters. The PRDOH may also require the presence (or attendance) of any **CONTRACTOR** or subcontractor official whenever deemed necessary, as well as the production of any relevant document or piece of information.

### IV. Deliverables

At a minimum, the key deliverables to be produced through this contract shall include such items as:

- Timely addressing of Specific Legal Consulting Services as defined in Section I of this document.
- **CONTRACTOR** shall be prepared to submit detailed billing statements for all services billed. The cost of online legal research engines and any other software platform used by **CONTRACTOR** to provide the requested services cannot be transferred or billed to PRDOH.
- **CONTRACTOR** shall also submit monthly reports including summaries of work performed on services with all necessary backup documentation.
- Finished services shall be delivered as instructed by PRDOH when they are assigned.
- Master commercial loan and construction loan drafts.
- Any other document, report, presentation, template, or service as may be required by the PRDOH.

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# MPM AGREEMENT

Final Audit Report

2022-08-16

Created:	2022-08-12
By:	Radames Comas Segarra (rcomas@vivienda.pr.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAJqLBR3VhgCzoqe65ZqSP56-TtOhgs9zk

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Signature Date: 2022-08-16 - 4:47:12 PM GMT - Time Source: server- IP address: 38.50.68.197
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Signature Date: 2022-08-16 - 5:34:33 PM GMT - Time Source: server- IP address: 172.58.225.0
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