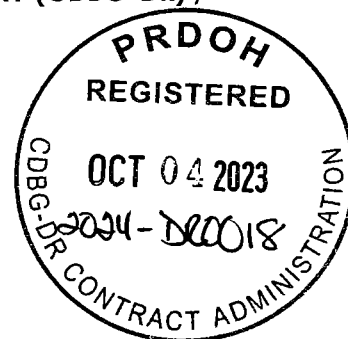




GOVERNMENT OF PUERTO RICO  
DEPARTMENT OF HOUSING

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

**AGREEMENT FOR  
NOTARY PUBLIC SERVICES  
BETWEEN THE  
PUERTO RICO DEPARTMENT OF HOUSING  
AND  
PARTNERS LEGAL SERVICES, P.S.C.**



This **AGREEMENT FOR NOTARY PUBLIC SERVICES (Agreement or Contract)** is entered into in San Juan, Puerto Rico, this 3 of October, 2023, by and between the **PUERTO RICO DEPARTMENT OF HOUSING (PRDOH)**, a public agency created under Act No. 97 of June 10, 1972, as amended, 3 LPRA § 441, et seq., known as the "Organic Act of Department of Housing" with principal offices at 606 Barbosa Avenue, San Juan, Puerto Rico, herein represented by William O. Rodríguez Rodríguez, attorney, of legal age, single, and resident of Guaynabo, Puerto Rico, in his capacity as Secretary; and **PARTNERS LEGAL SERVICES, P.S.C. (CONTRACTOR)**, with principal offices in #100 Rd. 165, Centro Internacional de Mercadeo, Building 1, Suite 210, Guaynabo, Puerto Rico, herein represented by Maritza del Carmen Guzmán Matos, in her capacity as Managing Partner, of legal age, attorney, married, and resident of Guaynabo, Puerto Rico, duly authorized by Corporate Resolution issued on July 26, 2023.

**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 on 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 the Community Development Block Grant – Disaster Recovery (**CDBG-DR**) Program. 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 the 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

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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 FR 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 the grantee of the CDBG-MIT funds allocated to the Government of Puerto Rico.

**WHEREAS**, the PRDOH is interested in contracting a firm to assist PRDOH with Notary Public Services across a broad range of the CDBG-DR/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 related activities.

**WHEREAS**, on December 9, 2022, the PRDOH issued a Request for Proposals (**RFP**) "CDBG-DRMIT-RFP-2022-15" with CDBG-DR/MIT funds. This request was placed through the Registro Único de Subasta (**RUS**, for its Spanish acronym) and the CDBG-DR website. Through this procurement process, PRDOH received seventeen (**17**) proposals. The proposals were evaluated by an Evaluation Committee appointed pursuant to Administrative Order No. 23-03 dated January 17, 2023. The proposals were evaluated in compliance with the requirements set forth in the RFP.

**WHEREAS**, on February 10, 2023, the CONTRACTOR submitted a proposal, which fully complied with the requirements set forth by the PRDOH.

**WHEREAS**, the PRDOH desires to enter into an agreement with **PARTNERS LEGAL SERVICES, P.S.C.** to secure its services and accepts the CONTRACTOR's Proposal and reasonable 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.

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

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## 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** (Compensation Schedule) 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> | Proposal                               |
| <b>Attachment B</b> | Scope of Services                      |
| <b>Attachment C</b> | Compensation Schedule                  |
| <b>Attachment D</b> | Performance Requirements               |
| <b>Attachment E</b> | Insurance Requirements                 |
| <b>Attachment F</b> | HUD General Provisions                 |
| <b>Attachment G</b> | Contractor Certification Requirement   |
| <b>Attachment H</b> | Non-Conflict of Interest Certification |

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. The Agreement shall prevail if any inconsistency appears between the Attachments and this Agreement.

## 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 **twenty-four (24) months**, ending on October, 2, 2025.
- B. Contract Extensions:** PRDOH may, at its sole discretion, extend the Agreement's term for an additional term of **twelve (12) months**, 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** 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 the CONTRACTOR's sole cost.

## IV. COMPENSATION AND PAYMENT

- 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** 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 **TWO MILLION**

**SIXTY-FOUR THOUSAND FOUR HUNDRED TWENTY-SIX DOLLARS AND SIXTY-SIX CENTS (\$2,064,426.66); Account Numbers: mita12adm-doh-na 4190-10-000; mita12adm-doh-na 4190-13-000; mith07sfh-doh-lm 4190-10-000; mith07sfh-doh-lm 4190-13-000; mitm10edi-doh-un 4190-10-000; mitm10edi-doh-un 4190-13-000; r02a01adm-doh-na 4190-10-000; r02a01adm-doh-na 4190-13-000; r02e24edi-ppp-lm 4190-10-000; r02e24edi-ppp-lm 4190-13-000; r02e24edi-ppp-un 4190-10-000; r02e24edi-ppp-un 4190-13-000; r02eqa01admdohna 4190-10-000; r02eqa01admdohna 4190-13-000; r02h07rrr-doh-lm 4190-10-000; and r02h07rrr-doh-lm 4190-13-000.**

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- C. Such payment shall be compensation for all allowable services required, performed, and accepted under this Agreement included in **Attachment B, Attachment C** and **Attachment D**.
- 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 program, 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.”**

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#### 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 the 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 the 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 program 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.

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- 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/MIT Personal Identifiable Information Policy, as found in the CDBG-DR/MIT Website ([www.cdbg-dr.pr.gov](http://www.cdbg-dr.pr.gov)), which is herein included and made an 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 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.

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- 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.

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- 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.

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- D. Equitable Relief:** The CONTRACTOR acknowledges and agrees that a breach of the provision of subparagraph B and C of this Section may 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, if applicable.
- (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, if applicable, 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 Program 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.

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- 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 this Agreement, should the CONTRACTOR breach this 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 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 **Attachment B** and **Attachment D** 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/MIT Website ([www.cdbg-dr.pr.gov](http://www.cdbg-dr.pr.gov)) which is herein included and made an 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.

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- 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, **one hundred dollar (\$100.00)** for each calendar day that any task deliverable required is late until deemed in compliance subject to a maximum of **one thousand five hundred dollars (\$1,500.00)** established in this Contract between PRDOH and the CONTRACTOR, in accordance with **Attachment B** and **Attachment D**. 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) days 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 E**. The CONTRACTOR shall meet all other insurance requirements as may be imposed by PRDOH from time to time.

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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 E** 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.

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## B. Endorsements

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

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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.

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 program 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 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. 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 party claiming Force Majeure shall exercise due diligence to prevent, eliminate, or overcome such Force Majeure event where it is possible to do so and shall resume performance at the earliest possible date.

The CONTRACTOR shall notify the PRDOH in writing as soon as possible, but in any event within **ten (10) business days** of the occurrence of the Force Majeure event and describe in reasonable detail the nature of the Force Majeure event, how the non-performance or delay relates to or arises from the Force Majeure event, its anticipated duration and any action taken to minimize its effect. The CONTRACTOR may be entitled to reasonable adjustments in schedules, among other measures, in the foregoing circumstances. If non-performance continues for more than **thirty (30) days**, without reasonable justification, the PRDOH may terminate this Agreement immediately upon written notification to the CONTRACTOR.

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

The CONTRACTOR shall comply with the ethics requirements set forth herein and warrant

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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

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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, 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

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

Maritza del Carmen Guzmán Matos  
Managing Partner  
Partners Legal Services, P.S.C.  
PMB 767  
1353 Ave. Luis Vigoreaux,  
Guaynabo, PR 00966

## 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 F** (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:** Within **three (3) business days** of its execution, the CONTRACTOR shall notify the Contract Administration Area of the PRDOH CDBG-DR/MIT Legal Division and provide a copy of all subcontracts related to this Agreement and CDBG-DR/MIT funds, as well as any other subcontracts listed in **Attachment G** (Contractor Certification Requirement). The CONTRACTOR is in charge of obtaining all certifications from the subcontractors listed in Article XXIII of this Agreement that are required for technical, professional, or consulting services, as well as submitting them with the copy of the subcontract and adhering to all other requirements set forth in Circular Letter 1300-16-16 from the Puerto Rico Department of Treasury. Technical, professional, or consulting services that are employed to carry out the terms of this Agreement are referred to as subcontractors for the purposes of this article if they spend at least 25% of their time on it.

### **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 F** (HUD General Provisions), **Attachment G** (Contractor Certification Requirement) and following provisions:

- A. Compliance with Executive Order No. 24:** Pursuant to Executive Order No.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 No. 52 of August 28, 1992, amending Executive Order No.1991-24, the CONTRACTOR certifies and warrants that it has made all payments required for unemployment benefits,

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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. Compliance with Circular Letter No. 1300-16-16 of the Puerto Rico Department of Treasury:**

The CONTRACTOR accepts and acknowledges its responsibility of acquiring the certifications required in the Puerto Rico Department of Treasury Circular Letter No. 1300-16-16 issued on January 19, 2016. All certifications must be submitted during their term of validity, in accordance with applicable laws. Certifications expired or issued more than **sixty (60) calendar days** prior to the contract date will not be accepted. The last payment to be made under the contract will only be issued if the 'Debt Certifications' by the Puerto Rico Department of Treasury indicate that the CONTRACTOR has no debt with the Department of Treasury. The CONTRACTOR agrees to cancel any debt that cannot be clarified with the Department of the Treasury through a withholding made by PRDOH from the payments to which it is entitled to receive under the contract.

**D. 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.

**E. 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.

**F. 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.

**G. Compliance with Act No. 45 of April 18, 1935, as amended, 11 LPRA § 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".

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**H. 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.

**I. Compliance with Act No. 168-2000, as amended, 8 LPRA § 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."

**J. Compliance with Act No. 1-2012, as amended, 3 LPRA § 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 the "Puerto Rico Government Ethics Act of 2011", in connection with the possibility of a conflict of interest.

**K. 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, 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.

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

**M. 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 No. 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 No. 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.

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**N. 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.

**O. 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 money received under this Agreement.

**P. Non-Conflict of Interest Certification:** The CONTRACTOR shall comply with **Attachment H** (Non-Conflict of Interest Certification), attached herein and made an integral part of this Agreement, which outlines several situations that may reasonably be considered as conflicts of interest. The aforementioned certification aids PRDOH, in its role as grantee, to identify, evaluate, disclose, and manage apparent potential, or actual conflicts of interest related to CDBG-DR and CDBG-MIT-funded projects, activities, and/or operations.

#### **XXIV. ACT NO. 18 OF OCTOBER 30, 1975, as amended, 2 L.P.R.A. §§ 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's Certification Requirement" is included as **Attachment G** to this contract.

**XXVI. MEMORANDUM NO. 2021-029; CIRCULAR LETTER NO. 013-2021 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.** The PRDOH certifies that the CONTRACTOR was selected as the provider of the services described in this Agreement, pursuant to Executive Order No. 2021-029.
- B.** The Parties certify that they acknowledge the provisions stated in Executive Order No. 2021-029 and CC 013-2021. Any failure to comply with the requirements set forth in Executive Order No. 2021-029 and CC 013-2021 will result in the termination of this Agreement.
- C.** The CONTRACTOR certifies that it has informed PRDOH of any current contractual relationship with any government entities of the Government of Puerto Rico. Accordingly, the CONTRACTOR certifies, as of the date hereof, that it does not have a contractual relationship with any entity of the Government of Puerto Rico, other than the PRDOH.<sup>1</sup> In addition, the CONTRACTOR recognizes and accepts that omitting any information regarding any current contractual relationship with any governmental entity could result in the termination of this agreement if so, required by PRDOH.
- D.** The CONTRACTOR certifies that it has informed the PRDOH whether or not the entity is a public corporation whose shares are exchanged in a stock exchange properly regulated. In the event that the CONTRACTOR certifies that it is not a public

<sup>1</sup> Despite not having a direct contractual relationship with PRDOH, the CONTRACTOR states that it is a sub-tier subcontractor for the Title Clearance Program Service under Contract CDBG-2020-DR0019.

corporation that exchanges shares in a stock change, the CONTRACTOR certifies it has completed the applicable certification as stated in CC-013-2021.

## **XXVII. 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 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, the CONTRACTOR shall comply, without limitation, with those set forth in **Attachment F** and in compliance with all the requirements described in **Attachment G**.

## **XXVIII. 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/MIT 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/MIT Website ([www.cdbg-dr.pr.gov](http://www.cdbg-dr.pr.gov)), which are herein included and made an integral part of this Agreement, as they may be updated from time to time, and reporting requirements as established by the PRDOH.

## **XXIX. 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 the minimum number and job titles subject to hire,

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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.

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**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.

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**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.

**XXX.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.

- 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.

#### **XXXI.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 consideration 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 Exec. Order No. 11246 of September 24, 1965, as amended by Exec. Order No. 11375 of October 13, 1967,

and as supplemented by the rules, regulations, and relevant orders of the United States Secretary of Labor.

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- E. The CONTRACTOR will furnish all information and reports required by Exec. Order No. 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 Exec. Order No. 11246 of September 24, 1965, as amended, and such other sanctions as may be imposed and remedies invoked as provided in Exec. Order No. 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 Exec. Order No. 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.

## XXXII.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:

- a. Competitively within a timeframe providing for compliance with the contract performance schedule;
- b. Meeting contract performance requirements; or
- c. 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 website, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.

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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:

- a. 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);

- b. procuring solid waste management services in a manner that maximizes energy and resource recovery; and
- c. establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

### **XXXIII. 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 are convicted of a criminal drug offense in the workplace no later than **ten (10) days** after such conviction.

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### **XXXIV.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.

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

The CONTRACTOR certifies that it is cleared and eligible for award of a contract and is not suspended, debarred, or on a HUD-imposed limited denial of participation. Subsequently, 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 may impact obligations and payments under this Agreement.



**XXXVI. 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.

**XXXVII. 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.

**XXXVIII. 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.

**XXXIX. 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 a written document signed by both PRDOH and the CONTRACTOR.

**XL. 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.

**XLI. 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.

**XLII. 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.

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#### **XLIII. 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.

#### **XLIV. 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 specifically stated in those documents, the order of precedence shall be: Federal laws, regulations, and policies applicable to this Agreement, this Contract and the HUD General Provisions (**Attachment F**), the Scope of Services (**Attachment B**), the Performance Requirements (**Attachment D**), the Compensation Schedule (**Attachment C**), and lastly, the CONTRACTOR's proposal (**Attachment A**).

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#### **XLV. 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, Superior Court of San Juan, Puerto Rico.

#### **XLVI. 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.

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.

## **XLVII. 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.

## **XLVIII. 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.

## **XLIX. 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.

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CONTRACTOR must refund such recaptured payments within **thirty (30) business days** after the PRDOH issues notice of recapture to CONTRACTOR.

**L. 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.

**LI. 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.

**LII. 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.

**LIII.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**

**PARTNERS LEGAL SERVICES, P.S.C.**

William O. Rodríguez Rodríguez  
William O. Rodríguez Rodríguez (Oct 3, 2023 19:01 EDT)

William O. Rodríguez Rodríguez, Esq.  
Secretary

Maritza Guzman Matos  
Maritza Guzman Matos (Oct 3, 2023 12:06 EDT)

Maritza del Carmen Guzmán Matos  
Managing Partner

# PARTNERS

— LEGAL SERVICES, PSC —

January 23, 2023

Puerto Rico Department of Housing  
CDBG-DR and CDBG-MIT Programs

**REQUEST FOR PROPOSALS  
NOTARY PUBLIC SERVICES  
CDBG-DR AND CDBG-MIT PROGRAMS  
CDBG-DRMIT-RFP-2022-15**

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Esteemed Board Members:

Pursuant to Section 7 (Proposal Content), specifically section 7.1 (Cover Letter), our firm provides the following information in compliance of the requirements set forth in said section.

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**A. Partners Legal Services, PSC Commitment**

Partners Legal Services, PSC as a Proponent of CDBG-DRMIT-RFP-2022-15 assures its commitment to the Puerto Rico Department of Housing (PRDOH) in providing its services detailed in the Scope of Services Section with the utmost professional responsibility at the price set forth in the pricing proposed by virtue of Exhibit G of the proposal and within the timeframe and schedule established by the PRDOH in its Request for Proposal.

**B. Partners Legal Services, PSC- Tam Members**

**(1) Key Staff**

- a. Maritza Guzmán Matos, Esq.-Owner/Managing Member (Attorney)
- b. Ernesto M. Rovira Gándara, Esq.- Partner (Employee-Attorney)
- c. Laura Escalante Facundo, Esq.- Member (Employee-Attorney)
- d. Gabriela Vázquez Aponte, Esq.- Member (Employee-Attorney)

**(2) Team Members**

- a. Carlos J. Cordova Rolón, JD- Employee, Post Closing Department
- b. María Dávila- Employee, Assistant to Post Closing Department
- c. Pablo J. Rovira Bonnin, JD Candidate- Employee, Pre-Closing Department
- d. Julissa Ramos Wilkinson- Employee, Assistant to Pre-Closing Department

**(3) Administrative Personnel**

- a. Cándida Rosa Velasco- Contractor, Office Manager/Human Resources
- b. Eduardo M. Rovira Gándara- Contractor, Accounting

The information contained herein is correct and truthful.

Cordially,



**MARITZA GUZMAN MATOS**

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# PARTNERS

— LEGAL SERVICES, PSC —

January 23, 2023

Puerto Rico Department of Housing  
CDBG-DR and CDBG-MIT Programs

**REQUEST FOR PROPOSALS  
NOTARY PUBLIC SERVICES  
CDBG-DR AND CDBG-MIT PROGRAMS  
CDBG-DRMIT-RFP-2022-15**

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Esteemed Board Members:

Pursuant to Section 7 (Proposal Content), specifically section 7.2 (Executive Summary), our firm provides the following information in compliance with the requirements set forth therein.

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**A. Partners Legal Services, PSC**

Partners Legal Services, PSC (hereinafter, PLS) is a women-owned legal and notarial practice established since 1999 to provide services in the areas of real estate and the Puerto Rico Property Registry issues. Specifically, our firm has provided services in real estate law (residential and commercial) to reputedly established financial institutions such as Banco Popular, First Bank, Money House, James B. Nutter & Company. The services provided by PLS include, but are not limited to, drafting and executing deeds of Purchase and Sales, Warranty, Mortgages, Mortgage Cancellations, Mortgage Subordinations, Title Grants/Transfers (“donaciones”), Public Auction Sales, Heirship Transfer Petitions (Instancia), Clarification; Applications for Tax Lien Waivers (estates and grants); Powers of Attorney and Protocolization of Powers of Attorney executed outside of Puerto Rico with the purpose of providing clear title to interested parties. Also, PLS has provided extensive notarial and title clearance services to government entities, including the Puerto Rico Department of Housing (CDBG-DR-Title Clearance) and Comunidades Especiales. Those endeavors included performing all title clearance tasks to ensure beneficiaries obtain a clear path to a valid legal title, including, but not limited to, drafting, attesting, authenticating, and authorizing all sorts of notarial documents to gain access to be recorded at the Property Registry of Puerto Rico.

Our key staff and team members (see Organizational Chart) have decades of experience as licensed notaries, having drafted, attested, authenticated, and/or authorized a combined number of over three thousand public instruments and documents regarding ownership transfers, and related transactions, such as the ones listed above. Furthermore, the firm has served as a provider to the PRDOH in its CDBG-DR-Title Clearance programs handling over two thousand active cases and accomplishing program goals according to the terms and conditions of the service agreement.

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**B. Project Approach and Key Staff**

**(i) Referral and Pre-Closing**

Throughout the years providing legal services in the areas detailed above, our key staff has been able to create procedures to ensure efficiency, quality and expected results on behalf of our clients. Specifically, for the scope of services required in this RFP, the PRDOH will have the benefit of using our members from the pre-closing department that will be in charge of the initial referral, internally opening the matter and in the system/programs used by the PRDOH, make an initial assessment of the matter, request documents from the PRDOH, participants, and other entities as deemed necessary. These include title searches, certification of validity (“certificación de vigencia”) of power of attorney, wills, pre-nuptial agreements, debt certificates from the PR Municipal Income Collections Center (CRIM), balance cancellations, vital records certificates (i.e. birth, marriage, death certificates), and court certified judicial documents, among others.

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**(ii) Drafting and Execution of Notarial Documents**

After all pre-closing procedures are completed and approved by our Key Staff, the notary assumes responsibility for preparing, drafting, and authorizing the execution all relevant documents to complete the transaction and present the necessary documents for recording at the Property Registry. Our Key Staff is comprised of four (4) licensed notaries in Puerto Rico, including three (3) of who possess over twenty (20) years of experience in executing public instruments related to residential, commercial, and/or industrial real estate transactions, and ensuring their proper recording at the Property Registry. Our notaries’ experience is essential to the process of ensuring the effective completion of the program’s objectives. Furthermore, their knowledge, practical experience, and expeditious manner meet and often exceed the highest standards of quality for the work performed.

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**(iii) Post Closing Procedures**

All public instruments executed/authorized by PLS go through a thorough review process by our Post Closing department staff, who are in responsible for quality control of the formalities of the public instruments, preparation of certified copies, completion of all supporting documents that must be filed for recording with the public instrument, purchase and adherence of required stamps and vouchers, and notification to the interested party as well as uploading all documents required by the PRDOH.

**(iv) PLS - Team Members**

**(1) Key Staff<sup>1</sup>**

- i. Maritza Guzmán Matos, Esq.-Owner/Managing Partner (Attorney-Notary)
- ii. Ernesto M. Rovira Gándara, Esq.- Partner (Attorney-Notary)
- iii. Laura Escalante Facundo, Esq.- Partner (Attorney-Notary)

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<sup>1</sup> For specific qualifications of each of our Key Staff Members please refer to the Firm Profile section, as well as the resumé included herein.



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- iv. Gabriela Vázquez Aponte, Esq.- Member (Attorney-Notary)
  - v. (vacant) – Member (Attorney-Notary)
  - (2) Team Members
    - i. Carlos J. Cordova Rolón, JD- Employee, Post Closing Department
    - ii. María Dávila- Employee, Post Closing Assistant
    - iii. Pablo J. Rovira Bonnin, JD Candidate- Employee, Pre-Closing Department
    - iv. Julissa Ramos Wilkinson- Employee, Pre-Closing Assistant
  - (3) Administrative Personnel
    - i. Cándida Rosa Velasco- Contractor, Office Manager/Human Resources
    - ii. Eduardo M. Rovira Gándara- Contractor, Accounting

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The information contained herein is correct and truthful. We appreciate your time and consideration of our proposal.

Cordially,



**MARITZA GUZMAN MATOS**

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# PARTNERS

— LEGAL SERVICES, PSC —

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## Firm Profile

CIM - Tower I, Suite 210  
Road 165, #100  
Guaynabo, Puerto Rico 00968

PMB 767  
#1353 Ave. Luis Vigoreaux  
Guaynabo, Puerto Rico 00966

(787) 758-3276  
[mguzman@partnerslegalservicespr.com](mailto:mguzman@partnerslegalservicespr.com)

# PARTNERS

— LEGAL SERVICES, PSC —

## Our History

PARTNERS LEGAL SERVICES, PSC (PLS) is a women-owned legal and notarial practice organized in 1999 to provide services mainly to the banking and mortgage industry. The practice has consistently provided services to reputable financial institutions in Puerto Rico, like First Bank of Puerto Rico, Banco Popular de Puerto Rico, The Money House, BeeWee Mortgage and, formerly, Doral Bank, among other industry entities. PLS further expanded its services to include foreclosure proceedings, loss mitigation, mortgage cancellation, and most recently, title clearance and title reinstatement, thus solidifying its place as a well-recognized one stop shop for real estate-related matters. PLS staff has ample experience in central and municipal government affairs, government contracting, and related administrative procedures. Additionally, PLS is an authorized provider for Fannie Mae and Freddie Mac, through a related entity.

PLS takes pride in staffing attorneys experienced in the areas of Real Estate Law, Mortgage Foreclosures and Cancellations, Contracts Law, Loss Mitigation, Commercial Lending, and Government Relations. Our attorneys are also vastly experienced in litigation and civil law counseling in matters related to, among others, Insurance Law, Labor Relations and Employment Law, Administrative Law, Corporate Law, and Construction Law. Our mission is to offer our clients a personalized service, efficiently and cost-effectively, in pursuit of their interests while upholding the highest ethical standards of the legal profession.

Our partners lead our capable and dedicated support staff ensuring matters are managed and finalized according to the firm's high professional standards. Furthermore, PLS occasionally retains experienced outside counsel to assist our attorneys in complex matters. Their active collaboration with our staff continues to be a key factor to establish and comprehensively develop PLS as a diverse, well-balanced and highly professional legal team.

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# PARTNERS

— LEGAL SERVICES, PSC —

## Our Team

### Partners:

**Maritza Guzmán Matos, Esq.** – born in San Juan, Puerto Rico; admitted to legal and notary practice by the Supreme Court of Puerto Rico (2004), U.S. District Court for Puerto Rico, and U.S. Court of Appeals First Circuit (2005). She is a graduate of the University of Puerto Rico, Mayagüez (2000), and the Interamerican University School of Law (2003).

**Ernesto Rovira Gándara, Esq.** – born in San Juan, Puerto Rico; admitted to legal and notary practice by the Supreme Court of Puerto Rico (2004), U.S. District Court for Puerto Rico (2005). He is a graduate of Indiana State University (1999), and the Interamerican University School of Law (2003).

**Laura Escalante Facundo, Esq.** – born in San Juan, Puerto Rico; admitted to legal and notary practice by the Supreme Court of Puerto Rico (1994), U.S. Court of Appeals, First Circuit, and U.S. District Court, District of Puerto Rico (1994). She is a graduate of the University of Puerto Rico, Río Piedras (1988), and the University of Puerto Rico School of Law (1993).

### Associate Attorneys:

**Gabriela Vázquez Aponte, Esq.** – born in Caguas, Puerto Rico; admitted to legal and notary practice by the Supreme Court of Puerto Rico (2022). He is a graduate of the University of Puerto Rico, Río Piedras (2017), and the Interamerican University School of Law (2021).

**Rafael Marín Batista Tosado, Esq.** – born in San Juan, Puerto Rico; admitted to legal and notary practice by the Supreme Court of Puerto Rico (2014). He is a graduate of the University of Puerto Rico (2007), and the Interamerican University School of Law (2013).

**Ricardo Pascual Villaronga, Esq.** – born in Ponce, Puerto Rico; admitted to legal and notary practice by the Supreme Court of Puerto Rico (1994), U.S. Court of Appeals, First Circuit (1990); U.S. District Court, District of Puerto Rico (1994), U.S. Court of Veterans Appeals (1994); Federal Maritime Commission, and United States Supreme Court (2003). He is a graduate of the University of the Sacred Heart (1986), and the Interamerican University School of Law (1989).

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# PARTNERS

— LEGAL SERVICES, PSC —

## Our Practice Areas

Although PLS was established and developed as a niche practice in matters pertaining to Property Law, real estate and Property Registry accordance, our experience and practice is not limited to such matters. Since 2017 PLS expanded its real estate services to include Title Clearance. Our legal team's comprehensive professional record further complements and enriches our niche practice. Following is a detailed list of matters in which our legal team is experienced.

Administrative Law, Age Discrimination in Employment Act (ADEA), Alternative Dispute (ADR), American with Disability Act (ADA), Arbitration, Arbitration, Arbitration, Banking (foreclosure, mortgage, loss mitigation), Business and Corporate Practice, COBRA, Collective Bargaining, Compensation, Complex and Multidistrict Litigation, Construction, Copyright and Trademarks, Corporate, Disability, Discrimination in Employment, Drugs & Alcohol Policies, Eminent Domain, Employment Law, Environmental Law, Equal Employment Opportunity, ERISA, Federal and Local Court Litigation and Trial Practice, Federal Practice and Commonwealth Courts, Foreclosures, General Civil Practice, Harassment, Horizontal Property Law, Hotel Law, Independent Contractor Status, Insurance Defense, Labor and Employment Practice, Labor Law, Labor-Management Relations, Legal Malpractice and Professional Liability, Litigation Mediation, Medical Malpractice, National Labor Relation Board (NLRB), Notarial Law, Occupational Safety and Health Agency (OSHA), Personnel Handbooks, Personnel Policies, Pregnancy Discrimination Act (PDA), Real Estate, Torts, Unemployment & Disability Benefits, Wages & Hours, Worker's Compensation, Workplace Violence, Wrongful Termination & Unjust Dismissal.

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# PARTNERS

— LEGAL SERVICES, PSC —

## Our Fees

Efficiency and cost-effectiveness are an integral part of our mission and our pledge to our clients. PLS achieves those objectives by delegating work to those who can competently perform individual tasks more efficiently and effectively. Work is typically allocated to the team member with the lowest rate who possesses the particular skills and experience, or to the attorney who is most familiar with the business of a particular client in an effort to reduce turnaround time. A cost analysis precedes all assignments.

While every matter is individually assessed, important factors to consider in the allocation of specific tasks and assignments are usually the complexity of issues involved, the magnitude of the matter presented, the likelihood of a satisfactory outcome, and the amount of time required by the matter or case, among other relevant circumstances. We encourage fixed or flat fee arrangements. Usually, clients prefer fees to be based on hourly rates. The firm will endeavor to accommodate a fee structure that best serves to accommodate its clients.

The firm occasionally accepts true contingency and modified contingency fee arrangements in certain types of cases or matters. It is our firm belief that the more familiar we are with our clients' business, the better their interests are served over the course of time, so reduced fees are often available while we gain the necessary familiarity. We insist that clients know the exact fee structure up front to prevent or minimize misunderstandings. We may also arrange to provide periodic detailed statements that include time spent and reimbursable expenses.

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# PARTNERS

— LEGAL SERVICES, PSC —

## Key Staff References

### **Maritza Guzmán Matos, Esq.**

- Ms. Glorymar Marrero- Banco Popular Puerto Rico – contact information available upon request
- Ms. Lillian Arroyo- FirstBank Puerto Rico – contact information available upon request
- Eng. Fernando Santiago Rosario – Principal at FS Group- contact information available upon request

### **Ernesto Rovira Gándara, Esq.**

- Mr. Alberto Escudero Morales – Business Consultant, contact information available upon request
- Mr. Javier Rodríguez Pons- Treasurer (Financial Institution) contact information available upon request
- Mr. Gustavo Lugo- VP of Claims, Multinational Insurance Company, contact information available upon request

### **Laura Escalante Facundo, Esq.**

- Dr. Carlos H. Martínez Pérez, President Guaynabo Municipal Assembly, contact information available upon request
- Mr. Jorge Marquina González-Abreu – Principal at Monarch, LLC, contact information available upon request
- Carmen Szendrey-Ramos, Esq., CEO Strategic Bank, contact information available upon request

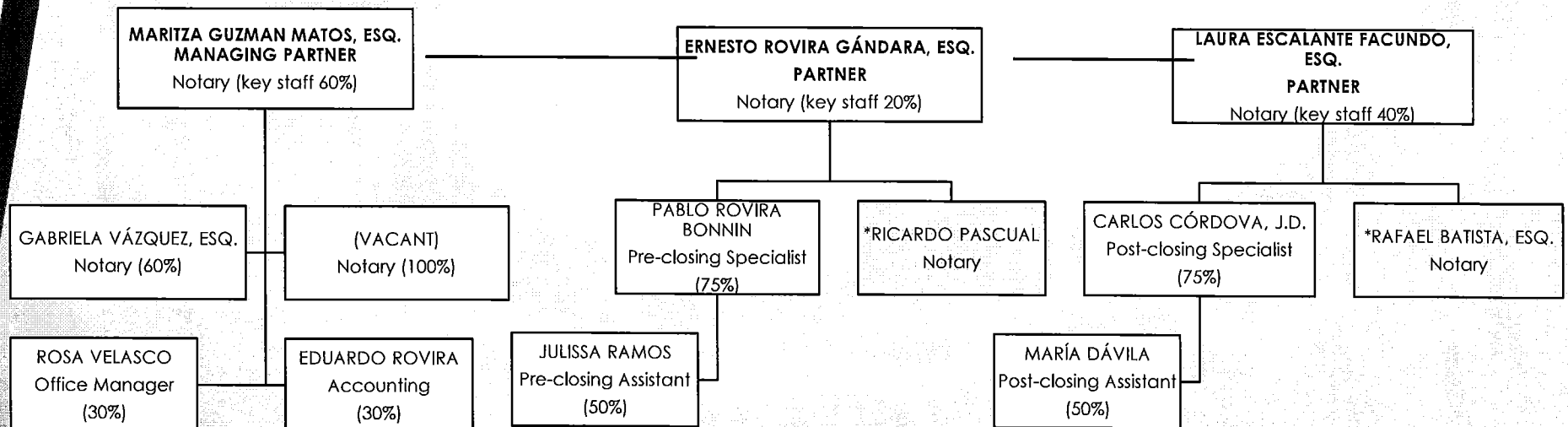
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PLS' principal areas of practice are Real Estate, Property Registry, and Title Accordance matters. All staff is dedicated to said areas of practice. All key staff exceeds 20 years of practice. Percentage distribution for each attorney depicts work allocation to Notarial services (CDBG-DRMIT-RFP-2022-15).



\*Attorneys Pascual and Batista are engaged by the firm on a need basis as independent contractors.



# PARTNERS

— LEGAL SERVICES, PSC —

January 23, 2023

Puerto Rico Department of Housing  
CDBG-DR and CDBG-MIT Programs

**REQUEST FOR PROPOSALS  
NOTARY PUBLIC SERVICES  
CDBG-DR AND CDBG-MIT PROGRAMS  
CDBG-DRMIT-RFP-2022-15**

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Esteemed Board Members:

Pursuant to Section 7 (Proposal Content), specifically section 7.5 (Proposed Plan of Action/Work Approach), our firm provides the following information in compliance of the requirements set forth in said section.

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**A. Partners Legal Services, PSC- CDBG-DR and CDBG-MIT Program Understanding**

Partners Legal Services, PSC (PLS or Firm) currently is sub-tier contractor for the CDBG-DR Title Clearance program for the past three years under contract 2020-DR0019 and as such have a full understanding of the procedures establish by Puerto Rico Department of Housing (PRDOH) in managing similar type of matters. Our Firm experience has allowed Key Staff members (Attorneys Maritza Guzmán, Laura Escalante and Ernesto Rovira) to have daily interaction with personnel from Horne and PRDoH to properly comply with the administrative obligations under the terms and conditions of the contract. PLS has full access to PRDoH/Horne software, Canopy, with the aforementioned Key Staff members, plus the staff member of the firm (Attorney Gabriela Vázquez Aponte and supporting personnel, Carlos Córdova, Pablo Rovira and Julissa Ramos) having complete knowledge in the software allowing for a seamless interaction of the task referred to our firm, the handling of the matters, submission of the deliverables and maintaining the PRDoH informed at all times of the status of each matter.

PLS experience in said projects, as well as the experience gather in similar projects involving R3 programs and “Comunidades Especiales” Office, gives the firm a full understanding of the purpose behind both programs (CDBG-DR and CDBG-MIT) which is to provide participant safeguard long term solutions to avoid unrecoverable losses in future disaster (natural or otherwise). Both programs will provide participants funds either to be used in allowed activities as part of their recovery process (CDBG-DR) or to be able to access the benefits permitted under CDBG-MIT to minimize future loss in case of future disasters. On the other side of this process, PLS ensures the proper use of the funds entrusted to them in order maximize their use while maximizing the services provided.

## **B. Partners Legal Services, PSC-Track Record and Previous Experience**

### **(i) Previous Experience**

PLS is a law firm established since 1999 to provide services specifically in the areas of real estate and the Puerto Rico Property Registry Law. Specifically, our firm has or currently is providing services in real estate law (residential and commercial) to financial institutions such as Banco Popular, First Bank, Money House, James B. Nutter & Company and others. Services provided include, but are not limited to, drafting and executing Purchase and Sales Deed, Warranty Deed, Mortgages, Cancellation of Mortgages, Mortgage Subordinations, Transfer of Rights (Donations), Public Sales Deed, Declaration Heirship (Instancia); Tax Waiver Lien (Heirship and Donations), Power of Attorneys and Protocolization of Power of Attorneys with the purpose of providing clear title to the interested party.

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Also, we have provided extensive notarial and title clearance services to government entities, including the Puerto Rico Department of Housing (CDBG-DR-Title Clearance) and Comunidades Especiales. Those endeavors included performing all title clearance tasks in order to ensure participants with a clear path to a valid legal title and drafting and executing all notarial documents to access the Property Registry of Puerto Rico. The services performed by PLS under the CDBG-DR contract has allowed participants to receive government assistance to recover from the various disasters that Puerto Rico has suffered since the passing of Hurricane Maria and other natural disasters which in the future will allow those same participants to be able to recover any loss caused by future disasters in a timely and prompt manner.

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### **(ii) Challenge and Successes/Similar Transactions for Government Agencies**

Those programs as well as previous experience in related matters as those requested in this RFP have presented challenges that our firm has been able to tackle and resolved successfully. Puerto Rico throughout various decades has confronted the problem of families either living in properties which they acquired informally (private contracts, verbal agreements, without permission) or living in property which are legally registered in the Property Registry but do not have valid tract due to participants failure to complete legal proceedings to achieve a valid title under their name. These challenges have been resolved due to the compromise from our whole staff with the participants and our ability to explained to them in terms that are understandable what the process entails, the documents needed to complete eminent domain (Expediente de Dominio), declaration of heirships, tax waiver release from the Puerto Rico Treasury Department, voluntary transfer of properties when there are multiple persons with title interest in said properties which leads our staff to prepare and execute the proper public instrument and/or Instancia to achieve the purpose of the program, which is to provide the participant with a valid title on their property and protect them and the PRDoH from unrecoverable losses in future disasters.

### **(iii) PLS Ability to Provide Services Involving Federal Regulated Funds**

PLS is currently involved in another CDBG-DR-Title Clearance program with a contract amount of approximately \$9,000,000.00. PLS participation in said contract is as sub-tier contractor of FS Surveying, LLC which requires dual responsibility in the handling of the federal funds. In first instance, PLS is responsible to the PRDoH in all of their invoicing to guarantee that all services are rendered within the time schedule set forth in its contract, that those services are

invoices to the principal contractor (FS Surveying) pursuant to the rates contracted and corresponding to actual services rendered or costs incurred and ensuring that all referred matters are properly handle, with all pertinent information in each file and said information uploaded to PRDoH system.

This process provides the PRDoH with the transparency required for their internal and external audits. As part of the aforementioned contract, PLS and FS have handle over two thousand (2,000) matters and have been subject to random audits which have resulted with zero finding against PLS or FS Surveying. These results are directly related to our control procedures managed by our office manager (Rosa Velasco) and our accounting department (Eduardo Rovira) that prior to issuing a final invoice have a two-step check and balance system to prevent or minimize any errors in the invoicing and the provided. The best evidence of PLS ability and strength to manage this program involving federal funds is precisely our flawless execution with similar programs to this one.

(iv) **Management of Services Listed in Scope of Services**

Our key staff and team members (see Organizational Chart) have acted as Notary of over three thousand public instruments related to transfer of ownership or related transactions. Furthermore, the firm has served as a provider to the PRDOH in its CDBG-DR-Title Clearance programs handling over two thousand active cases and accomplishing the programs goals within the terms and conditions of the contract. Following is a detailed plan for managing all services listed in the Scope of Services section in this RFP.

**C. Project Approach and Key Staff**

(i) **Referral and Pre-Closing**

Our firm throughout the years providing legal services in the areas detailed above have been able to create procedures to ensure the efficiency, quality and results expected from our clients. Specifically, for the scope of services required in this RFP, the PRDOH will have the benefit of using our staff members from the pre-closing department who will be in charge of the initial referral, opening the matter internally and in the system/programs used by the PRDOH, make an initial assessment of the matter, request documents from the PRDOH, participants, and/or other entities as they are deemed required such as request title studies/Registry Certification, certification of validity (Certificado de Vigencia) of power of attorney, Last Will and Testaments, Pre Nuptial Agreements, Debt Certificate CRIM, cancellation balances, marriage certificates, death certificates, Court Certified Copies, among other.

(ii) **Drafting and Execution of Notarial Documents**

Once all pre-closing procedures are completed and approved by our legal staff, our Key Staff notaries take charge in preparing, drafting and executing all pertinent documents to complete the transaction and to obtain proper inscription at Property Registry. Our Key Staff is comprised of four (4) licensed notaries in Puerto Rico, including three (3) of them with over twenty (20) year experience in executing public instruments related to all type of real estate and Property Registry law transactions. The experience of our notaries is indispensable for the proper functioning of the program as it provides the knowledge and practical experience required to finalize all transactions in an expeditious manner, without compromising the highest standards in the quality of the work performed.

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Specifically, Attorneys Maritza Guzmán Matos and Laura Escalante and Ernesto Rovira Gándara have drafted and executed thousands Purchase and Sales Deed; Mortgage with restrictive conditions (both of private and public nature); drafted and executed public instruments owned by the PRDoH, Comunidades Especiales Office, the Municipality of San Juan, Fannie Mae, all of them in compliance with applicable laws pertaining to each entity; also have drafted and executed thousands of Instancias and Notarial Acts (Actas Notariales) to achieve entry and recording at the Property Registry.

Furthermore, as part of our notaries experience in both governmental projects and private projects (notary services for financial institutions or individuals) PLS has the expertise and the resources to obtain and review appraisals, title certifications/title studies as they are deemed to be necessary to properly conduct a real estate closing in compliance with applicable laws.

### (iii) Post Closing Procedures

All public instruments executed by our firm go through a thorough process by the staff of our Post Closing department who are in charge of quality control of the formalities of the public instruments, preparation of certified copies, all supporting documents that accompany the public instrument, purchase and adherences of the corresponding stamps, vouchers, filing voucher and notification to the interested party as well as uploading all documents required by the PRDOH.

### (iv) Partners Legal Services, PSC- Team Members

#### (1) Key Staff<sup>1</sup>

- a. Maritza Guzmán Matos, Esq.-Owner/Managing Member (Attorney)
- b. Ernesto M. Rovira Gándara, Esq.- Partner (Employee-Attorney)
- c. Laura Escalante Facundo, Esq.- Member (Employee-Attorney)
- d. Gabriela Vázquez Aponte, Esq.- Member (Employee-Attorney)

#### (2) Team Members

- a. Carlos J. Cordova Rolón, JD- Employee, Post Closing Department
- b. María Dávila- Employee, Assistant to Post Closing Department
- c. Pablo J. Rovira Bonnin, JD Candidate- Employee, Pre-Closing Department
- d. Julissa Ramos Wilkinson- Employee, Assistant to Pre-Closing Department

#### (3) Administrative Personnel

- a. Cándida Rosa Velasco- Contractor, Office Manager/Human Resources
- b. Eduardo M. Rovira Gándara- Contractor, Accounting

### D. Possible Risks

From a review of the Scope of Services it has come to our attention that there are certain areas which are not included or contemplated as being the responsibility of the services to be provided by Proponent. We proceed to identify them for the benefit of the PRDoH in order for them to create processes or allocate a budget within the program in order to achieve the purpose of the CDBG-DR and CDBG-MIT programs.

<sup>1</sup> For specific qualifications of each of our Key Staff Members please refer to the Firm Profile section, as well as the resumé included therein.

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(i) **Production of document by Participants-** The scope of services does not specify the manner in which the Participant is to provide the documents requested from them in order to proceed with the requested task. This represents a potential problem as Participants are from all over the island and on many occasions their ability to provide the documents requested is hampered by distance/transportation/health to PRDoH regional offices or Proponent's office, economic hardship in using delivery methods (USPS, messenger service, etc.); limited technological access which hinders the ability to sent electronic communications or documents when permitted by law. This potential risk must be taken into consideration when the Proponent needs to receive these documents and/or information in a timely manner. The scope of services does not provide a specific allowance for proponent to perform this services and bill them accordingly. This allowance shall be considered in the per hour rate of the Notary.

(ii) **Title Study/Registry Certification-** The scope of services area of this RFP does not contemplate who will be responsible to obtain title study and/or Property Registry Certification. These documents are a requisite for all public instruments that entail a transfer of title or affects a current title by a participant. The scope of services does not provide for a specific allowance in order to be able to obtain said documents. This Tasks shall be included on fixed price negotiated between PRDoH and Proponent.

(iii) **Tax Waiver Releases (Inheritance and Donations)-** Certain matters in these programs will required the filing of Tax Waiver Return for inheritance and donations. Said tasks are not contemplated in the Scope of Service and no allowance was identified for these tasks. PRDoH shall include them as part of the notary hourly fee.

(iv) **CRIM-** Certain matters in these programs will present problems of lot area differences, ownership problems, lack of tax id property number and debt issues. To resolve this issues the Proponent will have to perform the services outside the scope included in the RFP. These services shall be included in the allowance of notary hourly fee.

The information contained herein is correct and truthful.

Cordially,



**MARITZA GUZMAN MATOS**

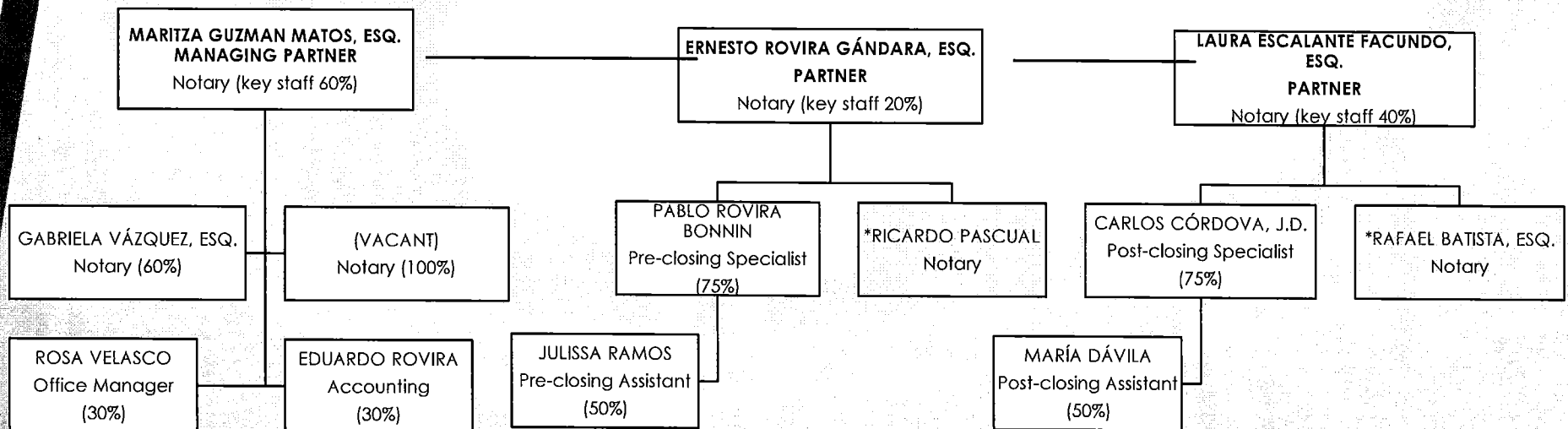
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## — LEGAL SERVICES, PSC —

PLS' principal areas of practice are Real Estate, Property Registry, and Title Accordance matters. All staff is dedicated to said areas of practice. All key staff exceeds 20 years of practice. Percentage distribution for each attorney depicts work allocation to Notarial services (CDBG-DRMIT-RFP-2022-15).



\*Attorneys Pascual and Batista are engaged by the firm on a need basis as independent contractors.



GOVERNMENT OF PUERTO RICO  
DEPARTMENT OF HOUSING

# ATTACHMENT B

**SCOPE OF SERVICES**  
**Request for Proposals**  
**Notary Public Services**  
**Community Development Block Grant – Disaster Recovery**  
**Community Development Block Grant – Mitigation**  
**Puerto Rico Department of Housing**  
**CDBG-DRMIT-RFP-2022-15**

## 1. Introduction and Overview

The Puerto Rico Department of Housing (**PRDOH**) is issuing this Request for Proposals (**RFP**) to procure notary public services for the Community Development Block Grant – Disaster Recovery (**CDBG-DR**) Community Development Block Grant - Mitigation (**CDBG-MIT**) Programs, under the current Action Plans and subsequent action plans. PRDOH seeks to select firms to provide Notary Public Services across a broad range of the CDBG-DR and CDBG-MIT funded programs.

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 (CDBG-DR and CDBG-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 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. The PRDOH reserves the right to retain some of these tasks internally and to select more than one Proposer.

## 2. Staff, Services and Tasks

The PRDOH is seeking duly authorized notary publics with experience and capabilities in Notary Public Services. This section details the Key Staff that the Selected Proposer(s) must retain in order to support PRDOH with the Notary Public 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.

The scope of the Selected Proposer(s) involvement consists of drafting, attesting and authenticating notarial documents and deeds pursuant to the laws of the juridical business and the will of the parties. The Notary Public shall:

- Draft public documents to include public deeds and notarial certificates whether they are originals or certified copies.
- Draft the public documents according to the will of the grantors and adapt them to the juridical formalities necessary to their effectiveness.
- Draft the original deed regarding the contract or act submitted for his authorization signed by the grantors, by the attesting witnesses or those having knowledge of the facts of his case, signed, marked, sealed and flourished by the notary himself.

All notarial or public documents authorized, including public deeds and notarial certificates whether they are originals or certified copies; and services provided by a Notary Public shall be in compliance with the Puerto Rico Notarial Act, Law No. 75 of July 2, 1987, 4 L.P.R.A. § 2001, et seq;

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Puerto Rico Notarial Regulation ("Reglamento Notarial de Puerto Rico") approved on August 1, 1995.; and Puerto Rico Real Estate Property Registry Act, Law No. 210 of December 8, 2015, 30 LPRA §. 6001 *et seq.* ("Ley del Registro de la Propiedad Inmobiliaria del Estado Libre Asociado de Puerto Rico"). As part of the functions, the Notary Public must be available to provide the notary services throughout the island.

## 2.1. Staff Requirements

The Selected Proposer(s) shall have or will secure, at its own expense, all personnel required in performing the services under the Notary Public Services contract. PRDOH expects the Selected Proposer(s) to provide competent and fully qualified staff that are authorized or permitted under federal, state, and local law to perform the Scope of Services 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. Experience and Qualifications

The Selected Proposer(s) shall provide detailed information about their experience and qualifications, including degrees, certifications, licenses, and years of relevant experience. The Selected Proposer(s) shall demonstrate that they meet the desirable requirements listed below and have the necessary experience and knowledge to successfully implement and perform the tasks and services.

### 2.1.2. General Description of the Position

The Selected Proposer(s) shall submit their planned level of effort, the anticipated duration of involvement, the on-site availability and their résumé. The Selected Proposer(s) should demonstrate the ability to adequately maintain the agreed upon service levels throughout the life of the contract.

The following represents the general descriptions for the Notary Public position:

| Position      | Requirements                                                                                                  |
|---------------|---------------------------------------------------------------------------------------------------------------|
| Notary Public | + Must be a licensed Attorney at Law and Notary Public in good standing with the Supreme Court of Puerto Rico |
|               | + Must have a valid Notary Bond                                                                               |
|               | + Must have at least five (5) years of experience practicing law and as Notary Public                         |
|               | + Must have major experience in Real Estate Law and the Puerto Rico Property Registry                         |
|               | + Experience in private law firm, in-house corporate office, and/or governmental agency                       |
|               | + Knowledge in Government affairs and regulations                                                             |
|               | + Knowledge in governmental contracts and procurements                                                        |
|               | + Must be fluent in the English and Spanish languages.                                                        |
|               |                                                                                                               |

## 2.2. Services Requested

The Notary shall be authorized to practice throughout the Commonwealth of Puerto Rico. In that function, the Notary shall enjoy full autonomy and independence and shall exercise that function with impartiality. The Notary's public faith is complete regarding the facts carried out and

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corroborated in the exercise of the functions, and with regard to the manner, place, date and time of the execution. The hiring of a Notary Public to execute deeds and other legal documents under the CDBG-DR and CDBG-MIT Programs is imperative. It is the intent of this RFP to identify and make available to the PRDOH a qualified attorney(s) capable of providing Notary Public Services. The Selected Proposer(s) will assist the PRDOH in the timely, reliable, high quality notary services to support the CDBG-DR and CDBG-MIT Programs. The Notary Public must be able to accommodate the services on as-needed basis.

### **2.2.1. Specific Tasks**

The following are the tasks that shall be performed by the Selected Proposer(s). In order for the services to be provided by the Proposer to be effective and meet the objectives and requirements of the programs under the CDBG-DR and CDBG-MIT Programs, it is necessary for the Selected Proposer(s) to perform at the minimum, the following tasks:

- Review and analyze the necessary documents to draft and execute the Purchase-Sale Deeds ("Escrituras de Compraventa").
- Review and analyze the necessary documents to draft and execute Direct Mortgage Deed with Imposition of Restrictive Covenants ("Escrituras de Hipoteca y de Imposición de Condiciones Restrictivas").
- Draft and execute deeds or necessary instrument on real property owned by PRDOH or any other governmental agency based upon the applicable laws and regulations.
- Draft and execute necessary documents for registration of the real property in the Puerto Rico Property Registry.
- Review of Property Title Certifications.
- Review Appraisals.
- Petitions to the Puerto Rico Property Registry ("Instancias"), when necessary.
- Deeds of Clarification ("Actas Aclaratorias"), when necessary.
- Evaluates the determination of waivers from local, state, and federal statutory requirements as necessary.
- Recommends appropriate measures to the parties to avoid noncompliance with policies under the CDBG-DR and CDBG-MIT Programs.
- Stays informed of applicable federal and state compliance legislation, legislative trends, and applicable regulations in relation to federal funds with impacts on the public documents to be executed.
- Considers statutory requirements and guidelines in making determinations.
- Recommends or perform the protocolization of certain legal documents as necessary.
- Evaluates the need of title searches as applicable.
- Any other notary services required to transfer the ownership of a real property pursuant the CDBG-DR and CDBG-MIT Programs.

The Selected Proposer(s) shall assist the PRDOH in proper management of information regarding compliance under the CDBG-DR and CDBG-MIT Programs. The Selected Proposer(s) shall be capable of evaluating the necessary documentation in matters related to state and federal regulations that apply to CDBG-DR, CDBG-MIT, the Fair Housing Act, real estate, land use, property, foreclosure and related issues, among others. PRDOH will occasionally require the availability of the Proposer for short or immediate consideration.

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The Selected Proposer(s) 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 and CDBG-MIT Programs and the rights of individuals.

**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 IF DISCOVERED AFTER AWARD.

### 3. Deliverables

The Selected Proposer(s) shall outline the types of deliverables and timelines they produce, in performing the services being procured through this RFP. At a minimum, the key deliverables to be provided shall include such items as:

- Attaches and cancels on each original deed executed and on the certified copies the appropriate Internal Revenue stamps, Legal Aid Society stamps, and Notary Stamp Tax, where applies.
- Collects, examines, and arranges data and documents to prepare a file.
- Analyzes previous deeds, appraisals, entries to the Puerto Rico Property Registry before proceeding with the execution of deeds.
- Prepares individual reports after closings.
- Delivers certified copies of all the executed the deeds to PRDOH.
- Monthly Reports of the status of the cases referred for notary services.

Above all requirements, the contract will be based on specific task orders requested by the PRDOH. The information listed in this Scope of Services serves as a guide of potential services that may be requested.

### 4. Term of Agreement

PRDOH seeks to select one or more Proposers to provide Notary Public Services as related to the programs under the CDBG-DR and CDBG-MIT Programs for a period of **two (2)** years with the option of up to **one (1)** annual extension.

### 5. SAM Registry

The Selected Proposer(s) 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.

### 6. PRDOH's Reservation of Rights

The PRDOH reserves the right, without limitations, to:

- (i) Reject any or all RFPs, to waive any informality in the RFP process, or to terminate the RFP process at any time, if deemed by to be in its best interests.

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- (ii) Reject and not consider any proposal that does not meet the requirements of this RFP, including but not necessarily limited to incomplete proposals and/or proposals 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) Make an award to more than one Proposer based on ratings.
- (vii) To require additional information from all Proposers to determine level of responsibility.
- (viii) 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 RFP submittal.
- (ix) In the event any resulting contract is prematurely terminated due to nonperformance and/or withdrawal by the Contractor, PRDOH reserves the right to:
  - a. Seek monetary restitution (to include but not limited to withholding of monies owed or the execution of the payment and performance bond) from the Contractor to cover costs for interim services and/or cover the difference of a higher cost (difference between terminated Contractor's rate and new company's rate) beginning the date of Contractor's termination through the contract expiration date.
- (x) To contract with one or more Selected Proposer as result of the selection of this RFP or the cancellation of this RFP.
- (xi) To negotiate any price from the awarded proposer(s) in response to a specific order under this solicitation.
- (xii) Amend the contract(s) of the Selected Proposer(s) to, among others, extend its original duration, as further explained in the RFP, or to extend the scale of its scope to include work under subsequent CDBG-DR and CDBG-MIT action plans as related to the services requested herein, or to reduce the scale of its scope to

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

**END OF SCOPE OF SERVICES.**

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GOVERNMENT OF PUERTO RICO  
DEPARTMENT OF HOUSING

## ATTACHMENT C

### COMPENSATION SCHEDULE

Partners Legal Services, PSC

Notary Public Services

Community Development Block Grant – Disaster Recovery

Community Development Block Grant – Mitigation

Request of Proposals No. CDBG-DRMIT-RFP-2022-15

The following section contains cost information that considers the compensation rates provided by the Notary Public Services through their Price Form in compliance with the Request for Proposals (RFP) CDBG-DRMIT-RFP-2022-15. Also, the Procurement Division recommends to the Legal Division to verify the notary fees submitted when assigning tasks to the firms, in the best interest of the CDBG-DR, CDBG-MIT and PRDOH interests.

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| Item Description                                                                             | Notary Fee                                                                            |                                            |
|----------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|--------------------------------------------|
| Notary Public Services for Deeds/Public Instruments without value                            | Fixed fee of \$ 500.00                                                                |                                            |
| Notary Public Services for Deeds/Public Instruments up to \$10,000.00                        | Fixed fee of \$150.00                                                                 |                                            |
| Cancellation of mortgage deed over \$5,000,000.00                                            | 0.50 % or \$ 25,000.00<br>whichever is lower                                          |                                            |
| Cancellation of mortgage deed between \$0.00 to \$5,000,000.00                               | 0.50 % or \$250.00,<br>whichever is higher <sup>1</sup>                               |                                            |
| Deeds/Public Instruments in excess of \$5,000,000.00 of determinable value                   | 0.50 % up to<br>\$5,000,000.00 and<br>\$ no charge of the<br>excess of \$5,000,000.00 |                                            |
| Deeds/Public Instruments between \$10,000.01 to \$5,000,000.00                               | 0.50 % or \$ 250.00,<br>whichever is higher <sup>2</sup>                              |                                            |
| Additional instruments for newly built housing and refinancing                               | 0.50 %                                                                                |                                            |
| Government assisted affordable housing units                                                 | 0.25 % or \$250.00,<br>whichever is higher <sup>3</sup>                               |                                            |
| Additional instruments for government assisted affordable housing units                      | 0.25 %                                                                                |                                            |
| Authorization of testimonies, sworn statements and authentication of signature or affidavits | Fixed fee of \$ 100.00                                                                |                                            |
| Notary Public Services rate per hour                                                         | \$ 150.00                                                                             |                                            |
| Item Description                                                                             | Estimated quantity of certified copies                                                | Fee                                        |
| Certified copy between \$0 to \$10,000.00                                                    | 1,000                                                                                 | Fixed fee of \$15.00 per<br>certified copy |
| Certified copy between \$10,000.01 to \$500,000.00                                           | 1,000                                                                                 | Fixed fee of \$25.00 per<br>certified copy |
| Certified copy over \$500,000.00                                                             | 1,000                                                                                 | Fixed fee of \$50.00 per<br>certified copy |
| Allowance                                                                                    |                                                                                       | \$731,093.34                               |

The following conditions apply to the distribution mentioned above

<sup>1</sup> The proposer does not include the other option for this section's notary services fee rate. PRDOH will pay the notary rate based on the pursuant Law No. 75 of July 2, 1987 (Law No. 75-1987), 4 LPRA § 2001, and the Puerto Rico Notarial Fees Act, Law No. 209 of December 8, 2015 (Law No. 209-2015).

<sup>2</sup> Please refer to footnote 1.

<sup>3</sup> Please refer to footnote 1.

- (1) The Contractor will be compensated according to the fees for notarial services rendered, fixed pursuant Law No. 75 of July 2, 1987 (Law No. 75-1987), 4 LPRA § 2001, and the Puerto Rico Notarial Fees Act, Law No. 209 of December 8, 2015 (Law No. 209-2015).
- (2) The reimbursement of stamps, vouchers and fees for additional services –other than the notarial fees- needed for the completion of the tasks described in the Scope of Services shall be satisfied from the allowance that will be provided for that purpose.
- (3) Estimate Quantity of certified copies should not be interpreted as a cap for costs that may be invoiced for the services. Invoicing shall be based in the actual needs of PRDOH.
- (4) Services will be provided on an on-call basis by the contractor. The contract is expected to function as a not-to-exceed contract, from which services will be invoiced based on the notary services provided by each resource without limited quantity of resource.
- (5) **Rate Per Hour** is requested for services for notarial deeds', preparatory, and subsequent efforts. It includes overhead, profit, royalties, reimbursements, travel, fringe benefits, taxes, as well as any other additional fees and administrative costs applicable to the services.
- (6) Whenever additional stamps, vouchers, notarial deeds' prior preparatory, subsequent efforts and/or services are to be used, the Contractor will submit to the PRDOH a Request for Authorization (RFA) that includes the justification and cost for the goods and/or services. After the additional services are approved by the PRDOH, or its designee, the Selected Contractor shall execute the services or obtain the goods and/or services in a promptly manner.
- (7) Additional Services may be billed by the Contractor under the Allowance provided for any CDBG-DR or CDBG-MIT Program under the contracted Notary Public Services.
- (8) The above distribution of funds is subject to changes and will be allocated and billed depending of the needs of the CDBG-DR or CDBG-MIT Programs, and their implementation and the services requested by PRDOH.

**END OF DOCUMENT**

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## ATTACHMENT D

### PERFORMANCE REQUIREMENTS

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

#### I. Tasks Assignments

The CONTRACTOR shall support the PRDOH with Notary Public Services for a broad range of CDBG-DR and CDBG-MIT funded Programs. CDBG-DR and CDBG-MIT funded Programs that have been identified requiring Notary Public Services include, but are not limited to:

- Home Repair, Reconstruction, or Relocation Program (**R3**) (**R3-Earthquake**)
- Economic Development Investment Portfolio Program (**IPG-DR**)
- Single-Family Housing Development Initiative (**SF-HDI**)
- Economic Development Investment Portfolio for Growth – Lifeline Mitigation Program (**IPG-MIT**)
- Multi-Sector Community Mitigation Program (**MSC**)

A detailed description of all CDBG-DR, CDBG-DR Earthquake, and CDBG-MIT Programs is included in the Action Plan of each allocation approved by HUD. A complete copy of the Action Plans (**CDBG-DR** and **CDBG-MIT**) are available at <https://cdbg-dr.pr.gov/en/action-plan/>. The CONTRACTOR will be directly responsible for ensuring the accuracy, timeliness, and completion of all tasks assigned under this Agreement.

The Agreement will be based on specific task orders requested by the PRDOH. The CONTRACTOR's key personnel must be able to accommodate the services on an as-needed basis. The information listed in Sections 2 and 3 of **Attachment B** (Scope of Services) of this Agreement, serves as a guide of potential services, tasks, and deliverables that might be requested by the PRDOH and expected from the CONTRACTOR to deliver.

The CONTRACTOR shall perform all necessary tasks under the Scope of Services to assure legal transfers of real property in compliance with federal, state, local and notarial law, including the units acquired by PRDOH under SF-HDI Program. For these Programs, additional tasks may be required, such as:

- Proper filing of legal deeds and documents to the Real Property Registry.
- Filing and execution of Owner-change Forms and Exemptions Requests for the Municipal Revenues Collection Center (**CRIM**).

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- The execution and cancellation of pending liens to transfer a clear title, including mortgage balance cancellations and prior restrictive conditions cancellations among others.
- Draft commercial loan legal documentation, act as notary and perform applicable legal reviews and due diligence processes in connection with program loan closings. Commercial loan legal documents include, among others: loan agreements, loan notes, security agreements, deeds of mortgage, mortgage notes, intercreditor agreements, environmental indemnity agreements, personal and corporate guarantees, and assignment of rents. Reviews and due diligence processes include, among others, review of legal documents drafted by other lenders' counsel and review and analysis of property's status at the Registry of the Property.

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The PRDOH is responsible only for those notarial fees expressly assumed by PRDOH pursuant to the Program Guidelines and requirements of each Program. Other parties are responsible for inherent fees and those established under applicable law.

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## **II. Monthly Reports**

The CONTRACTOR must prepare and submit monthly reports to PRDOH detailing the status of all cases referred for notary services.

## **III. Staff Requirements and Tasks Performance**

The CONTRACTOR shall ensure, at its expense, all personnel required for the proper performance of the services and tasks requested under the Agreement. The CONTRACTOR shall have competent and fully qualified staff that are authorized or permitted under federal, state, and local law to perform the Scope of Services under this Agreement. The PRDOH reserves the right to request the removal of any staff not performing to standard. No personnel may be assigned to perform services under the Agreement without the written consent of the PRDOH.

The CONTRACTOR shall observe the precepts and principles of excellence and honesty that cover the legal profession, as stated in the "Puerto Rico Canons of Professional Ethics", 4 LPRA App. IX, as amended, adopted by the Supreme Court of the Commonwealth of Puerto Rico, in addition to the norms or canons of ethics of the association or college of which the CONTRACTOR is a member.

All notarial or public documents authorized, including public deeds and notarial certificates whether they are originals or certified copies; and services provided by a Notary Public shall be in compliance with the Puerto Rico Notarial Act, Law No. 75 of July 2, 1987, 4 LPRA § 2001, *et seq*; Puerto Rico Notarial Regulation ("Reglamento Notarial de Puerto Rico") approved on August 1, 1995; and Puerto Rico Real Estate Property Registry

Act, Law No. 210 of December 8, 2015, 30 LPRA § 6001, *et seq.* ("Ley del Registro de la Propiedad Inmobiliaria del Estado Libre Asociado de Puerto Rico"). As part of the functions, the Notary Public must be available to provide the notary services throughout the island.

The Notary or notaries shall be authorized to practice throughout the Commonwealth of Puerto Rico and in full compliance with professional requirements which can be corroborated with certifications from attorney-notary license's authority. In that function, the Notary shall enjoy full autonomy and independence and shall exercise that function with impartiality. The Notary's public faith is complete regarding the facts carried out and corroborated in the exercise of the functions, and with regard to the manner, place, date and time of the execution. The hiring of a Notary Public to execute deeds and other legal documents under the CDBG-DR and CDBG-MIT Programs is imperative.

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#### IV. Deliverables

Adhering to the Programs' timeframes for each task is essential for programmatic compliance. The Contractor is expected to comply with the following timeframes:

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- A legal review from the Notary Public shall be provided within **five (5) business days** after the Title Search is submitted to the CONTRACTOR.
- Notary Services provider shall submit all pertinent documents to the Registry of the Property within **ten (10) calendar days** after the closing event.
- Notary Services provider shall submit any form (Owners change form or Exemption form) to the Municipal Revenues Collection Center (**CRIM**) within **ten (10) calendar days** from the closing event.
- Notary Services providers shall complete mortgage cancellations within **twenty hours (24) hours** after the closing event.
- Notary Services providers shall file any Deed of Cancellation or Release of Restrictive Conditions with the Registry of Property **five (5) business days** from the execution of said deeds.

#### V. Allowance

The reimbursement of stamps, vouchers and fees for additional services –other than the notarial fees- needed for the completion of the tasks described in the Scope of Services shall be satisfied from the allowance that will be provided for that purpose.

Whenever additional stamps, vouchers, notarial deeds' prior preparatory, subsequent efforts and/or services are to be used, the Contractor will submit to the PRDOH a Request for Authorization (**RFA**) that includes the justification and cost for the goods and/or services. After the additional services are approved by the PRDOH, or its designee, the



Selected Contractor shall execute the services or obtain the goods and/or services in a promptly manner.

Additional Services may be billed by the Contractor under the Allowance provided for any CDBG-DR or CDBG-MIT Program under the contracted Notary Public Services.

## VI. 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 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.

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## VII. Liquidated Damages

The CONTRACTOR shall pay to PRDOH, as liquidated damages, **one hundred dollars (\$100.00)** for each calendar day that any task deliverable required is late until deemed in compliance subject to a maximum of **one thousand five hundred dollars (\$1,500.00)** established in this Agreement between PRDOH and the CONTRACTOR, in accordance with **Attachment B** (Scope of Services) and this **Attachment D** (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 Agreement, or to any other remedy provided for in this Agreement 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.

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**END OF DOCUMENT**



**INSURANCE REQUIREMENT**

**Request for Proposals**

**Notary Public Services**

**Community Development Block Grant – Disaster Recovery**

**Community Development Block Grant – Mitigation**

**Puerto Rico Department of Housing**

**CDBG-DRMIT-RFP-2022-15**

**SPECIAL INSURANCE AND BONDING SPECIFICATIONS  
FOR PROFESSIONAL SERVICES  
LICITATION NUMBER -CDBG-DR-MIT-RFP-2022-15**

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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:

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**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 (Special) including the following Insurance Coverages**

| COVERAGE                                  | LIMIT       |
|-------------------------------------------|-------------|
| <b>I. Commercial General Liability:</b>   |             |
| • Per Occurrence                          | \$2,000,000 |
| • General Aggregate                       | \$2,000,000 |
| • Products & Complete Operations          | \$2,000,000 |
| • Personal Injury & Advertising           | \$2,000,000 |
| • Fire Damage                             | \$ 100,000  |
| • Medical Expense                         | \$ 5,000    |
| <b>II. Employer's Liability Stop Gap:</b> |             |
| • Bodily Injury by Accident               | \$1,000,000 |
| ▪ Each Employee                           | \$1,000,000 |
| ▪ Each Accident                           | \$1,000,000 |

**INSURANCE REQUIREMENT**  
**Request for Proposals**  
**Notary Public Services**  
**Community Development Block Grant – Disaster Recovery**  
**Community Development Block Grant – Mitigation**  
**Puerto Rico Department of Housing**  
**CDBG-DRMIT-RFP-2022-15**

|                            |             |
|----------------------------|-------------|
| • Bodily Injury by Disease | \$1,000,000 |
| • Each Employee            | \$1,000,000 |

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

| LIMIT                                                                      |             |
|----------------------------------------------------------------------------|-------------|
| • Auto Liability -                                                         | \$1,000,000 |
| • Physical Damages -                                                       | \$1,000,000 |
| • Medical Payments -                                                       | \$ 10,000   |
| <b>The Commercial Auto cover must be applied to the following symbols:</b> |             |
| • Liability Coverage -1                                                    |             |
| • Physical Damages – 2 and 8                                               |             |
| • Hired – Borrowed Auto – 8                                                |             |
| • Non-Owned Auto Liability – 9                                             |             |

**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    |

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

**5. Umbrella**

Limit - \$3,000,000

**6. (X) The policies to be obtained must contain the following endorsements including as additional insured the **Puerto Rico Department of Housing****

**INSURANCE REQUIREMENT**  
**Request for Proposals**  
**Notary Public Services**  
**Community Development Block Grant – Disaster Recovery**  
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**Puerto Rico Department of Housing**  
**CDBG-DRMIT-RFP-2022-15**

**(\*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**

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7. **(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**

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

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.

**INSURANCE REQUIREMENT**  
**Request for Proposals**  
**Notary Public Services**  
**Community Development Block Grant – Disaster Recovery**  
**Community Development Block Grant – Mitigation**  
**Puerto Rico Department of Housing**  
**CDBG-DRMIT-RFP-2022-15**

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

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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 REQUIREMENT**  
**Request for Proposals**  
**Notary Public Services**  
**Community Development Block Grant – Disaster Recovery**  
**Community Development Block Grant – Mitigation**  
**Puerto Rico Department of Housing**  
**CDBG-DRMIT-RFP-2022-15**

insurance coverage requirements shall be deemed the sole responsibility of the Main Contractor.

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

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.

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

**D. 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.

**DESCRIPTION OF THE SERVICES:**

**PROFESSIONAL SERVICES**  
**CDBG-DRMIT-RFP-2022-15**

**Notary Public Services**  
**Community Development Block Grant – Disaster Recovery**  
**Community Development Block Grant – Mitigation**

October 7th, 2022  
Date

*Sonia Damaris Rodriguez*  
Sonia Damaris Rodriguez  
Insurance Specialist  
CDBG-DR Program



## ATTACHMENT F

### 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.

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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.

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#### 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.

### 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.

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### 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;



- (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.

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.

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#### **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.

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**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.

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**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 24 C.F.R. §578.95; 24 C.F.R. §570.489(g) and (h); and 24 C.F.R. §570.611, 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.

## 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.

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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 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).

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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.

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#### **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.

## **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.

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## **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 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.

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- 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, 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.

#### **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).

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.

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- 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 Exec. Order No. 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 Exec. Order No. 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 Exec. Order No. 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.

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 5 C.F.R. Part 919 Subpart E and 24 C.F.R. Part 58 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 24 C.F.R. Part 58, 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 the 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 the 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.

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- 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, 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.
- 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

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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.

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#### **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/MIT 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).

#### **46. UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT (URA)**

Every project funded in part or in full by Community Development Block Grant – Disaster Recovery (**CDBG-DR**) and the Community Development Block Grant – Mitigation (**CDBG-MIT**) Program funds, and all activities related to that project, are subject to the provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as amended, 42 U.S.C. § 4601 et seq., and section 104(d) of the Housing and Community Development Act of 1992, as amended (HCDA), 42 U.S.C. § 5304(d), except where waivers or alternative requirements have been provided by the U.S. Department of Housing and Urban Development (HUD). The implementing regulations for URA are at 49 C.F.R. Part 24, and the regulations for section 104(d) are at 24 C.F.R. Part 42, subpart C. Additionally, HUD has established regulations specific to CDBG/MIT-funded housing activities at 24 C.F.R. § 570.606. PRDOH has also established the Uniform Relocation Assistance Guide & Residential Anti-Displacement and Relocation Assistance Plan (URA & ADP Guide) which provides guidance and requirements regarding URA compliance and minimizing displacement that are applicable to all CDBG-DR/MIT programs. The

primary purpose of these laws and regulations is to provide uniform, fair, and equitable treatment of persons whose real property is acquired or who are displaced in connection with federally funded projects.

When CDBG-DR/MIT funds are planned, intended, or used for any activity or phase of a project and the phases are interdependent, URA applies to that activity or project. This includes any property acquisition, even if CDBG-DR/MIT funds are not used to fund the purchase, if the contract to acquire property is executed with the intention of seeking CDBG-DR/MIT funds to complete the project or an interdependent phase of the project. Contractors are responsible for ensuring URA compliance throughout the design, proposal, and implementation of any project that includes real property acquisition or displacement of residential or business occupants.

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#### **47. OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970 (OSH ACT)**

The CONTRACTOR shall comply with the Occupational Safety and Health Act of 1970 (OSH Act) as supplemented by the Department of Labor regulations. This Act created the Occupational Safety and Health Administration (OSHA). OSHA sets and enforces protective standards of safety and health in the workplace. Under the OSH Act, employers have a responsibility to provide a safe workplace.

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Employers must comply with the 29 CFR 1910 General Obligations Clause of the OSH Act. This clause requires employers to maintain their workplaces free from serious recognized hazards. This includes the adoption of safety and health guidelines and the subsequent training of the employer's workforce in these.

CONTRACTORS whose Scope of Work includes construction activities must comply with the General Clauses, and also with provisions of 29 CFR 1926 "Construction Health and Safety Regulations". It shall be a condition of any contract for construction, alteration and/or repair, including painting and decorating, that no contractor or subcontractor for any part of the contract work shall require any worker or mechanic employed in the performance of the contract to work in an environment or in unhealthy, hazardous or dangerous working conditions to their health or safety.

#### **48. FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA)**

The Federal Funding Accountability and Transparency Act of 2006 (**FFATA**), as amended, was signed with the intent of reducing wasteful government spending and providing citizens with the ability to hold the government accountable for spending decisions. 2 C.F.R. § Part 170 outlines the requirements of recipients' in reporting information on subawards and executive total compensation under FFATA legislation. Any non-Federal

entity that receives or administers Federal financial assistance in the form of grants, loans, loan guarantees, subsidies, insurance, food commodities, direct appropriations, assessed and voluntary contributions; and/or other financial assistance transactions that authorize the non-Federal entities' expenditure of Federal fund, is subject to these requirements. Prime contract awardees and prime grant awardees are required to report against subcontracts and subgrants awarded in the FFATA Subaward Reporting System (FSRS), the reporting tool for Federal prime awardees. This information reported will then be displayed on a public and searchable website: [www.USASpending.gov](http://www.USASpending.gov).

### 33. PROCUREMENT

The Uniform Guidance procurement requirements (2 C.F.R. § Part 200, Subpart D) went into effect on July 1, 2018. These requirements are applicable to CDBG-DR/MIT funded projects, or as provided by 83 Federal Register 5844 VI A(1)(b)(2) permits a state grantee to elect to follow its own procurement policy. These policies and procedures ensure that Federal dollars are spent fairly and encourage open competition at the best level of service and price.

### 34. CHANGE ORDERS TO CONTRACTS

Change orders are issued when the initial agreed-upon pricing or work to be completed requires modification. First, the CONTRACTOR must complete a Change Order Request Form. This form and supporting documentation must be delivered to the PRDOH for review. Each change order must have a cost analysis. Once the Project Manager approves the change order, it is returned to the contractor for execution. Change orders are only invoiced on the final draw and categorized as "change orders." The amount listed on the invoice must match the previously approved amount and must be cost-reasonable. The PRDOH is responsible for verifying cost reasonableness. Verification documentation for cost reasonableness becomes an attachment to the change order.

### 45. LIMITED ENGLISH PROFICIENCY

Executive Order No. 13166, signed on August 11, 2000, requires programs, subrecipients, contractors, subcontractors, and/or developers funded in whole or in part with CDBG-DR/MIT financial assistance to ensure fair and meaningful access to programs and services for families and individuals with Limited English Proficiency (**LEP**) and/or deaf/hard of hearing. Fair access is ensured through the implementation of a Language Assistance Plan (**LAP**), which includes non-English-based outreach, translation services of vital documents, free language assistance services, and staff training. Vital documents are defined as depending on the importance of the program, information, encounter,

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or service involved, and the consequence to the LEP person if the information in question is not provided accurately or in a timely manner.

#### **46. PERSONALLY IDENTIFIABLE INFORMATION**

In accordance with 2 C.F.R. § 200.303, regarding internal controls of a non-Federal entity, a grantee must guarantee the protection of all Personally Identifiable Information (PII) obtained. The program will enact necessary measures to ensure PII of all applicants is safeguarded as to avoid release of private information. If a contractor or employee should experience any loss or potential loss of PII, the program shall be notified immediately of the breach or potential breach.

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#### **51. PROCUREMENT OF RECOVERED MATERIALS**

A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors 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 Environmental Protection Agency (**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 \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$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.

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**END OF DOCUMENT**



## ATTACHMENT G

### CONTRACTOR CERTIFICATION REQUIREMENT

#### PARTNERS LEGAL SERVICES, PSC

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

1. The expected subcontractor(s) in connection with the contract<sup>1</sup> is (are) the following:

Partners Legal Services, PSC currently does not sub-contractors for this project.

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 the 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

<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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any public official or employee in connection with the procurement, negotiation, or execution of the contract, in contravention of applicable law.

6. In compliance with Executive Order No. 2021-029 and CC 013-2021, the Contractor certifies as of the date hereof, that it is in a contractual relationship with the following entities of the Government of Puerto Rico: is a sub-tier subcontractor under the Title Clearance program of the Department of Housing of Puerto Rico under Contract CDBG-2020-DR0019.

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<sup>4</sup> The Contractor also certifies that said entities are all the entities of the Government of Puerto Rico with which they maintain a contractual relationship. In addition, the Contractor recognizes and accepts that omitting any information regarding any current contractual relationship with any governmental entity could result in the termination of this agreement if so, required by PRDOH.

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7. 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."**

By: *Maritza Guzman Matos*  
Position: *Managing Member*

Signature: *[Signature]*  
Date: *8/14/23*

<sup>4</sup> The Contractor is required to disclose the names of the entities of the Government of Puerto Rico with whom it has contracts until the Agreement is signed.



GOVERNMENT OF PUERTO RICO  
DEPARTMENT OF HOUSING

## ATTACHMENT H

### NON-CONFLICT OF INTEREST CERTIFICATION

#### PARTNERS LEGAL SERVICES, PSC

The CONTRACTOR certifies that:

1. No public servant of this executive agency has a pecuniary interest in this contract, subrecipient agreement, 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, 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 his or her family unit, or for any other person, business, or entity, something 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.

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

Signature

Maritza Guzmán Matos

Printed Name

Date

8/14/2023

Position

Managing Member

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